NH INVESTMENT & SECURITIES



Sustainable Finance, Growing Together

2026 INTEGRATED REPORT

ABOUT THIS REPORT

NH Investment & Securities (NHIS) began publishing Sustainability Reports in 2018, and has issued Integrated Reports combining its Annual Report and Sustainability Report since 2021 to foster deeper engagement with stakeholders. These reports present NHIS's key activities, achievements, and strategic priorities.

Reporting Standards

This report was prepared in accordance with the Global Reporting Initiative (GRI) Standards. To address key issues associated with industry-specific characteristics, this report discloses sustainability issues that may bring financial impact on NHIS's operations in line with the disclosure topics of the Investment Banking & Brokerage and Securities industries set out by the SASB (Sustainability Accounting Standards Board) as well as TCFD (Task Force on Climate-related Financial Disclosures) recommendations and in reference to the IR Framework of the IIRC (International Integrated Reporting Council).

Independent Assurance

This report was assured by DNV, an independent third-party assurance provider, to establish the credibility and completeness of the reporting process and the data contained herein. For details on the assurance engagement and assurance findings, see page 130-131 of this report.

Reporting Period and Boundary

This report covers the period from January 1 to December 31 of 2025, with certain performance data extended to the first quarter of 2026. The reporting scope encompasses NHIS's domestic operations, including the head office, centers and branches, with partial data from subsidiaries NH Futures and NH Hedge Asset Management. Environmental performance data is principally limited to the head office, with centers, branches and overseas operations included where relevant.

Forward-looking Statements

This report may contain forward-looking statements relating to future situations as well as present and past perspectives. Investors should be aware that actual outcomes may differ materially from those expressed or implied in such statements and are advised not to place undue reliance on this information. Unless required by applicable laws or regulations, NHIS assumes no obligation to update any forward-looking statements in light of new information, future events, or other development.



COVER STORY

This design expresses transparent finance and sustainable growth. The glass-textured 'N2' typography symbolizes clarity of information, accountability, and trust, giving visual form to the transparency and trust at the heart of ESG. The blue-based light blue gradient reinforces a forward-looking, clean image while preserving brand identity. A restrained white background and clean layout deliver the message with clarity, conveying both a sense of trust and the report's refined quality.

INTERACTIVE USER GUIDE

This report is published as an interactive PDF with in-document navigation links.

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2026 NH Investment & Securities Integrated Report

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CEO Message

NHIS achieved record-high performance since its founding, posting operating profit of KRW 1,420.6 billion and net profit of KRW 1,031.5 billion in 2025, driven by balanced growth across its core businesses — Retail, Investment Banking (IB), Wholesale, Asset Management, and Outsourced Chief Investment Officer (OCIO).



Dear Valued Stakeholders,

On behalf of all our employees, I would like to extend my sincere gratitude for your continued trust and unwavering support for NH Investment & Securities (NHIS).

In 2025, NHIS delivered its strongest-ever financial results since its founding, driven by balanced growth across all core businesses, including Retail, Investment Banking (IB), Wholesale, Asset Management, and OCIO.

The fact that we achieved this landmark performance not by relying on any single business segment, but across the full breadth of our operations, is a testament to the step-change in our organizational competitiveness.

Yet, a truly sustainable company cannot be defined by financial performance alone. Sustainability in its truest sense is realized only when we grow together with the society and environment we are part of, and alongside all our valued stakeholders.

President & CEO, NH Investment & Securities

Shin Jae-Wook **Bae Kwang-Soo**

We will accelerate client-centric financial innovation.

Clients are the starting point of everything we do. By harnessing AI innovation as the core driver of growth, we will continuously advance our investment intelligence services and digital platforms while fostering an environment where individual clients can make better-informed investment decisions. Even as the financial landscape evolves rapidly, we will put client trust first to enhance the quality of our services across the board, and further cement our leading position in the capital market by achieving a sustainable ROE of 12% by 2028.

We will drive sustainability in our own distinctive ways in partnership with agriculture.

Going beyond sustainability management, we continue to drive what remains a first-of-its-kind initiative in the industry — separately measuring and disclosing the value created by agriculture. Rather than merely engaging in corporate social responsibility efforts, we are committed to quantifying the real shared value we generate with the farming communities and rural region that form our roots. Through sustained initiatives that deliver on-the-ground impact — from tailored, lifecycle-aligned support for farmers to the ag-tech youth startup program and the establishment of an agri-food startup investment fund — we will broaden the reach of financial support that truly meets the needs farmers and local communities.

We will pioneer the green financial ecosystem.

Climate action is not a choice we make — it is a responsibility we carry. With a goal of deploying KRW 5 trillion in green finance from 2021 through 2030, we are progressively scaling up our commitments. Through underwriting and investing in ESG bonds including green bonds, managing green credit, and launching an entrusted carbon credit trading service, we are channeling the power of capital markets towards a low-carbon economy. We remain committed to further strengthening our financial solutions to support corporate clients in their transition to environmentally sustainable operations.

> We believe that the more we grow, the more broadly we should contribute — and that is the path we are committed to walking.

We will build trust backed by transparent governance and accountable management.

Governance is the backbone of corporate trust. Grounded in our robust, Board-centered governance, we will disclose all aspects of our management with full transparency, and extend our accountability beyond financial risks to encompass non-financial risks including climate change. We will continuously advance our disclosure framework in alignment with global standards — and rather than resting on our recognized achievements with CDP, UNGC and others, we will hold ourselves to even higher standards of accountability in business conduct.

We will drive inclusive finance that reaches those left behind.

We are deeply aware of the impact that finance has on society. As a member of NongHyup Financial Group, we regard it as our inherent obligation to extend the benefits of finance to those who have not yet been reached. We will enhance financial accessibility for financially underserved populations and provide meaningful support to help small business owners and vulnerable groups achieve economic independence.

Dear Stakeholders, Having achieved the most remarkable results in our history, we feel a deeper sense of purpose: the more we achieve, the broader our responsibility to give back. As we grow, so too must our commitment to the people and communities that make our success meaningful. We look forward to growing alongside each of you, every step of the way.

Once again, we are deeply grateful for your continued support.

Part 1.

DESIGN THE GREEN, **FINANCE THE FUTURE**

Where Accountability Meets Ambition – Our Path to Net Zero

2050 Net Zero Roadmap[1)]

2022-2024

Net Zero Phase 1

2022
Establish a carbon emissions management framework
Establish a climate change performance management framework

2023
Join and implement K-RE100

2024
Operate a financed emissions measurement and management system

2025-2030

Net Zero Phase 2

2025
Set mid-to long-term net zero targets for operational and financed emissions
Introduce a green credit management process

2026
Introduce a transition finance management framework and operating process

2030-2040

Net Zero Phase 3

2030
Scope 1·2
- 42% reduction in operational emissions(vs. 2022)
- 35% in K-RE100 implementation rate

Scope 3
- 31.1% reduction in financed emissions (vs. 2023)

2040
Scope 1·2
- Net Zero operational emissions (vs. 2022)
- 100% in K-RE100 implementation rate

2040-2050

Net Zero

2050
Scope 3
- Net Zero financed emissions(vs. 2023)

1) Subject to change in accordance with national net zero plans and the sustainability management strategic direction of NHIS and NongHyup Financial Group

Net Zero: Beyond Declaration, to the Essence of Finance

As a responsible investor leveraging the influence of finance to drive the low-carbon transition of the real economy, NHIS is accelerating its journey toward Net Zero by 2050. Our commitment to net zero extends well beyond environmental stewardship: it is embedded as a core pillar of our investment and asset management strategy, fostering a sustainable financial ecosystem in which clients and society grow together. We will progressively reduce operational emissions while transitioning to renewable energy, lowering our carbon footprint across our entire financial portfolio.

An Unbroken Commitment: Carrying Net Zero Forward

Net zero is not a destination — it is an enduring obligation. NHIS continues to take decisive action — progressively reducing operational emissions, scaling the transition to renewable energy, and managing carbon impact across our entire financial portfolio. Reflecting deeply on what finance can and must do, NHIS will press forward on the path to net zero without pause.

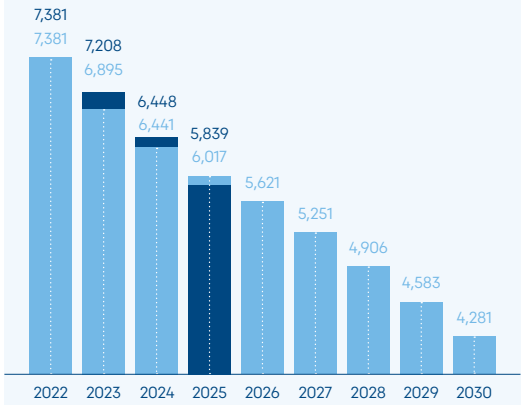
Operational Emissions (Scope 1·2): Targets & Metrics[1)]

Target Actual Unit: tCO_2eq

Reduced by an additional

178 tCO_2eq

against the 2025 target of 6,017tCO_2eq



1) Based on market-based emissions

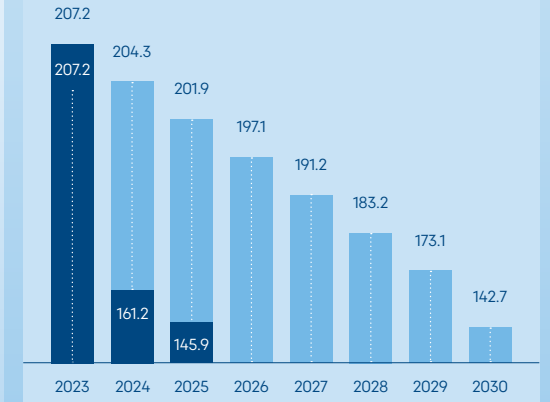
Financed Emissions (Scope 3): Targets & Metrics

Target Actual Unit: 10,000 tCO_2eq

Reduced by an additional

560,000 tCO_2eq

against the 2025 target of 2.019 million tCO_2eq

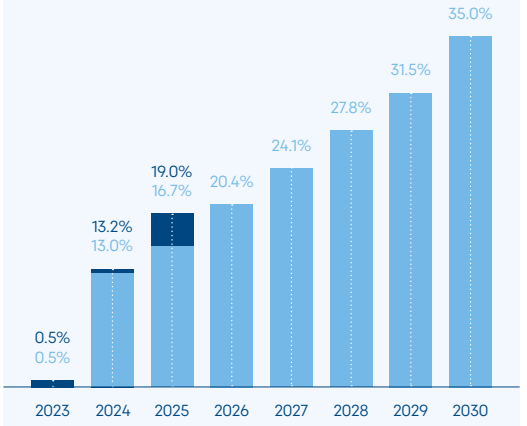


K-RE100 Implementation: Targets & Metrics

Target Actual

Exceeded the 2025 target of 16.7%

by **2.3**%p





Part 2.

BRING GROWTH **TOGETHER**

Beside Every Farmer, Driving Change Together

N2: Creating Change on the Ground, Sharing Results Together

Walking alongside farmers at every turn of life, NHIS supports them in tune with the rhythms of their daily realities. From a young farmer's first venture to the stable livelihood of older farmers, we reach those who need financial support most — before they have to ask. Harnessing technology-enabled innovation and expanding smart farming, we translate on-the-ground change into tangible growth, building the future of farming together with those who work the land.

Action Plan for Agricultural and Rural Community Support (2026~2030)

Plan 1 Offering lifecycle-tailored support

- 2026: Donate children's goods, Hope Tree Scholarship, rural community refrigerator support
- 2027~2028: Identify and develop new initiatives using the joint cooperation fund
- 2029~2030: Review additional contributions to the mutual cooperation fund and identify new programs

Plan 2 Nurturing future farmers

- 2026: Expand support for young farmers' digital sales channel development program
- 2027~2028: Strengthen the discovery and sharing of best practices in farming settlement
- 2029~2030: Review new support programs for young farmers

Plan 3 Cultivating new agricultural businesses

- 2026: Host the AFPRO (Agri & Food Tech Startup Rising Expo), support Ag-tech Youth Startup Campus
- 2027~2028: Review support for AI-driven agri-food ecosystem development
- 2029~2030: Identify and support programs to advance the agri-food ecosystem through cutting-edge technology

Plan 4 Disseminating scientific farming technology

- 2026: Support the deployment of entry-level smart farm systems
- 2027~2028: Review programs for new agricultural technology dissemination
- 2029~2030: Identify agricultural innovation technology dissemination programs and establish and operate a consultative body

Ag-tech Youth Startup Campus (3-year Cumulative)

Startups identified (teams)

27

Aligned with NH affiliate pilot programs (teams)

13

Agri-food business expansion (teams)

3





Unlocking the Potential of Tomorrow's Agriculture, Cultivating It Together in the Field

The future of agriculture begins where technology meets people on the ground. A sustainable agricultural ecosystem is possible only when startups, investment, and technology dissemination work in concert. NHIS creates a platform where startups and investors connect through the AFPRO (Agri & Food Tech Startup Rising Expo), and supports the journey from ideation to demonstration through the Ag-tech Youth Startup Campus. Leveraging the NH Ag-tech Inclusive Innovation Fund and the Hope Agriculture Innovation Fund, NHIS fosters the conditions for promising companies to grow, while deploying entry-level smart farm systems to bring cutting-edge technology directly to where farming happens.

Ag-tech Business Investment Fund Formation

Hope Agriculture Innovation Fund 2024 (KRW billion)

51.1

cross-NongHyup Ag-tech Inclusive Innovation Fund 2022 (KRW billion)

53

AFPRO (3-year Cumulative)

Participating companies (companies)

705

Average satisfaction(%)

89.7

Visitors(persons)

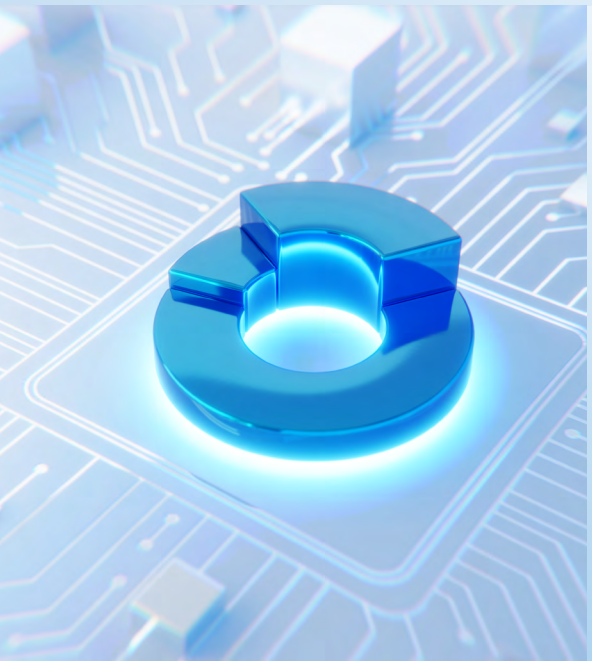
26,706

Part 3.

AI&DIGITAL-DRIVEN INVESTMENT **INTELLIGENCE**

Redefining the Edge — Intelligent Investing Powered by AI and Digital





N2: From Information to Conviction — Investing with Confidence

In a rapidly evolving market, NHIS goes beyond raw information — we deliver data- and AI-driven insights that investors can understand and act on. We read market dynamics, distill signal from noise, and empower investors to make decisions they can stand behind.

Reading Complex Markets, Supporting Investor Judgment

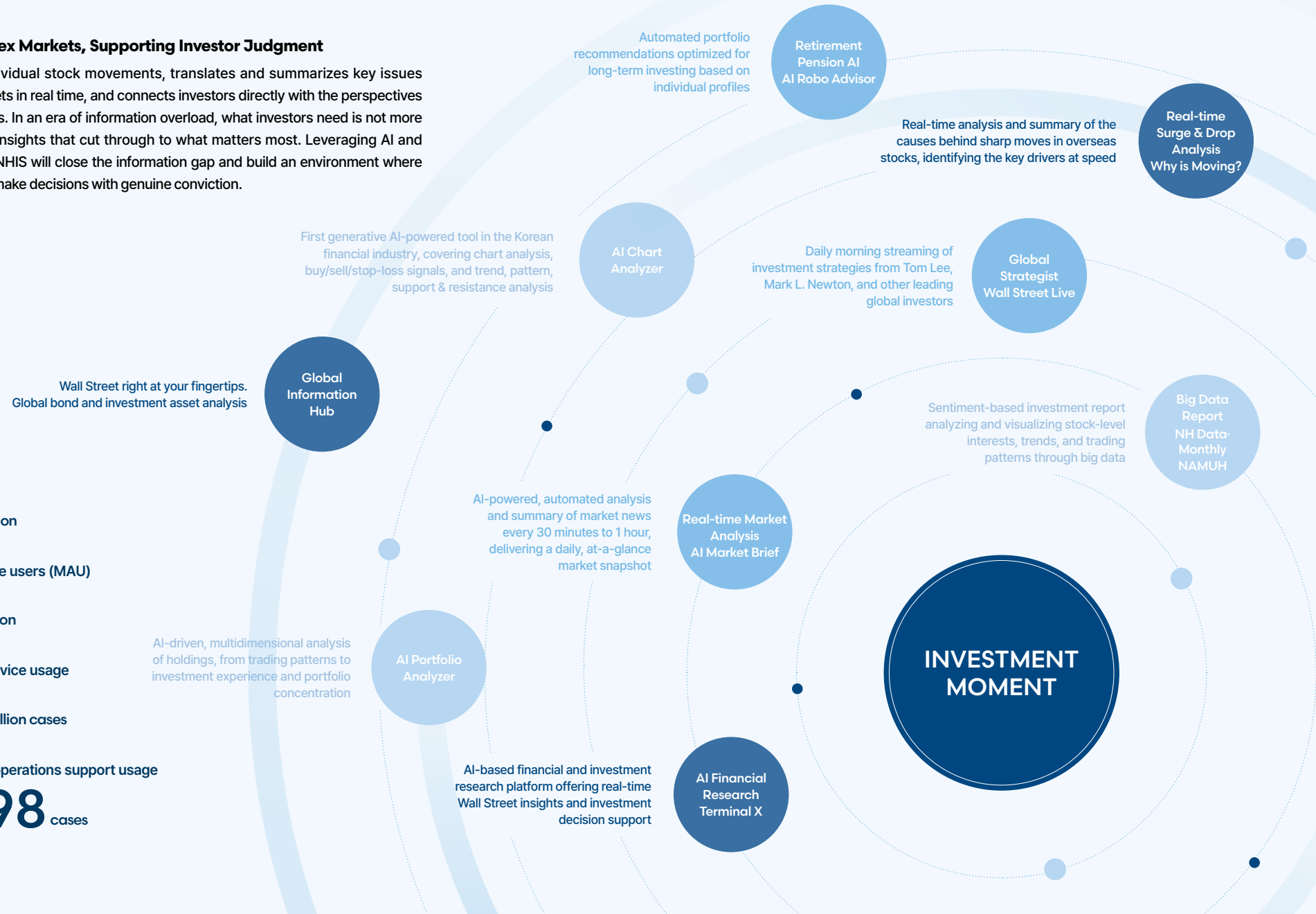
NHIS analyzes individual stock movements, translates and summarizes key issues across global markets in real time, and connects investors directly with the perspectives of overseas analysts. In an era of information overload, what investors need is not more data — they need insights that cut through to what matters most. Leveraging AI and digital technology, NHIS will close the information gap and build an environment where every investor can make decisions with genuine conviction.

Digital clients
5.71 million

MTS monthly active users (MAU)
2.71 million

AI-based client service usage
8.02 million cases

AI-based internal operations support usage
62,498 cases



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Company Profile

Company Profile

Since its founding in 1969, NH Investment & Securities (NHIS) has grown alongside its clients, with an unwavering focus on putting clients first. Built on this foundation, we have established ourselves as one of Korea's leading comprehensive financial investment firms, with a strong competitive presence across all business divisions. As we navigate an ever-changing financial landscape, we remain committed to delivering differentiated services and comprehensive portfolios to lead the capital market as a premier financial investment institution.

Key Financial Metrics

As of the end of Dec. 2025

Total assets
KRW 83.3854 trillion

Pre-tax income KRW 1.3477 trillion	Total equity KRW 9.4381 trillion
Net income KRW 1.0315 trillion	Operating income KRW 1.4206 trillion

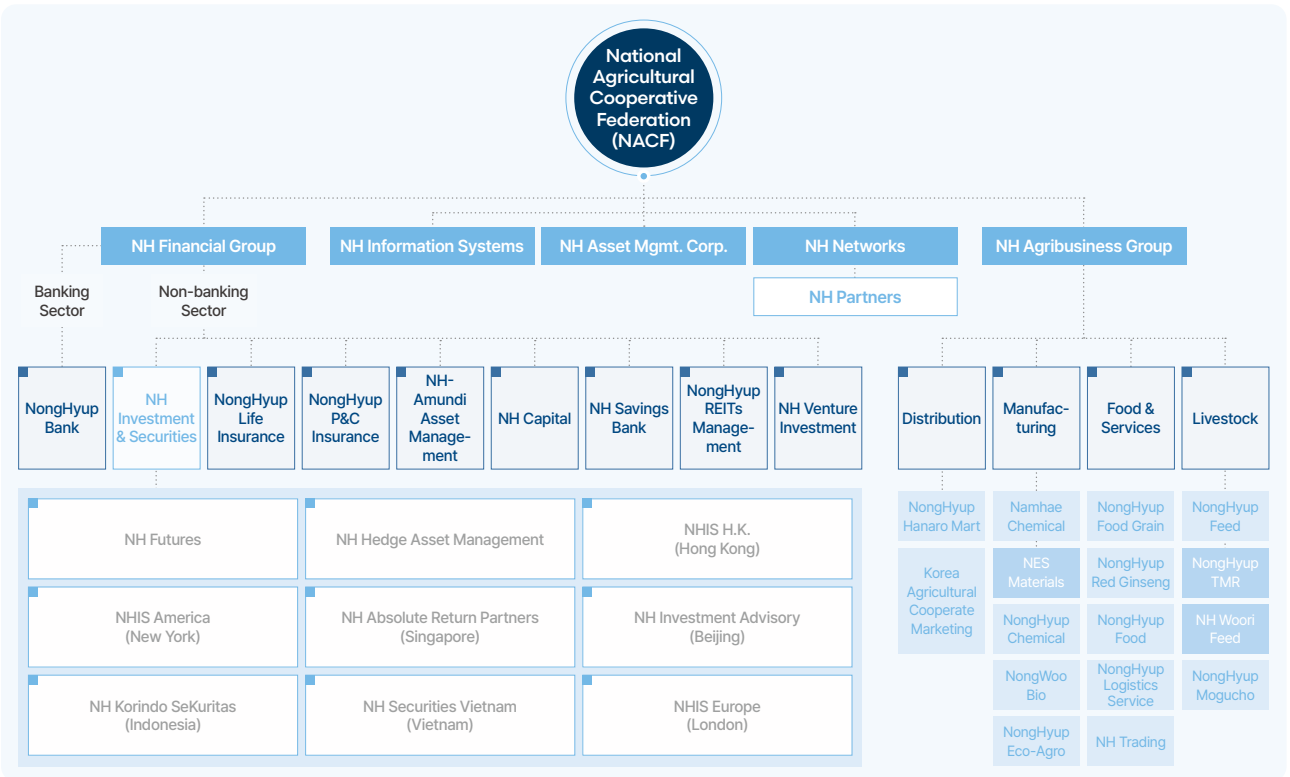
Shareholder Structure

As of the end of Dec. 2025



NH Financial Group: Overview and Organization

As Korea's representative cooperative led by farmers, NongHyup has continuously refined its organization and business structure since its founding to contribute to the advancement of the nation's agricultural community and industry. In March 2012, the National Agricultural Cooperative Federation separated its credit and economic operations, restructuring the business into NH Financial Group and NH Agribusiness Group. NH Agribusiness Group supports a wide array of economic activities — from production and distribution to processing and consumption — to ensure farmers can fully focus on their farming work, while NH Financial Group has positioned itself as Korea's leading financial institution, offering a broad range of financial services while securing stable funding and returns.



Company Profile

History

1969-2000

- Jan. 1969 • Established Hanbo Securities
- Jul. 1975 • Merged with Sengbo Securities, renamed into Daebo Securities
- Nov. 1983 • Merged with Lucky Securities, renamed into Lucky Securities
- Mar. 1995 • Renamed into LG Securities
- Oct. 1999 • Merged with LG Merchant Bank, renamed into LG Investment & Securities

2001-2019

- Dec. 2004 • Change in largest shareholder (LG Group → Woori Financial Group)
- Apr. 2005 • Merged with Woori Securities, renamed into Woori Investment & Securities
- Jun. 2014 • Change in largest shareholder (Woori Financial Group → NH Financial Group)
- Dec. 2014 • Merged with NH Securities, Launched NH Investment & Securities
- Jan. 2015 • Issued new shares of NH Investment & Securities
- Apr. 2015 • Declared the NH Investment & Securities Vision
- May 2015 • Completed IT integration with Woori Investment & Securities
- Dec. 2015 • Achieved ISMS (Information Security Management System) certification
- Jan. 2016 • Launched QV as a multifaceted wealth management service
- Apr. 2016 • Completed the integration of HR systems and labor unions
- Jul. 2016 • Acquired a 10% stake in K-bank, an online bank
- Aug. 2016 • Launched the industry's first hedge fund in Korea (NH Absolute Return 1)
- Aug. 2017 • Named Good Securities Firm by Consumers (Korea Finance Consumer Federation)
  • Launched NAMUH (industry's first mobile-based wealth management brand) and provided a lifetime free trading offer
- Nov. 2017 • Named a mega-sized IB (KRW 4 trillion and more in shareholders' equity)
- Jan. 2018 • Acquired a 100% stake in the Vietnamese subsidiary
- Jun. 2018 • Obtained a license by FSC to run a short-term financing business
- Jul. 2018 • Commenced issuing promissory notes
  • Selected as the exclusive OCIO for the National Housing and Urban Fund by the Ministry of Land, Infrastructure and Transport
- May 2019 • Declared a new brand vision Investment Culture Creator
- Nov. 2019 • Ranked 1st in the securities category of the KCSI Survey
- Dec. 2019 • Established NH Hedge Asset Management as a hedge fund management subsidiary

2020-2026

- Feb. 2020 • Signed an MOU for digital innovation and AI application with Kakao Enterprise
- Apr. 2020 • Established the UX Design Lab Center with KAIST
- May 2020 • Opened Culture Salon as a multi-cultural space embodying our brand vision
- Jul. 2020 • Signed an MOU to conduct joint research on MyData use with the graduate School of Data Science, Seoul National University
- Aug. 2020 • Introduced Kakao Pay Certification
- Oct. 2020 • Launched PB Service for high net-worth clients (over KRW 3 billion)
- Dec. 2020 • Launched Open Banking Service
- Mar. 2021 • Opened NH Super Stock Market as a popup store for millennial/Gen Z clients
- Nov. 2021 • Signed an MOU with Timo, the largest internet bank platform in Vietnam
- Dec. 2021 • Received the Presidential Award at the Korea Digital Management innovation Awards / Achieved KRW 1 trillion in annual operating income
- Apr. 2022 • Established NHIS Europe as a subsidiary in London
- May 2022 • Re-selected as the 3rd-time OCIO for the National Housing and Urban Fund by the Ministry of Land, Infrastructure and Transport
- Aug. 2022 • Launched the Tax Center
- Oct. 2022 • Commenced fund custody business
- Dec. 2022 • Launched NH All-One Account as an integrated wealth management platform
- Feb. 2023 • Launched STO Vision Group as an inter-company security token council
  • Became the industry's 1st to provide 24/7 US stock trading services
  • Became the industry's first to launch the Direct Indexing service
- Apr. 2023 • Opened Seed as an app tech investing service as the industry's first to do so
- Aug. 2023 • Launched Investment Contract Securities All-in-One Service to support fractional investment businesses
- Sept. 2023 • Signed an MOU with Instinet Europe, a global securities brokerage firm / Formed a consortium for security token offerings
- Nov. 2023 • Opened non-listed stock trading services / Became the industry's first to open the TAX Platform
- Dec. 2023 • Changed the dividend record date (determine dividend amounts first before setting the record date)
- Feb. 2024 • Launched NHSV Pro as a new MTS at the Vietnamese subsidiary
- Apr. 2024 • Launched N2, Night as a brand pop-up store
- Jun. 2024 • Launched the Master's Pick Service
- Jul. 2024 • Received the Financial Innovation Grand Prize with our YouTube channel Investment Log-in at the 2024 Social i-Awards
- Sept. 2024 • Launched ChaBoon-i as the financial industry's first chart analysis service powered by generative AI
- Oct. 2024 • Became the industry's first to become a member of Alta Exchange, Southeast Asia's largest digital securities exchange for alternative investments
- Dec. 2024 • Became the industry's first to sign an MOU to establish an AI industry-academia cooperation center
- Feb. 2025 • Signed an MOU with Perplexity to introduce AI-powered investment information services
- Mar. 2025 • Became the first in the industry to launch Client Choice for Capital Gains Tax Reduction on Overseas Stock Investments
  • Established the Internal Control Committee
- Sept. 2025 • Rebranded trading system from QV to N2
- Oct. 2025 • Signed an MOU with the Global Green Growth Institute (GGGI) to support overseas market entry for climate tech companies
- Nov. 2025 • Launched the industry's first entrusted carbon emissions trading service
- Jan. 2026 • Developed NHICS, the first Korea-specific industrial classification system in the securities industry
- Mar. 2026 • Designated as an IMA (Investment Management Account) operator

Company Profile

Global Network

Since planting its first flag in New York in 1992, NHIS has steadily extended its reach across the globe, with eight locations in operation as of end of 2025. What began as an equity brokerage operation has since grown into a diversified global business spanning IB, overseas bonds, global product sourcing, and international equity brokerage, through close collaboration with its head office divisions.

Leveraging its digital capabilities, NHIS is expanding its influence across Southeast Asian markets including Vietnam and Indonesia. In July 2024, its Singapore subsidiary made history as the first institution in Asia to be selected by the UN Green Climate Fund (GCF) as an authorized fund establishment and management entity, marking a significant step forward in its global investment ambitions. Building on its differentiated global competitiveness, NHIS will continue to pursue both quantitative and qualitative growth in its international business, cementing its standing as a top-tier securities firm with a globally recognized competitive edge.

Global Network Profile

Unit: KRW 100 million/person[1]

Location			2023	2024	2025
New York (US)	1992	Local subsidiary	484/16	753/18	1,179/21
Hong Kong	1994	Local subsidiary	7,934/30	9,679/30	9,884/30
Shanghai (China)	1996	Representative office	-/2	-/2	-/1
Singapore	2008	Asset management company (subsidiary)	43/5	51/7	49/8
Jakarta (Indonesia)	2009	Local subsidiary	416/176	470/162	425/197
Hanoi (Vietnam)	2009	Local subsidiary	717/109	784/117	1,464/112
Beijing (China)	2011	Local subsidiary	88/7	94/7	90/7
London (UK)	2022	Local subsidiary	367/7	403/6	401/6

1) Equity (KRW 100 millions) / Headcount (persons) by year

New York, USA
- Equity sales
- GET(Global Equity Trading platform)
- Global product sourcing
- IB deal sourcing

London, UK
- IB/PI
- Global product sourcing

Hanoi, Vietnam
- Local Brokerage
- IB/PI

Singapore
- Hedge fund sourcing/management
- Alternative investment product sourcing/management

Jakarta, Indonesia
- Local Brokerage
- IB/PI

Beijing, China
- IB deal sourcing/advisory

Seoul, Korea
- Head Office

Shanghai, China
- Local research/IB deal support

Hong Kong
- IB/PI
- Fixed Income S&T
- GET(Global Equity Trading platform)
- Equity Sales
- Global product sourcing



AT A GLANCE

Financial Review

Building on its strong business competitiveness, NHIS continues to deliver stable financial performance. We are broadening our points of contact with clients through our domestic and overseas business locations, while maintaining a high credit rating that reinforces market confidence. The economic value we create is shared with a wide range of stakeholders—including employees, shareholders, creditors, the government, and local communities—laying the foundation for sustainable growth.

As of the end of Dec. 2025

Establishment
January 1969



Employees
3,133 persons

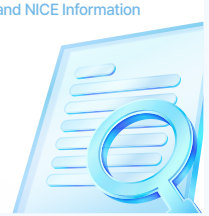


Domestic Locations
56 sites
(including 2 branches)

Overseas Locations
8 sites
(including 1 representative office)



Credit Ratings
Moody's A3
S&P A-
AA+ in Korea
Korea Investors Service, Korea Ratings, and NICE Information Service



Taxes Paid

Tax Policy Overview

Unit: KRW 100 million

Category	2023	2024	2025
Profit and loss before tax	7,207.3	9,248.6	13,477.4
Corporate income taxes paid in cash	1,539.3	1,037.5	4,370.4
Corporate income taxes arising from current profit and loss	1,676.8	2,382.2	3,162.4

Economic Value Creation and Distribution

Unit: KRW 100 million

Category			2023	2024	2025
Economic value created and distributed	Direct economic value created	Operating income	7,257.6	9,010.7	14,205.8
	Economic value distributed[1]	Operating expenses	1,637.7	1,915.2	2,010.3
		Employee wages[2]	6,071.8	7,238.2	8,456.4
		Shareholder dividends	2,789.5	3,283.4	3,789.5
		Creditor interest payments[3]	5,234.8	5,693.4	6,362.2
		Government taxes[4]	1,676.8	2,382.2	3,162.4
		Local community investments	67.0	65.8	295.1

1) Restated 2022-2023 figures to reflect the inclusion of operating expenses and change in calculation methodology
2) Wages, retirement benefits, voluntary retirement payments, and employee welfare expenses
3) Actual cash interest paid for financing (interest on borrowings, bonds, and issued notes), excluding accounting expenses and returns on client assets
4) Corporate income taxes

Business Overview

Wealth Management Division

Business Overview

The Wealth Management (WM) Division provides wealth management solutions for retail HNW[1] and UHNW[2] clients, leveraging the expertise of our PB-led advisory services. The Division operates five head offices — including four regional head offices and the Premier Blue Head Office specializing in UHNW clients — along with 54 centers and 2 branches. Channels are tailored to client profiles and regional dynamics, spanning large-scale financial centers and regional hub centers.

Large-scale financial centers focus on specialized wealth management for HNW and UHNW clients. The signature Family Office service integrates traditional wealth management with IB-linked advisory and addresses non-financial needs such as business succession planning and tax optimization. As of 2025, the cumulative number of families using Family Office services reached 224, up 177 from 2022.

Regional hub centers deliver community-based wealth management services for Affluent and Mass-market clients. Through life-long financial education programs such as the 'Longevity Academy – Special Lectures by Opinion Leaders', these centers continue to grow in tandem with the communities they serve.

Business Approach

NHIS is further strengthening its wealth management services for HNW and UHNW clients. Alongside expanding Family Office services and hosting VIP client events, we have established a team-based advisory framework anchored in an in-house specialist network spanning Retail Advisory, IB, Wholesale and OCIO[3] functions. This enables strong product competitiveness across special-offering products such as IMAs, government bonds, issued notes, and RPs, while reinforcing wealth management operations through high-caliber PB expertise.

In the corporate segment, NHIS is transitioning from short-term product sales toward comprehensive financial solutions. The newly established corporate sales support team has built a structured corporate finance consulting and marketing capability, offering tailored solutions for the diverse needs of corporations and their owners. By applying AI to repetitive and routine tasks, we are freeing PBs to focus on higher-value activities and deepen their expertise.

As of the end of Dec. 2025

Family Office services cumulatively provided to
224 families
Up 177 families from 2022

Total client assets
KRW 235.5 trillion

Clients with KRW 100 million or more
101,512 persons

1) High Net Worth (HNW) individuals refer to those who maintain liquid assets above a certain threshold as defined in the financial services industry
2) Ultra High Net Worth (UHNW) individuals refer to those who possess investable financial assets worth at least KRW 3 billion
3) OCIO (Outsourced Chief Investment Officer) refers to an asset management service in which various investment decisions involved in portfolio management are entrusted to external professionals

Digital Division

Business Overview

The Digital Division operates the Digital Product Group and the Digital Wealth Management Group to navigate the market shift toward digital channels. The Digital Product Group is responsible for service planning, UI/UX enhancement, and content development for platform clients, with Squad teams driving rapid product development and validation. The Digital Wealth Management Group provides personalized investment consultations, with its functions divided between client acquisition and the delivery of wealth management services. The digital planning department develops and implements client and pricing strategies, underpinning a data-driven operational framework.

The Digital Division offers a suite of innovative digital services integrating global investment intelligence with AI technology: Seeking Alpha for investment portfolio diagnostics and international research reports; Terminal X, an AI-powered information platform; Wall Street Live delivering investment insights from Wall Street professionals; Investment Champions League sharing investment strategies from digital advisors; and community-based services. Together, these offerings transform the client investment experience and financial lifestyle.

Business Approach

The Digital Division is advancing four strategic priorities to stay ahead of a rapidly shifting market and evolving client expectations. As Squad Year 1, a Squad-format organization has been established to embed agility in responding to market shifts. We are also pursuing a two-track AI strategy: bringing AI-powered experiences to clients through readily available commercial services while concurrently conducting technical validation and deployment of AI One Product components. AI technology is further being harnessed to deliver hybrid services that create synergies between digital media and digital advisors, broadening service coverage and quality. Finally, a device-agnostic cross-platform strategy is being deployed to evolve the platform into one that unlocks entirely new investment experiences for clients.

As of the end of Dec. 2025

Digital clients[1]
5,718,994 persons

NAMUH MTS clients in their 20's and 30's
45.6%

1) Cumulative number of non-face-to-face clients for NAMUH/N2

Business Overview

Investment Banking Division/ Real Estate & Infrastructure Finance Division

Business Overview

The Investment Banking (IB) Division provides comprehensive corporate financing solutions, including capital raising, acquisition financing, IPO execution, and M&A advisory. As of end of 2025, the Division continued to rank among the top in both the Debt Capital Market (DCM) and Equity Capital Market (ECM) league tables, earning its place as the trusted partner of choice for domestic companies built on years of accumulated expertise and a deep-rooted client base.

Real Estate & Infrastructure Finance Division is cementing its standing as a leading player in both domestic and global alternative investment markets, leveraging its deep expertise in alternative asset sourcing. Despite the sustained downturn in the real estate market in 2025, the Division assembled a broad deal portfolio spanning residential and non-residential assets, delivered total solutions across the full spectrum of real estate finance. In green finance, the Division is broadening its renewable energy investment footprint through a bridge loan for a solar power developer in Texas, a solar farm financing in Dangjin, Korea, and an equity investment in an Australian distributed power provider. As a General Partner (GP) for real estate blind fund management, the Division has fully deployed its inaugural fund while advancing fundraising for its second and third funds, accelerating of its business franchise.

Business Approach

The IB Division is reinforcing its market position in DCM — a traditional area of strength — while proactively responding to the re-rating of the domestic equity market with a focused effort to restore and expand ECM competitiveness. In alignment with the current financial policy landscape, the Division is stepping up its role as a provider of venture capital to innovative companies in AI, semiconductors, and deep tech, as well as small and mid-sized enterprises. Over the medium-to-long-term, the Division will sharpen its competitive edge as a fully integrated IB platform encompassing ECM, DCM, acquisition financing, and M&A.

Real Estate & Infrastructure Finance Division will build a solutions platform to stay ahead of the competition in securing high-quality deals, while establishing a robust pipeline in domestic and international renewable energy and resource recycling. By delivering end-to-end financing and advisory solutions across the full spectrum of alternative assets, the Division will cement its standing as a market leader in alternative investment.

As of the end of Dec. 2025

Ranking in lead arrangement for financial bonds
30.9%(market share) No.1

Ranking in lead arrangement for corporate bonds SB
18.1%(market share) No.2
* Excluding ABS and FB

Ranking in rights offering lead underwriting
38.4%(market share) No.1
Rose from 2nd place in 2024 to 1st

Ranking in IPO arrangement
14.1%(market share) No.3
Rose from 4th place in 2024 to 3rd place

Investment Division

Business Overview

The Investment Division offers optimal products to clients by leveraging its strong trading capabilities. It comprises four groups: the Global Fixed Income (FI) Trading Group, Client Solution Group, Strategic Trading Group, and IMA Trading Group.

The Global FI Trading Group handles bond-related businesses including bond trading and brokerage, and was reorganized into dedicated departments for client-oriented and proprietary trading, ensuring stable and specialized execution tailored to the characteristics of each fund. The Client Solution Group focuses on derivative-linked securities such as ELS and DLS, as well as over-the-counter derivatives including swaps[1], overseeing the entire lifecycle of these products from structuring and pricing to client distribution and pay-off strategy execution. The Strategic Trading Group invests in a broad spectrum of financial products, including equities and mezzanine instruments, through proprietary accounts, along with issued notes and retirement pension ELB funds. The Group also leverages its market network to source promising investment opportunities while executing effective exit strategies in parallel. The IMA Trading Group is dedicated to the design and management of IMA products.

Business Approach

The Investment Division pursues above-benchmark returns and strategic asset allocation to improve medium-to-long-term asset management profitability and build a robust and disciplined investment framework. The Division deepens its asset class-specific expertise to build systemic investment capabilities and seeks stable long-term performance grounded in disciplined investment principles.

While supplying products ranging from issued notes to retirement pension ELBs to IMAs, the Division continues to deliver competitive products leveraging its capabilities in derivative-linked instruments with varied payout structures, maintaining its industry-leading position. By participating in the carbon credit trading market, the Division is staking out a competitive position and capturing returns in this nascent market. Serving as NHIS's unified FX[2] hub, the Division is fostering FX-related businesses including currency exchange services. With a general currency exchange license secured, the Division is reinforcing its presence in the FX market through transaction-based services and broadening its offerings to include night-time FX services.

In 2026, the Investment Division is poised to mark a pivotal year by extending its investment capabilities to clients, complementing its established Sales & Trading business with a sharpened focus on maximizing investment returns through optimized asset portfolio management.

As of the end of Dec. 2025

Sales and trading of fixed income
KRW 19.5 trillion

Brokerage of KRW-denominated bonds for foreign investors
KRW 21.7 trillion
Increased over 73% from 2024

FX/CRS[3]/IRS[4] trading balance
KRW 12.9 trillion
Increased nearly 226% from 2024

1) Swap: A type of over-the-counter derivative product traded directly between two parties without going through an exchange
2) FX (Foreign Exchange): Financial instruments based on foreign currencies
3) CRS (Currency Rate Swap): A contract where two parties exchange cash flows in different currencies
4) IRS (Interest Rate Swap): A contract where two parties exchange fixed and floating interest rate

Business Overview

Wholesale Division

Business Overview

The Wholesale Division serves as NHIS's flagship institutional business platform, delivering comprehensive solutions to an extensive network of client ranging from major public and private asset management firms, pension funds and mutual aid associations, insurers and banks, as well as long-only funds, hedge funds, and global investment banks overseas.

The Institutional Coverage Group is responsible for a wide range of brokerage services and financial product sales targeting domestic and international institutional clients — including domestic equity, DMA trading, overseas equity, and overseas derivatives — and has cultivated deep industry relationships built on years of trusted partnerships. The Passive Solution Group delivers diverse solutions across the equity market, with a particular focus on market-activating functions such as ETF liquidity provision, arbitrage trading, and KRX market-making. The Prime Brokerage Group offers a suite of tailored services for private equity funds and professional institutional investors, encompassing exclusive PBS contracts, entrusted sales, and credit extension, as well as swap transactions, securities lending and borrowing brokerage, and fund custody.

Business Approach

The Wholesale Division has maintained a solid competitive edge underpinned by its extensive network of domestic and international institutional investors, stable operating infrastructure, and years of accumulated expertise in specialized solutions. Second, we are pursuing a two-track strategy to build sustainable competitiveness in AI services: delivering immediate AI experience to clients through commercial AI services while concurrently conducting technical validation and deployment of AI One Product components.

The Division's foremost objective is establishing a growth framework centered on key clients. By deepening transactional relationships with priority clients, the Division aims to build a stable, long-term revenue structure while enhancing the delivery of differentiated solutions tailored to the specific needs of each institutional investor. The Division will also leverage its integrated platform — combining PBS, securities lending, and custody capabilities — to expand partnerships with asset managers and drive sustained growth in key AUM.

In the ETF sector, the Division plans to improve operational efficiency through systematic enhancements while strengthening alignment with existing businesses to generate greater intra-platform synergies. Additionally, AI and data-driven operational advancement (AX) has been identified as a key execution priority: the Division will embed AI across major business processes and establish a data-driven decision-making framework to reinforce competitive strengths across all business operations.

As of the end of Dec. 2025

Assets in custody

KRW 25.8 trillion

Increased by 72% from 2024

PBS hedge fund AUM[3] ranking

KRW 30.4 trillion

Increased by 51% from 2024

No.1

1) PBS (Prime Brokerage Service): Financial services provided by securities firms to support their clients' investments
2) A business that borrows stocks or bonds from lenders and brokers them to borrowers
3) AUM (Assets Under Management): Value of all financial assets managed by a financial institution on behalf of its clients

OCIO Division

Business Overview

The OCIO (Outsourced Chief Investment Officer) Division is exclusively responsible for managing and servicing client assets. It operates through two core functions: an investment arm that directly manages portfolio execution, and a marketing arm dedicated to client acquisition and servicing. Drawing on a broad range of investment capabilities and extensive experience across diverse asset classes, the Division provides stable OCIO services to a wide range of clients, including major government funds such as the National Housing and Urban Fund, public institutions, mutual aid associations, general corporations, and Family Offices.

In the second half of 2025, the Trust Group was incorporated into the Division, deepening the breadth of its integrated client asset solutions. Beyond large mandates, the Division offers customized solutions that address the investment needs of small and mid-sized businesses, Family Office clients, and HNW individuals, cementing its reputation as a premier platform in Korea's capital market.

Business Approach

In line with the expanding OCIO market, NHIS is committed to strengthening its marketing and investment execution capabilities, challenging the status quo of an industry long dominated by asset managers. In 2025, the Division won three out of five competitive bids and was selected as the sole OCIO provider by the Korea Financial Investment Association and the Community Chest of Korea, demonstrating its competitive edge against traditional asset managers.

NHIS seeks to expand its AUM, enhance its investment capabilities, and maximize in-house synergies to build a sustainable foundation for future revenue growth. While reinforcing marketing efforts for fund-type OCIO and expanding client acquisition for general-type OCIO to accelerate AUM growth, the Division is expanding into new segments such as general corporations and HNW clients whose investment needs differ from those of public institutions. Beyond OCIO, the Division leverages the integrated asset solutions of the Trust Group to maximize excess returns through optimized asset allocation, while swiftly adapting to the shifting market landscape to minimize volatility and sustaining a superior competitive edge over traditional asset managers.

As of the end of Dec. 2025

Assets under trust

KRW 41.5 trillion

Value of our OCIO portfolio

KRW 10.3 trillion

Value Creation Process

NHIS is dedicated to enhancing stakeholder value across every dimension of its business, while taking responsible action to drive positive change for society, the environment, and the world at large.

Financial Capital

- Total assets KRW 83.3854 trillion
- Shareholders' equity KRW 9.4381 trillion
- Controlling shareholders' equity KRW 9.4333 trillion

Human Capital

- Number of employees 3,133 persons
- New hires 158 persons

Intellectual Capital

- Industry-academia partnership in AI 3 projects
- Securing external digital capabilities (industry-academia cooperation, MOU) 5 companies / KRW 19.9 billion

Social Capital

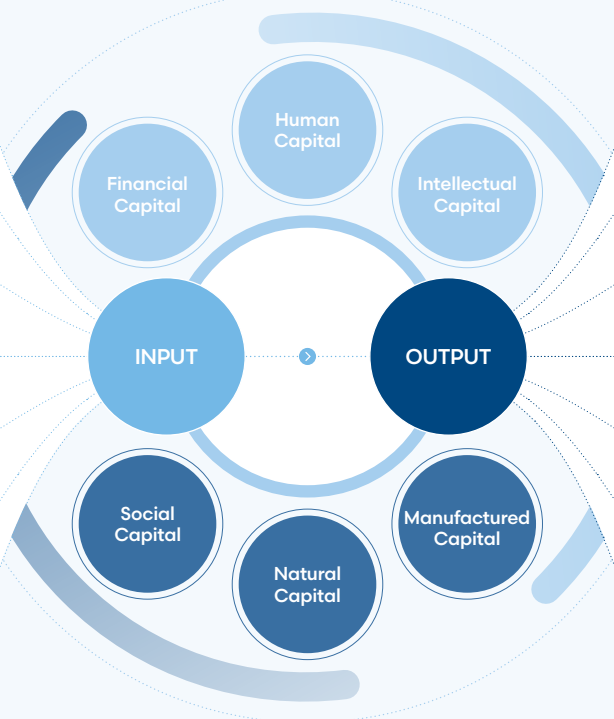
- Participants in CSR initiatives 24 farms supported
- Crowdfunding to support young farmers 24 farms
- Live commerce to support young farmers 16 farms

Natural Capital

- TNFD membership (Mar, 26)
- 2040 goal under K-RE100

Manufactured Capital

- Domestic centers 56 locations (including 2 branches)
- Overseas subsidiaries 8 local subsidiaries (including 1 representative office)



Financial Capital

- Net income KRW 1.0315 trillion
- Controlling shareholders' net income KRW 1.0316 trillion
- Dividends paid to shareholders KRW 487.8 billion
- Interests paid to clients KRW 1.0154 trillion
- Corporate taxes paid KRW 316.2 billion

Human Capital

- Average training hours per employee 71 hours
- Percentage of women employees 43.0%
- Percentage of women managers 35.4%

Intellectual Capital

- Terminal X: Operating an AI-enabled financial/investment research platform 202,654 users
- Number of digital clients 5.719 million
- Usage of AI-powered client services 8.023 million cases
- Launching new digital services 7 services

Social Capital

- CSR expenses KRW 25.3 billion
- Farm sales via crowdfunding KRW 125 million
- Farm sales via live commerce KRW 28 million

Natural Capital

- Officially opening an entrusted trading system for K-ETS
- Selected as Asia's first GCF Climate Technopreneurship Fund Manager

Manufactured Capital

- Capital expansion KRW 8.1 trillion in 2024 → KRW 9.4 trillion in 2025
- Opening financial centers 1 Sejong NH Finance PLUS Center opened

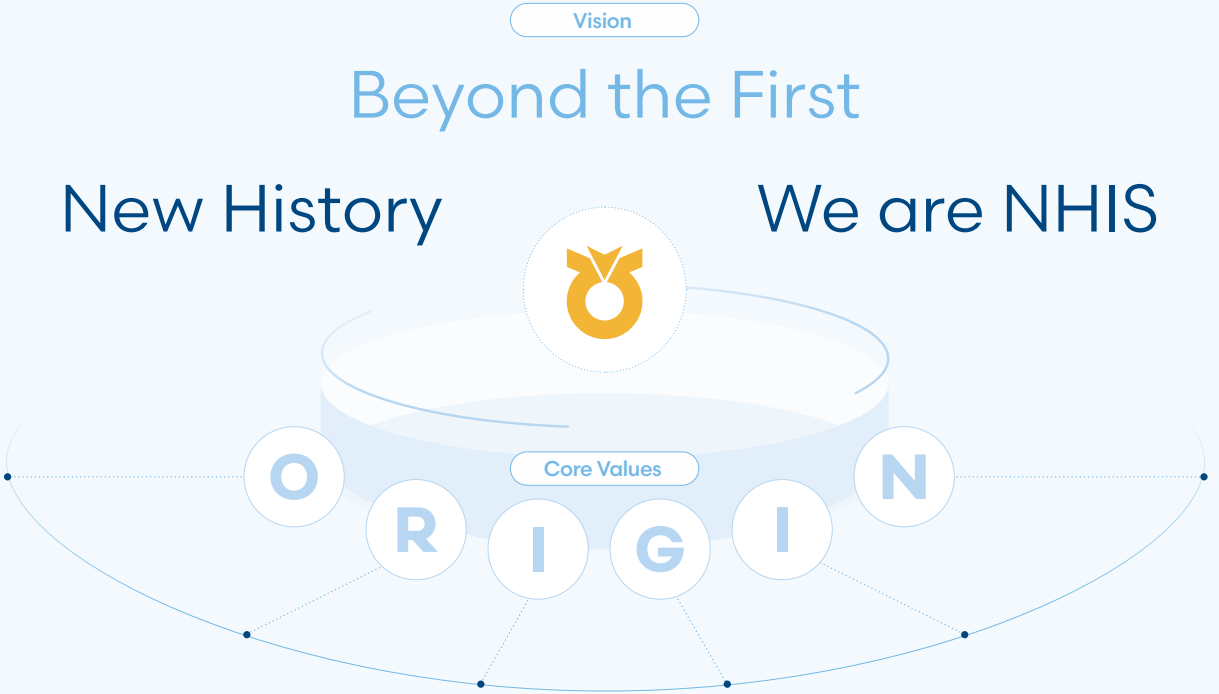
VISION&STRATEGY



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Vision & Core Values

In April 2015, one year after our relaunch as NH Investment & Securities, we unveiled our core value 'ORIGIN' alongside our new vision 'Beyond the First, New History, We are NHIS'. ORIGIN is an acronym representing Orientation, Responsibility, Innovation, Global, Intelligence, and Networks, embodying our collective commitment to defining new standards in every role and serving as the benchmark in the capital market. By conducting business with integrity, we build lasting trust with our clients, delivering client satisfaction through creative innovation and deep financial expertise, and pursuing continuous business expansion to create greater value and shape a new legacy for the future.





Orientation	Responsibility	Innovation	Global	Intelligence	Networks
Our clients' interests always come first	We build trust through strong responsibility	We innovate through creative thinking	We create opportunities through global perspective	We provide financial solutions based on superior expertise	We work together to generate synergy

Sustainability Framework

Sustainability Governance

NHIS operates a three-tiered sustainability management framework that organically links Board-level oversight to working-level implementation. The ESG Committee under the Board of Directors sets company-wide policy direction; the Sustainability Council reviews execution plans and key issues; and the ESG Group and its ESG Department systematically manage the implementation of individual priorities. Through this seamlessly connected framework spanning strategy to execution, NHIS pursues the substantive integration of sustainability management throughout its operations.

Sustainability Governance Structure

As of the end of Mar. 2026



ESG Committee

The ESG Committee is responsible for setting strategic directions for sustainability management and overseeing related policies. The Committee receives regular updates from the Sustainability Council on key initiatives and progress, with its deliberations reported to the Board of Directors and reflected across overall management.

In 2025, the ESG Committee comprised two outside directors and one non-executive director, and convened three times with a 100% average attendance rate. The Committee reviewed key issues including net zero target-setting, climate risk analysis, and green finance, and made necessary decisions. Through this process, the Committee assessed the overall direction of sustainability management and monitored the progress of its implementation. In 2026, the Committee was restructured to comprise three outside directors.

ESG Committee Meetings Held in

Date of Meeting	Agenda
Apr. 24, 2025	• Appointment of ESG Committee Chair • Approval of mid-to-long-term net zero targets • 2025 ESG materiality assessment results
Aug. 28, 2025	• Climate scenario analysis results • 2025 integrated report publication • Information security disclosures results
Nov. 27, 2025	• Carbon finance business updates • Green credit management guidelines implementation results

Sustainability Council

The Sustainability Council, a working-level consultative body comprising senior management and external specialist members, is responsible for reviewing execution plans for key priorities and providing expert perspectives on current issues.

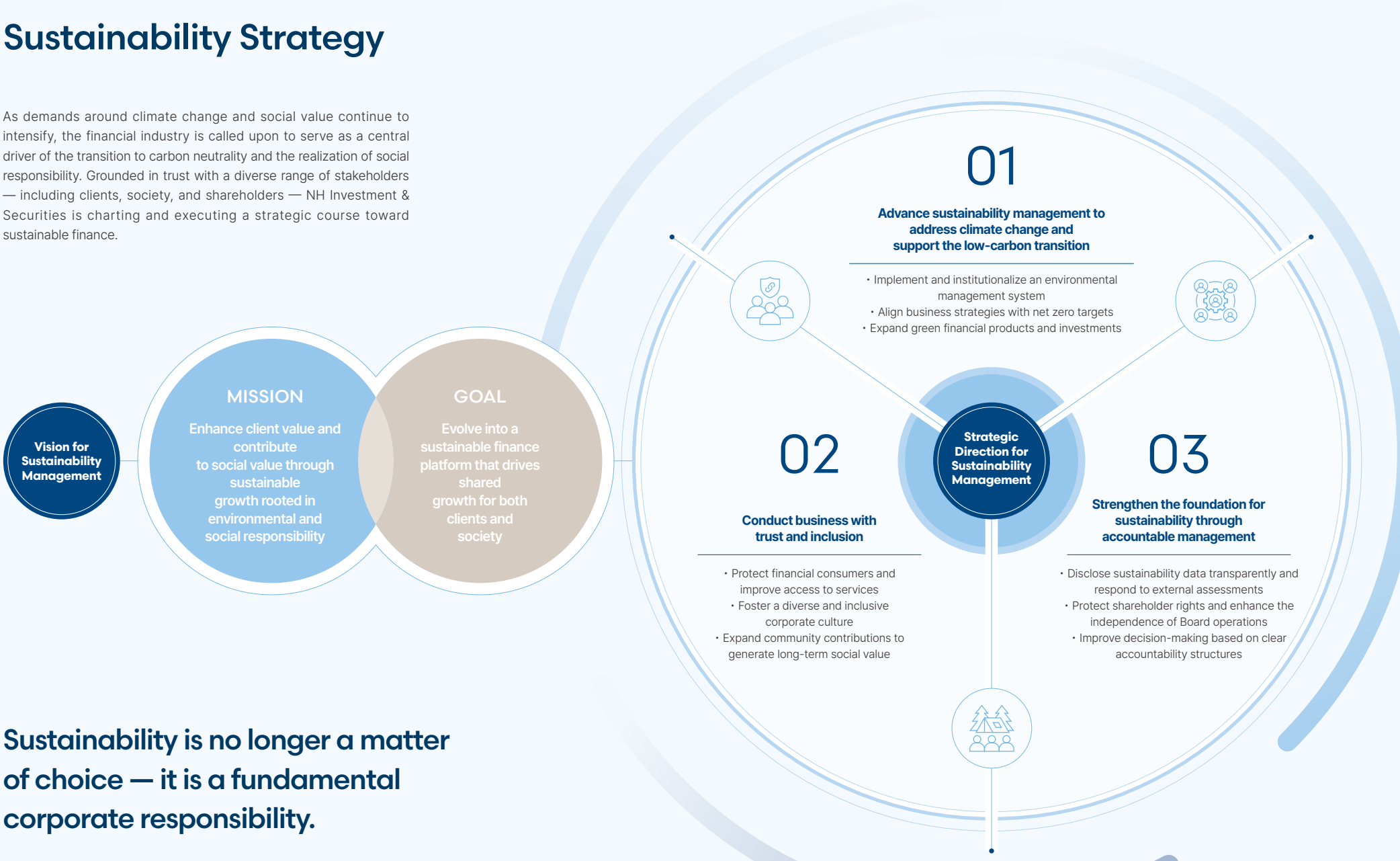
In 2025, the Council convened three times. It reviewed mid-to-long-term net zero targets and climate scenario analysis results in advance to sharpen implementation directions, and assessed the preparedness of external disclosure deliverables including the Integrated Report and information security disclosures. The Council also held in-depth discussions on green finance issues — including carbon finance business and green credit management guidelines — to strengthen the foundation for implementation.

ESG Group

In 2024, NHIS established the ESG Group under the Management Administration Division to elevate its sustainability management capabilities. The ESG Department and the Public Relations Office were placed under the ESG Group to strengthen external communications, while the Social Contribution Group was reorganized under the ESG Department to tighten the alignment between social responsibility efforts and sustainability operations. This restructuring reflects NHIS's resolve to embed sustainability management as a core function deeply integrated into overall management, rather than treating it as a standalone agenda.

Sustainability Strategy

As demands around climate change and social value continue to intensify, the financial industry is called upon to serve as a central driver of the transition to carbon neutrality and the realization of social responsibility. Grounded in trust with a diverse range of stakeholders — including clients, society, and shareholders — NH Investment & Securities is charting and executing a strategic course toward sustainable finance.



Sustainability is no longer a matter of choice — it is a fundamental corporate responsibility.

Sustainable Growth

Sustainable Growth

Beyond 12% ROE: Positioning the Earnings Structure for Sustainable Growth

Management Goal

Reshaping the Business Structure to Sustain an ROE of 12%

Strategic Pillars

STRATEGY 1. Unlocking the full growth potential of core businesses

Clearly define the core growth axis of each business line and channel high-growth momentum directly into company-wide ROE improvement



01 Retail
- Expand the earnings base through sustained growth of key clients by channel

02 IB
- Scale book-based businesses including acquisition financing, proactively capture opportunities arising from corporate restructuring, industry realignment, and strategic M&A

03 Investment
- Strengthen client flow business to secure a stable revenue base against market volatility, diversify products and clients

04 Wholesale
- Expand institutional AUM and solutions business, maximize sales efficiency through concentrated resource allocation toward key institutional clients

STRATEGY 2. Accelerating a client asset-driven virtuous cycle

Establish a dual virtuous cycle of client asset-based management and cross-selling



01 Virtuous cycle of asset management and investment returns
- Leveraged management of client assets→ Expanded profit volume
- Strong management performance → Reinflow of client assets
- Further AUM expansion based on the reinflow of client assets

02 Virtuous cycle of cross-selling
- Client asset inflow→ Secured core client base
- Stronger client base → Accelerated cross-selling
- Cross-selling → Expanded fee income and client acquisition

STRATEGY 3. Securing capabilities that underpin sustainable growth

Accelerate AI-driven management and business innovation in response to technological evolution, advance internal controls and financial consumer protection amid evolving regulations



01 AI Transformation
- Embed AI across company-wide operations, sales, and risk management
- Respond to the shifting competitive landscape driven by accelerating AI adoption across domestic and global financial institutions
- Establish a framework for AI integration throughout management and business operations

02 Advancement of internal controls
- Advance toward a technology-driven, always-on, prevention-focused framework
- Enhance the credibility of internal controls and a culture of compliance across the organization

03 Reinforcement of financial consumer protection
- Overhaul governance in alignment with regulators' heightened focus on consumer protection
- Establish a consumer protection-centered framework through enhanced evaluation systems and CCO authority

Mid-to-Long-Term Performance & Corporate Value

Governance

Board Governance for Enhanced Corporate Value

Prioritizing capital efficiency and shareholder value enhancement as the backbone of business operations, the Board of Directors oversees the entire corporate value improvement cycle from planning to execution.

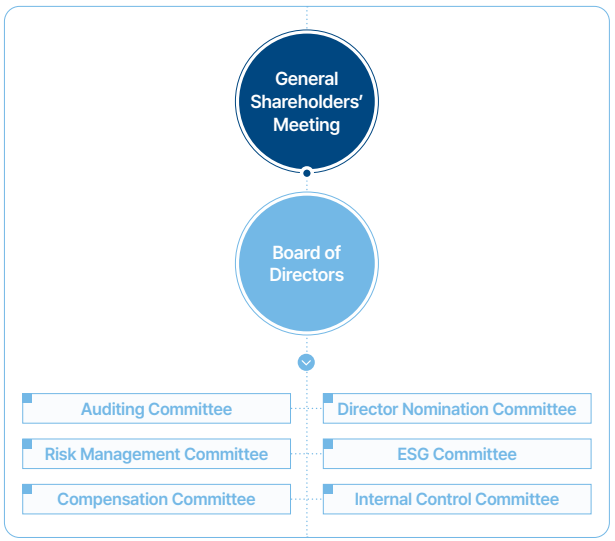
Through its six specialized committees, the Board rigorously deliberates on key agenda items including risk management, remuneration adequacy, and sustainable management. The separation of the CEO and Board Chair roles further reinforces management transparency.

Approach to Corporate Value Enhancement

Value-up Program Overview

To strengthen shareholder value through strategic capital allocation, NHIS is restructuring its business portfolio around three core business: Investment Banking (IB), Wealth Management (WM), and Investment. Building on IB's market leadership, NHIS is deepening organic alignment between WM and Investment operations to establish a stable revenue structure, with a target of achieving a sustainable ROE of 12% and PBR of 1x by 2028. The Board oversees the execution of this strategy, ensuring that financial targets and shareholder return policies are consistently embedded throughout all business operations.

NHIS Governance



Governance Framework for Corporate Value Enhancement

Credit Rating
AA+
(3 domestic rating agencies)

Outside Director Ratio
71.4%

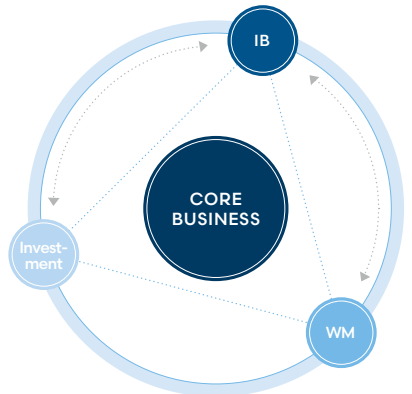
Outside Director Training
10 Sessions/year

Establishment of Internal Control Committee

Separation of CEO and Board Chair

Business Portfolio Optimization

IB
- Maintain market leadership in traditional corporate finance, pioneer high-value advisory services
- Strengthen role as an end-to-end real estate lifecycle service provider



Investment
- Scale AUM on the back of WM growth while sustaining stable profitability
- Enhance product competitiveness through sales channel collaboration

WM
- Leverage IB competitiveness to expand UHNW client base
- Drive new client acquisition via digital platforms, sharpen competitiveness in growth businesses (overseas equities, financial products)

New business, WS, OCIO
- Secure profitability in proportion to company and market growth

Mid-to-Long-Term Performance & Corporate Value

Strategy

Electronic Voting

NHIS remains committed to improving its shareholder disclosure and engagement practices so that shareholders are able to make informed decisions ahead of the Annual General Meeting (AGM). Notice of the meeting's purpose and agenda items is published electronically at least two weeks in advance, providing shareholders with sufficient time to review the company's operational status and key agenda items. This goes beyond mere regulatory disclosure: it reflects an operational framework designed to meaningfully enhance shareholders' access to information.

To further support shareholders in exercising their voting rights, NHIS has adopted electronic voting and proxy systems, enabling shareholders to cast their votes through multiple channels free from constraints of time or location, reinforcing shareholder rights protection and advancing participation-based decision-making.

Establishing a Transparent Disclosure Implementation System

Pursuant to Article 42 of the KOSPI Market Disclosure Regulations, NHIS has established disclosure management regulations governing the centralized management of internal information and systemic disclosure practices. In December 2025, the regulations were amended in response to the introduction of accountability chart, with disclosure responsibilities clearly defined to further advance the overall disclosure implementation framework.

The CEO assumes responsibility for the disclosure control system, while the disclosure manager leads its design and implementation, ensuring clear lines of accountability. The disclosure department conducts regular training for working-level staff across business departments to keep them well-informed of evolving disclosure obligations and regulatory changes. Through these measures, NHIS upholds accurate and timely disclosure practices and reinforces trust-based relationships with investors.

Shareholder-Friendly Dividend Practices

NHIS has improved its dividend procedures to enable investors to make informed investment decisions based on prior knowledge of dividend information. Previously, the dividend record date was set before the dividend amount was determined, making it difficult for investors to know the actual dividend in advance. To address this, NHIS amended its Articles of Incorporation to adopt a new approach whereby the dividend amount is confirmed before the record date is set.

In 2026, the revised practice was implemented by confirming the dividend amount on March 11, with March 31 designated as the record date. By disclosing the dividend amount prior to setting the record date, investors are now able to factor in dividend yields when making investment decisions, establishing a more predictable and transparent shareholder return framework.

Shareholder-Friendly Dividend Process



Mid-to-Long-Term Performance & Corporate Value

Metrics & Targets

Predictable Shareholder Return

To enhance shareholder value, NHIS has maintained top-tier dividend payout ratios and dividend yields in the industry. In December 2024, NHIS announced its corporate Value-Up Program, guaranteeing a minimum dividend of KRW 500 per share along with additional dividends tied to business performance, reaffirming its industry-leading shareholder returns.

Shareholder Return Plan

STEP 01	STEP 02	STEP 03
Provide a base dividend of KRW 500 to guarantee minimum returns even in periods of underperformance	Provide additional dividends tied to business performance to sustain best-in-industry shareholder returns	Implement share buybacks and cancellations as needed to provide shareholders with opportunities to realize capital gains

FY 2025 Dividend

Dividend Yield

4.2%

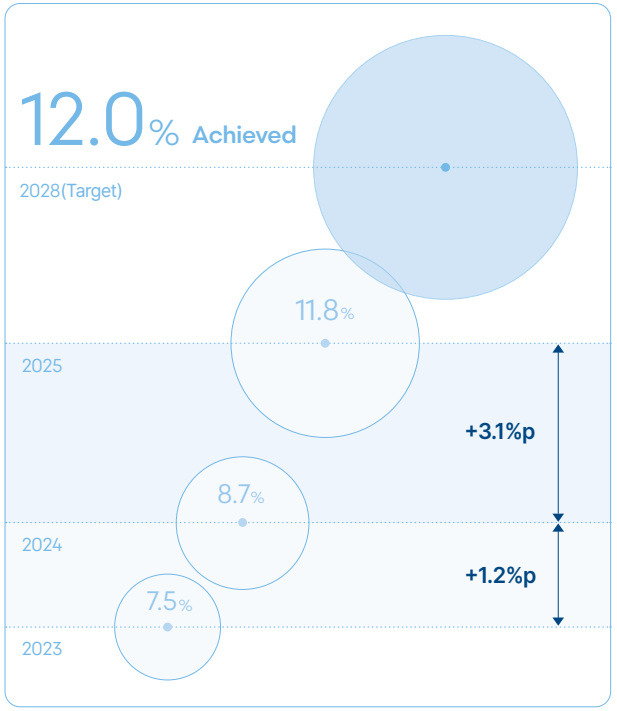
Total Dividends Paid

KRW 487.83 billion

Achieving a Sustainable ROE

Under its Value-Up Program, NHIS is realigning its business portfolio to achieve a sustainable Return on Equity (ROE) of 12%. This involves restructuring the portfolio around core businesses — IB, WM, and Investment — to meet the market-expected Cost of Equity (COE) of 10%, while pursuing a 12% ROE target by 2028 through profit contributions from new businesses and existing operations including wholesale, OCIO, subsidiaries.

ROE Performance and Target



N2, FOCUS ON

NHIS Reaches a Historic Milestone: KRW 1 Trillion in Net Income

Driven by broad-based growth across all business divisions including Retail, IB, and Investment, NHIS recorded KRW 1.4206 trillion in operating profit and KRW 1.0315 trillion in net income in 2025 — all-time highs since its founding. Operating profit grew 57.7% year-on-year and net income 50.2%, demonstrating its earnings power anchored in a well-balanced business portfolio.

Building on this performance, NHIS has set a mid-to-long-term target of achieving an ROE of 12% by 2028. From 2026 onwards, NHIS plans to embed AI-driven innovation throughout its entire business operations, advancing client analytics and risk management while enhancing operational efficiency. NHIS is also strengthening cross-organizational collaboration and building an execution-focused management framework to navigate the rapidly evolving financial landscape with agility, sustaining earnings growth and enhancing shareholder value.

Operating Profit

KRW 1.42 trillion +57.7% YoY

Net income

KRW 1.03 trillion +50.2% YoY

All-Time High Results in 2025

Embedding Responsible Investment Principles

Responsible Investment Principles

Environmental and Social Investment Policy Overview

NHIS prioritizes environmental and social impacts across its investment and business operations, incorporating sustainability considerations into the decision-making process. In accordance with its Environmental and Social Investment Policy, NHIS proactively assesses potential investments for risks such as environmental pollution or human rights violation, and evaluates their environmental and social contributions in alignment with the UN Sustainable Development Goals (UN SDGs) to determine whether they create positive value for society and markets.

For sectors that may generate adverse impacts on human health, ecosystem conservation, human rights, and ethics, NHIS applies exclusion and phased divestment criteria based on the level of impact and degree of social sensitivity. Businesses involved in inhumane weapons, new coal-fired power plants, and activities with high risk of ecosystem destruction are excluded from investment. Exposure to tobacco, gambling, animal testing, and human rights violations is being progressively reduced, taking into account their revenue composition and degree of business involvement.

Negative Screening Criteria

Category	Description	Risk Management
Weaponry	• Businesses producing, selling, or purchasing equipment intended for the purpose of capital punishment, torture, or other inhuman or cruel punishment or acts as specified in the EU Regulations on the List of Prohibited Exports	Immediate exclusion
Coal	• Projects related to the construction of new coal-fired power plants	
Risk of ecosystem degradation	• Acts that seriously affect the terrestrial ecosystem, such as illegal logging, illegal wildlife trafficking, and the development of national wildlife zones • Destruction of marine ecosystems such as fishing activities using dynamites and chemicals	
Tobacco and gambling	• Investment and businesses linked to tobacco, gambling, and adult entertainment	Gradual exclusion
Animal testing	• Investments and businesses associated with animal testing and export of live animals	
Human rights violation	• Investments and businesses involving potential risk of modern slavery and child labor	

Responsible Investment Screening Framework

The investment screening process operates as a tiered sequential workflow, with the business department, screening department, and ESG Department each playing a defined role. In accordance with the Environmental and Social Investment Policy, the business department identifies exclusion candidates through negative screening, reviews alignment with UN SDGs-based sustainability goals, and prepares an ESG checklist for submission to the credit assessment department. Projects associated with the construction of new coal-fired power plants are explicitly designated as exclusion candidates, ensuring the consistent application of screening criteria. The credit assessment department then verifies whether investments involve material issues such as environmental pollution, human rights violations, or governance risks, and assesses potential adverse impacts arising from investment execution. Where necessary, the ESG Department participates in enhanced due diligence to comprehensively analyze sustainability-related opportunities and risks and incorporate assigned ratings into investment decision-making. From 2025 onwards, external ESG ratings have been introduced as an additional reference to deepen the rigor of this screening process.

In 2025, pre-screening was conducted on a total of 297 investments, of which 55 were confirmed as aligned with the UN SDGs. Enhanced screening was performed on 26 cases where controversial issues were identified, and no investments triggered negative screening criteria.

Responsible Investment Screenings Conducted in 2025



Total Screenings
297 cases

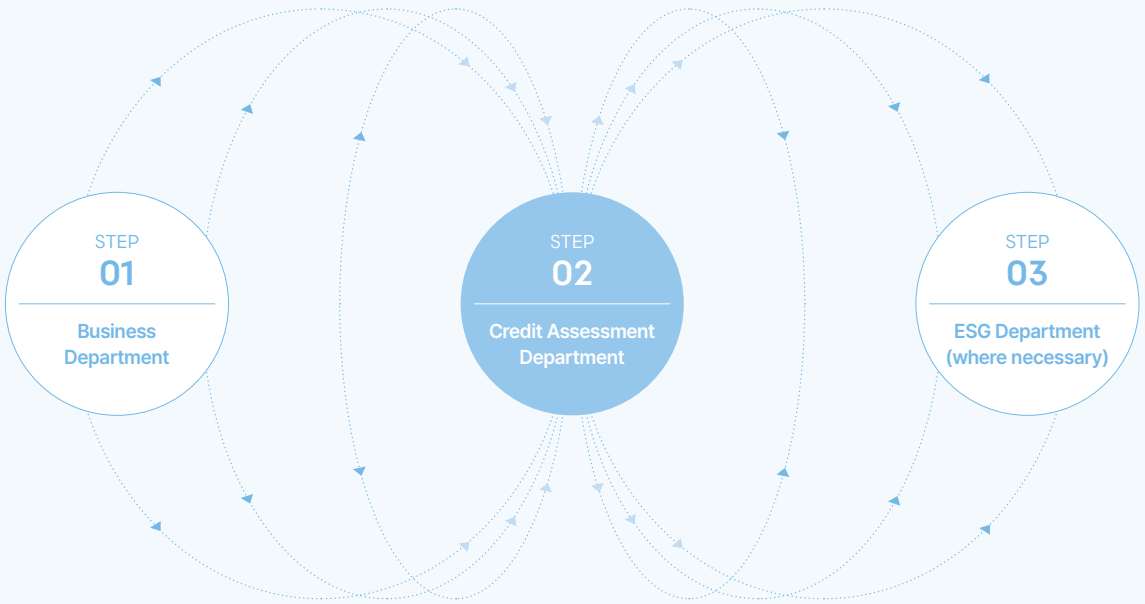
UN SDGs-Aligned
55 cases

Enhanced Due Diligence
26 cases

Embedding Responsible Investment Principles

Responsible Investment Screening Framework

Responsible Investment Screening Process



STEP 01

- Conduct negative screening in line with ESG exclusion criteria, including coal exit policy
- Review alignment with UN SDGs, with a focus on the potential for environmental and social value creation
- Document findings as an ESG checklist and submit to the credit assessment department

STEP 02

- Review ESG checklists submitted by business departments
- Verify whether investments involve material issues such as environmental pollution, human rights violations, or governance risks
- Assess potential adverse impacts arising from investment execution and the need for preemptive response

STEP 03

- Comprehensively analyze and assess sustainability-related opportunities and risks
- Negative screening: Determine investment exclusions and eligibility
- Positive screening: Verify alignment with investment objectives
- ESG level review: Quantify assessment results and assign ratings against internal criteria
- Communicate consolidated findings: Share ESG factors across departments and incorporate them into investment decisions

Green Credit Eligibility Management

In line with NH Financial Group's initiative to establish a standardized green credit eligibility assessment system, NHIS has adopted a Group-wide evaluation tool and standardized workflows across the entire process from client consultation and eligibility assessment to credit execution and follow-up monitoring. Under this framework, NHIS conducted a green credit eligibility review for a green building investment classified under the "greenhouse gas reduction" category of K-Taxonomy economic activities. The transaction involved a project finance loan for a data center development, which satisfied the green credit recognition criteria through zero-energy building pre-certification, resulting in KRW 20 billion in green credit execution.

ESG-themed Index Development

NHIS's responsible investment principles extend beyond investment screening to inform ESG index development. Leveraging its research capabilities, NHIS is integrating sustainability into asset management and trading, and became the first in the industry to publish non-financial performance analysis reports covering 15 major domestic companies.

In 2025, NHIS formed a strategic partnership with Sustinvest to develop the "iSelect Sustinvest ESG 100 Index" comprising 100 ESG-leading companies. NHIS also developed an industry index tracking the growth of the nuclear energy sector, listing three products including the TIGER Korea Nuclear ETF, which together reached approximately KRW 422.97 billion in combined AUM as of the end of 2025.

Status of Newly Listed Nuclear Power ETFs in 2025 Unit: KRW 100 million

ETF	Date of Listing	Amount
TIGER Korea Nuclear ETF	Aug. 19, 2025.	2,680
KODEX K Nuclear SMR ETF	Sept. 16, 2025	901
KODEX US Nuclear SMR ETF	Nov. 25, 2025.	648

Embedding Responsible Investment Principles

Fostering Green Finance

To support climate action and sustainable industrial transition, NHIS is strategically advancing green finance initiatives. Applying the K-Taxonomy as the classification standard for green finance, NHIS is building a track record in underwriting, arrangement and project financing for green projects that align with the six environmental objectives. NHIS has set a target of deploying KRW 5 trillion in green finance between 2021 and 2030. Through sustained expansion of financial support for carbon-neutral projects covering renewable energy, green infrastructure, and energy efficiency, cumulative deployment reached KRW 3.9345 trillion as of the end of 2025.

Cumulative Green Finance Deployment and Target unit: KRW 100 million



ESG Bond Underwriting and Investment

Since issuing KRW-denominated sustainability bonds in 2021 as the first securities firm in Korea to do so, NHIS has steadily expanded its presence across all areas of the ESG bond market — green, social, and sustainability bonds. The proceeds from this inaugural issuance were reinvested into environmental and social value creation project including renewable energy, green buildings, and job creation.

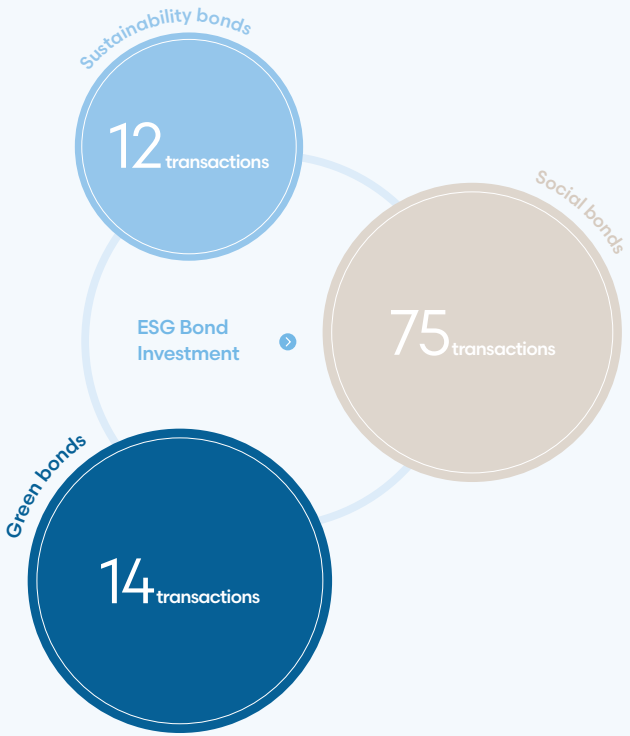
Through ESG bond underwriting, NHIS support the growth of the primary market, while its investment portfolio has expanded by approximately 57% year-on-year, steadily reinforcing its role in the ESG bond market. In doing so, NHIS leads the drive toward environmental and social value creation in the capital market, contributing to the advancement of the ESG bond ecosystem.

ESG Bond Underwriting in 2025 Unit: KRW 100 million

Bond	Amount Underwritten
Green bonds	1,290
Social bonds	2,500
Total	3,790

ESG Bond Investments in 2025 Unit: Cases, KRW 100 million

Bond	No. of Trades	Trading Amount
Green bonds	14	1,900
Social bonds	75	11,875
Sustainable bonds	12	1,700
Total	101	15,475

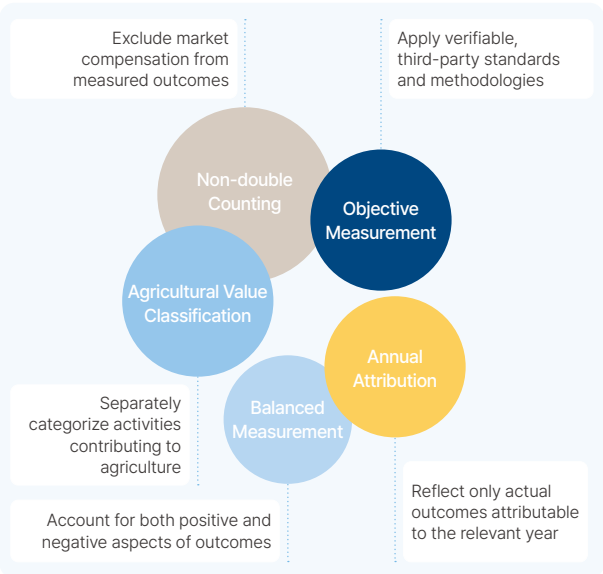


Social Value Measurement

Social Value Measurement

NHIS systematically measures the social value that it generates by quantifying the impact of its business operations on society in monetary terms. The results are not merely disclosed, but serve as key metrics incorporated into management decision-making.

5 Principles of Social Value Measurement



Domains of Social Value Measurement

Environment(E)	• Impact on the natural environment and life
Social(S)	• Impact on improving the quality of life of diverse stakeholders
Agriculture(A)	• Impact on the economic stability and growth of farmers and rural communities
Governance(G)	• Impact of business activities on the national economy

Overall Results of Social Value Measurement

In 2024, NHIS generated a total of KRW 378.2 billion in social value, with the expansion of sustainable finance, increased shareholder returns, and new social responsibility initiatives serving as the primary drivers of growth. By domain, Governance was the largest contributor, generating KRW 140.1 billion through dividends to non-controlling interests. Agriculture accounted for KRW 120.6 billion through farmer support and rural community revitalization activities, centered on agricultural support program expenditures. Social contributed KRW 72.8 billion through employee welfare, growth finance, information security, and corporate social responsibility efforts, while Environment generated KRW 44.7 billion through investment in eco-friendly technologies and green initiatives.

Total Social Value Generated

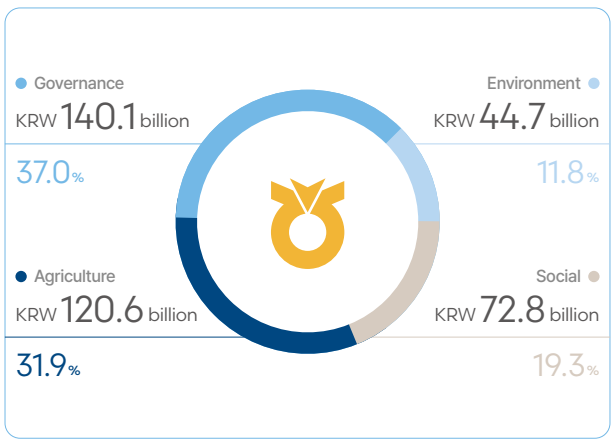
As of 2024



Total Social Value Generated

KRW 378.2 billion

Social Value Generated by Domain



Utilization of Measurement Outcomes

Social value measurement results go beyond mere disclosure, serving as key metrics that inform future management strategy. By quantifying social value through sustainability management data and ensuring its integrated management, NHIS seeks to enhance operational efficiency while advancing its measurement framework to provide reliable value metrics.

Social Value Measurement Utilization Process

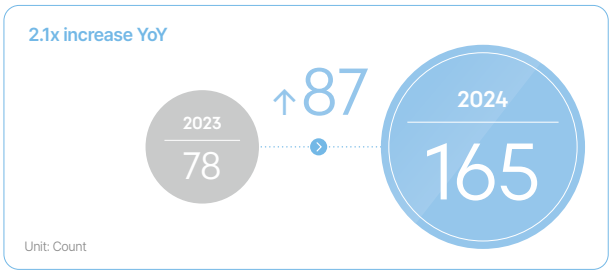
① Improve operational efficiency while minimizing duplicative reporting through integrated management of ESG data and Social Value outcomes

② Introduce a pre-screening framework for Social Return on Investment (S-ROI) at the investment and business planning stage

③ Leverage measurement outcomes as quantitative criteria in assessing material ESG issues to strengthen the objectivity of decision-making

④ Prioritize key investment areas based on measurement outcomes to support efficient allocation of corporate resources

Change in Number of Social Value Measurement Metrics



Sustainability Milestone

~2021

- Launched the ESG Team
- Established the Sustainability Council
- Published an integrated report

- Achieved ISO 37001 for anti-corruption management and ISO 37301 for compliance management
- Issued KRW-denominated ESG bonds as the first Korean securities firm
- Developed the Win-Win Bond Trust System
- Achieved Personal Information and Information Security Management System(ISMS-P) certification

2022

- Promoted the ESG Team to the ESG Department
- Launched the ESG Committee
- Declared endorsement for the TCFD
- Achieved ISO 14001 environmental management system certification

- Achieved ISO/IEC 27001 information security management system certification
- Contributed to the NongHyup ag-tech Inclusive Innovation Fund
- Recognized for excellence in achieving work-life balance by the Ministry of Employment and Labor
- Developed the iSelect-WG Green Energy ESG Index and the iSelect-WG Net Zero ESG Index

2023

- Established key ESG policies
- Launched the Carbon Finance Department
- Pursued a voluntary, biochar-based carbon credit project as the first in the industry (with 4EN)
- Signed an MOU with SK forest for a joint global GHG reduction project (high-efficiency cookstove project in Timor-Leste) Achieved ISO 45001 health and safety management system certification

- Achieved ISO/IEC 27701 privacy information management system certification
- Joined K-RE100
- First purchase of Renewable Energy Certificates (RECs)
- Named a family-friendly business by the Ministry of Gender Equality and Family
- Made equity investments in standard workplaces for the disabled: Bravo, beaver Gyeonggi and Bravo, beaver Incheon

2024

- Established the ESG Group
- Joined the CoREi (Corporate Renewable Energy Initiative)
- Selected as the exclusive participant in the emissions trading brokerage system pilot project by the Ministry of Environment
- Achieved APEC CBPR global privacy certification as the first in the securities Industry
- Selected as a market-maker for the Korean Emissions Trading System by the Ministry of Environment
- Selected as an UN Green Climate Fund manager as the first in Asia
- Donated products manufactured by standard workplaces for the disabled to vulnerable groups
- Supported cultural and arts education for a high school located in Jakarta, Indonesia

- Recognized as UNGC LEAD
- Made equity investments in Bravo, beaver Busan, a standard workplace for the disabled
- Expanded procurement through the adoption of a combined REC and Green Premium approach
- Developed the iSelect AI Electric Power Core Facilities Index and the iSelect US AI Electric Power Core Infrastructure Index
- Listed the N2 Electric Power Top5 ETN
- Received the Autism Friendly Award by the Autism Society of Korea
- Received the RDA Administrator Award at the 2024 Korea Agrifood ESG Management Awards
- Received the Grand Prize in the environment category at the 2024 ESG Awards
- Received the Excellence Award in the financial category at the Korean Readers' Choice Awards Announced the corporate Value-Up Program
- Retired treasury shares
- Invested in the Hope Agriculture Innovation Fund

2025

- Made first quantitative disclosures of a net zero roadmap and financed emissions reduction targets
- Conducted NGFS-aligned climate scenario analysis
- Achieved CDP Leadership A rating (highest rating)
- Win-win RE100 implementation – REC procurement from Gyeonggi Citizens' Power Generation Cooperative
- Launched NHIS K-ETS, an entrusted carbon allowances trading service for K-ETS
- Established a green credit management framework aligned with K-Taxonomy
- Made a strategic equity investment in InnoCSR, a low-carbon brick manufacturer based in Nepal
- Signed an MOU with the Global Green Growth Institute (GGGI) to support climate tech companies with overseas market entry

- Made equity investments in Heart Heart Art & Culture and Bravo Beaver Daegu, standard inclusive workplaces for people with disabilities
- Selected for the UN Global Compact LEAD Group for 2 consecutive years
- Ranked in the top group of the SDGBI by the Korean Association for Supporting the Sustainable Development Goals
- Named a Diversity Excellence Company at the 2025 WIN Awards
- Established the Internal Control Committee
- Introduced an accountability chart
- Retired treasury shares
- Developed the iSelect Sustinvest ESG 100 Index
- Recognized as an outstanding information security investor by the Korea Internet & Security Agency
- Received the Grand Prize in the Sustainability Report category at the LACP Spotlight Awards

We will grow together with all our stakeholders while practicing responsible management.

Sustainable Highlights



KRW 5 Trillion Green Finance Target by 2030

79%

Attainment as of 2025

AUM of ESG-linked index-tracking products

GROWTH +530%

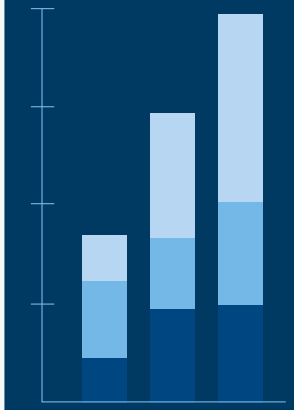
First in the Korean Securities Industry Launched Entrusted Emissions Trading Service under

Launched

NHIS
K-ETS HTS

Cumulative Green Finance Deployment, 2021-2025

KRW 3.9 trillion



MSCI

A Rating

Financed Emissions Intensity

Down

35% YoY

Renewable Energy Consumption

Up

41% YoY

CDP

A

ESG Leadership (Highest Rating)

'Most Recommended Brand by Consumer'

Ranked NO.1 for 4 Consecutive Years – First Among Korean Securities Firms

NO.1



Named to the UN Global Impact LEAD for

2 Consecutive Years

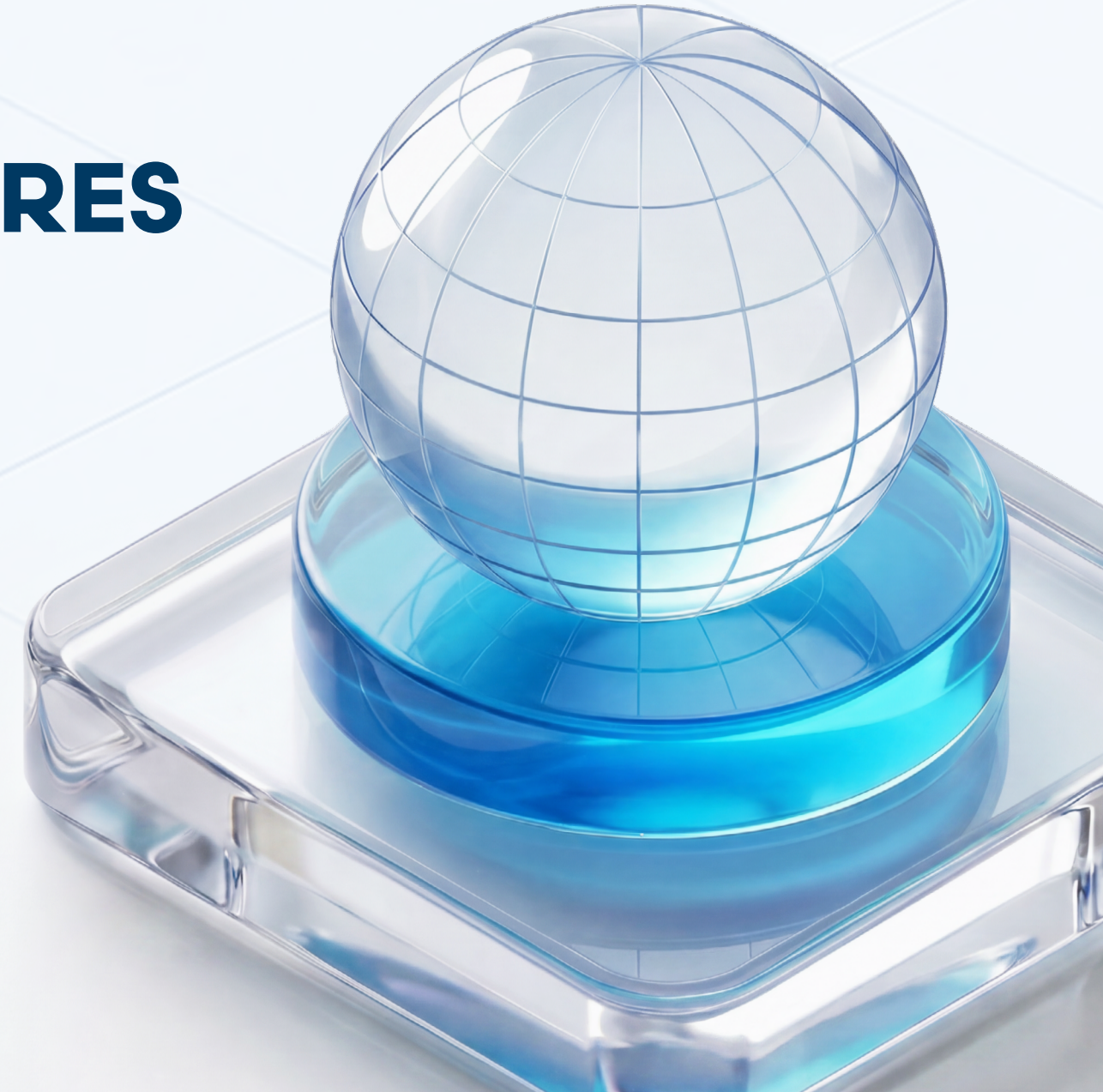
Established a K-Taxonomy-based Green Credit Management Framework

K - TAXONOMY

First in the Securities Industry
Developed 'NHICS', a Korea-specific Industry Classification System

NHICS Developed

FACTS & FIGURES



Planet 36
People 62
Principle 92



PLANET

NHIS is advancing the transition to carbon neutrality through climate risk management, greenhouse gas emissions management, and the establishment of a financed emissions management framework. Through efforts to scale green finance and strengthen the foundation for environmental management, NHIS champions the transition to a low-carbon economy and fosters a sustainable financial ecosystem.

Green Transition Action 37
Climate Change Response 38
Carbon Finance 58
Environmental Stewardship 59

Finance in Action for Climate Transition

Tackling climate change is not a choice — it is a responsibility. NHIS recognizes this not merely as an environmental imperative, but as an inherent function of finance itself. Reshaping the direction of industries through capital flows, and establishing the order of low-carbon transition through risk management and investment standards — this is the transformative role that finance must play.
GREEN TRANSITION ACTION begins from this awareness: managing the climate crisis as a structural risk, translating it into actionable strategy, and setting the standards that drive a sustainable market transition.

Beyond Declaration, Into Action: Where Finance Brings Net Zero to Life



01

Climate Governance

Confronting climate risk as the business of finance

Where climate action once stopped at declarative campaigns, NHIS chose a different starting point: defining climate change as a financial risk with direct implications for the survival of capital markets. Setting aside ambiguous discourse, NHIS has worked rigorously to demonstrate through data how climate change affects asset values and client returns. Integrating climate governance into its company-wide management framework and embedding it as a core metric for risk management reflects a conviction that climate action is not a cost to be managed, but a source of competitive advantage in its core business.

02

Decarbonization Strategy

Becoming a tangible bridge for industrial decarbonization

Transitioning to a low-carbon economy carries real pain — it demands far more than reshuffling an investment portfolio. NHIS has not looked away from the real transition challenges facing carbon-intensive industries; instead, it has designed practical financial solutions to help them land softly. Internally, quantified greenhouse gas reduction targets are set and rigorously managed; externally, the infrastructure to deliver the real driving force behind net zero has been built. This reflects NHIS's commitment to actively shaping the pace of change, rather than settling for market inertia.

03

Environmental Management Framework

Building the foundation for environmental management — starting from within

NHIS focused on standardizing a substantive environmental management framework, rather than chasing headline metrics. Going beyond ISO 14001 certification, NHIS continues to refine its internal management processes to enhance the reliability of environmental data. Attending even to seemingly small details — expanding eco-friendly workplaces and operating a greywater recycling system — stems from the belief that the message finance sends to society begins with genuine commitment from within.

04

Natural Capital

Opening a new path for investment in harmony with nature

For NHIS, rooted in NH Financial Group, nature is both an asset to be protected and the foundation of its future. Looking beyond carbon reduction, NHIS turns its attention to the broader imperative of restoring biodiversity and natural capital. Through its membership in the TNFD, NHIS has laid the groundwork for systematically identifying and managing nature-related risks, and continues to demonstrate that nature and capital can coexist. NHIS will keep moving forward, seeking answers on the ground, to ensure that the flow of capital translates into the resilience of ecosystems.

Climate Change Response

Governance

Organizational Structure for Climate Action

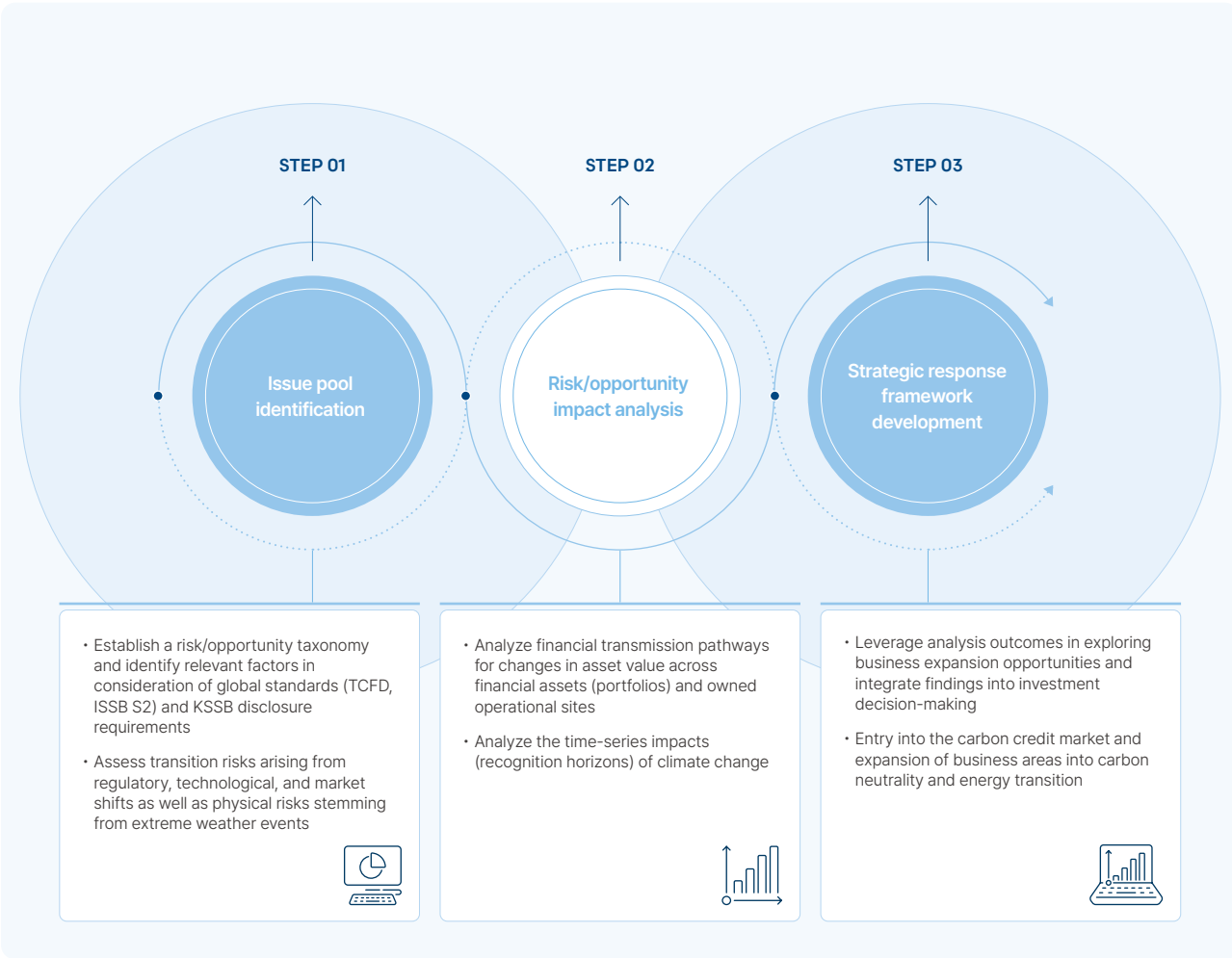
NHIS's climate action strategy is anchored on designing the future through green innovation and moving beyond climate crisis response to explore opportunities for business transformation and value-driven growth. In line with NongHyup Financial Group's decarbonization strategy, NHIS is working in collaboration with clients to achieve its decarbonization goals, and is making concerted progress toward achieving net zero emissions across all managed assets by 2050.

To underpin this climate action framework, the ESG Committee deliberates and decides on key climate-related matters; the ESG Group is responsible for developing climate action strategies, analyzing climate risks, and overseeing climate disclosures; and the Risk Management Group manages financed emissions and conducts portfolio monitoring. Grounded in this organizational structure and in accordance with TCFD guidelines, NHIS establishes strategies across four pillars: governance framework management, strategy formulation, risk management process development, and metrics & targets management.

Climate-related KPIs for Leadership

In line with NongHyup Financial Group's 2025 CEO performance evaluation framework for affiliates, embedding sustainability into business operations has been designated as a key priority, carrying a 5% weighting in the evaluation criteria. Key initiatives — including the implementation of the net zero roadmap, enhancement of social value, sustainability disclosure and external assessment response, pursuit of new sustainability-focused businesses, and internalization of sustainable management and change management — are incorporated into leadership KPIs to ensure the systematic oversight of sustainable management implementation.

Climate-related Risk and Opportunity Identification Process



Climate Change Response

Governance

Identification and Recognition of Climate-related Risks and Opportunities

To systematically identify the impacts of climate change on its business, NHIS deploys a risk identification and recognition framework aligned with TCFD recommendations. Risk horizons are categorized into short-, medium-, and long-term in reflection of asset characteristics and investment cycles, and potential risks and opportunities are identified across multiple dimensions in consideration of globally recognized disclosure standards. Each identified factor is rigorously analyzed for its financial implications and time horizon, and key factors are integrated into the Enterprise Risk Management (ERM) system and mid- to long-term management strategy to strengthen NHIS's strategic response to climate-related risks. This enables NHIS to build resilience against potential threats while simultaneously creating new green finance opportunities in pursuit of sustainable growth.

Recognition Horizon of Climate-related Risks and Opportunities

Horizon	Time-frame	Recognition Criteria and Management Focus	Risk and Opportunity Approach
Short-term	Within 1 year	Management of liquidity and immediate operational impacts	Protect near-term profitability through regulatory compliance cost management and energy efficiency improvement
Medium-term	1-5 years	Acceleration of investment payback cycles and business transformation	Manage high-carbon asset risks and expand investments in low-carbon technologies and projects
Long-term	Beyond 5 years	Going concern assumption and strategic resilience	Defend against chronic physical risks and secure new carbon-neutral growth drivers

Strategy

Approach to Climate-related Risks and Opportunities

NHIS identifies climate-related risks and opportunities across short-, medium-, and long-term horizons and incorporates them into its business strategy. In accordance with TCFD recommendations, these risks and opportunities are categorized by potential financial impact and time horizon.

Climate-related risks are managed under the two categories of transition risk and physical risk. Transition risks arise from structural shifts in economic and social systems as society responds to climate change; the analysis focuses on the impacts of policy changes, technological advances, and market shifts on counterparty companies in the investment portfolio, and the consequent financial implications for owned assets. Physical risks refer to risks of direct damage to assets or infrastructure resulting from natural disasters such as floods, heatwaves, and typhoons, as well as environmental changes including sea level rises and ecosystem disruptions; the analysis encompasses impacts on counterparties and their financial implications, extending to the potential financial impact on NHIS's centers and branches, with response strategies developed accordingly.

Beyond risk management, NHIS proactively leverages climate change as an opportunity to expand its business. The Carbon Finance Department has been established to advance into the carbon credit market, while NHIS is expanding its business footprint into net zero and energy transition to strengthen its green finance capabilities. By maintaining a balanced recognition of both climate-related risks and opportunities, NHIS aims to achieve reductions in operational emissions while continuously enhancing the measurement and management of financed emissions.

Classification and Management of Climate-related Risks and Opportunities

Risk – Transition risk

Policy, Technology and Market Shifts

- Policy change (carbon regulations, disclosure obligations)
- Technological advancement (transition to low-carbon technology)
- Market shift (evolving consumer and investor preferences)

Financial Impact
Impact on the valuation of held assets due to changes in counterparty company value

Risk – Physical risk

Natural Disasters and Environmental Changes

- Acute: Floods, heatwaves, typhoons
- Chronic: Rising sea levels, ecosystem disruptions
- Direct damage to assets and infrastructure

Financial Impact
Financial impact on counterparty losses and own operations including centers

Opportunity – Business expansion

Carbon Finance and Green Finance

- Establishment of the Carbon Finance Department
- Entry into the carbon credit market
- Expansion of net zero and energy transition businesses

Strategic Utilization
Reduce operational emissions and advance the financed emissions measurement and management

Climate Change Response

Strategy

Climate-related Risk Analysis

Climate-related risks for securities firms may manifest across diverse domains — including market, investment, and reputational risk — depending on their size and business model. Notably, policies and technologies associated with carbon emissions can have significant implications for the securities sector and the broader financial industry. Carbon-related regulations and fluctuations in carbon credit prices may increase the financial burden on entities subject to allowance allocation under the emissions trading system, while the imperative to transition to greener, low-carbon technologies may impose additional cost pressures on businesses. The increasing frequency of climate-related disasters and extreme weather events can also cause direct losses to corporate assets, and act as a systemic risk factor across the broader macroeconomy. NHIS recognizes the potential impacts of such climate-related risks and manages them by quantifying their financial implications through scenario analysis.

Risk Analysis for Climate Change Response Strategy Development

Financial Impact: Moderate (○) Slightly High (◉) Very High (●)

		Risk	Potential Financial Impact	Short-term	Mid-term	Long-term
Physical risk	Acute	• Increased abnormal climatic conditions and severity of extreme weather events	• Asset damage and declining collateral value resulting from climate-related disasters • Business disruption and suspension of key facilities due to climate-related disasters resulting in earnings impact and recovery costs	○	◉	◉
	Chronic	• Average temperature and sea level rise • Increased abnormal climatic conditions and severity of extreme weather events	• Prolonged economic slowdown and declining profitability due to extreme weather events • Increased facility operating costs including heating and cooling expenses due to extreme weather events		○	◉
Transition risk	Policy and legal	• Rising carbon credit prices driven by tightening carbon-related regulations (reduction in auctioned allowance allocation) and strengthened renewable energy mandates • Shifts in cross-border trade conditions driven by international climate and carbon-based initiatives (e.g., CBAM)	• Increased financial burden from rising procurement costs of carbon credits and renewable energy • Declining profitability of asset portfolios in the event of clients and investee companies facing carbon credit shortfalls or exposure to environmental regulations	○	◉	●
		• Strengthened climate disclosure mandate in line with the introduction of sustainability disclosure frameworks	• Changes in portfolio allocation criteria among institutional investors and increased volatility in assets under management due to regulatory shifts			
	Technology	• Cost burden from transitioning to green, low-carbon technologies • Substitution of investment towards technology for improving energy efficiency and reducing emissions	• Changes in financial performance of portfolio companies resulting from the adoption of green, low-carbon technologies • Increased risk exposure due to mid-to long-term reputational decline of portfolio companies with inadequate climate response		◉	◉
	Market	• Shifts in client behavior • Increased uncertainty driven by shifts in market conditions • Rising electricity/gas costs due to climate change	• Declining preference for traditional cash flow assets amid the growing proportion of green assets across investment portfolios • Changes in client and investee company preferences for securities services and financing in response to sustainable management requirements • Increased operating costs from rising electricity and gas prices	○	◉	●
	Reputation	• Changes in client preferences • Negative feedback from stakeholders	• Increased negative stakeholder feedback leading to reputational decline and reduced capital inflows • Downgrade in ESG ratings and reduced capital inflows due to greenwashing concerns		○	◉

Climate Change Response

Strategy

Climate-related Opportunity Analysis

Efforts to mitigate and adapt to climate change can also present opportunities for organizations. While the financial investment industry does not perceive climate change as having an immediate impact on corporate financing and financial products, it is widely recognized that the industry will be indirectly affected by climate change over the long term. Securities firms can unlock business growth opportunities by intermediating and supporting the capital required for climate action, including corporate financing and investment aimed at countering climate change. While climate change may pose financial risks to equity and debt capital raising — core business lines for securities firms — it can also provide an opportunity to leverage their expertise in capital intermediation to discover new markets and channel investments into social infrastructure for tackling the climate crisis.

Opportunity Analysis for Climate Change Response Strategy Development

Financial Impact: Moderate (○) Slightly High (◎) Very High (●)

Opportunity		Potential Financial Impact		Short-term	Mid-term	Long-term
Resource efficiency	• Increased energy efficiency • Increased use of green transportation • Improvement in the circular economy management system	• Reduction in financial expenses resulting from increased energy efficiency • Increasing financing needs in line with improved resource efficiency and circular economy transition			○	◎
Energy source	• Increased use of green/low-carbon energy sources • Participation in carbon market	• Increasing financing needs in line with renewable energy transition and increased use of renewable energy • Acquisition of new asset classes amid the growing carbon market		○	◎	◎
Products and services	• Expansion in green business strategy • Products and solutions developed for climate change adaptation	• Growing demand for green investment products • Increased delivery of client solutions for carbon reduction		○	◎	●
Markets	• Expanding green finance market • Diversifying asset portfolios	• Increasing opportunities for climate change response, net zero implementation, and green business investment • Increased diversification of revenue streams through green asset portfolios			◎	●
Resilience	• Increased renewable energy efficiency for climate change response • Asset portfolio engagement	• Increased revenue through financial products and financing related to ensuring resiliency • Supporting investee companies' sustainability management capabilities to enhance resilience			◎	●

Climate Change Response

Strategy

Climate Risk and Opportunity Trade-off Analysis

NHIS systematically analyzes trade-offs between risks and opportunities arising from climate actions, and incorporates the results into its mid- to long-term business strategy and asset portfolio management. The key decision-making areas identified include balancing short-term profitability and long-term sustainability, allocating resources between managing existing high-carbon assets and expanding green finance, and capturing market opportunities through reducing transition risk exposure while supporting transition finance. These trade-off factors are regularly reviewed by the Sustainability Council and working-level consultative bodies, and reported to the Board of Directors for integration into company-wide strategy.

Trade-off Analysis between Climate Risks and Opportunities



01
Asset Portfolio

Risk
- Risk of stranded assets and reputational damage from high-carbon assets

Opportunity
- Generation of new revenue streams through the inclusion of low-carbon assets

Trade-off Considerations
- Pursue a phased transition between stable management of the existing portfolio and the expansion of green assets



02
Financial Product Operations

Risk
- Decline in profitability of investee companies due to rising carbon costs

Opportunity
- Growing demand for eco-friendly products and ESG funds

Trade-off Considerations
- Build a new ESG product lineup to diversify revenue structures while accounting for the risk of declining cash flow from traditional products



03
Physical Risk Response

Risk
- Asset and investment losses caused by extreme weather events

Opportunity
- Expanding demand for investment in climate-response products and infrastructure

Trade-off Considerations
- Accept short-term hedging costs to secure long-term asset stability

04
Carbon Allowance Investment

Risk
- Price volatility and policy uncertainty

Opportunity
- Increase in the value of held assets driven by rising carbon prices

Trade-off Considerations
- Accept short-term mark-to-market fluctuations to seize long-term opportunities in asset value appreciation

05
Resilience

Risk
- Burden of additional resource allocation to respond to climate shocks

Opportunity
- Strengthened competitiveness through asset diversification and portfolio variation

Trade-off Considerations
- Accept short-term cost burdens to prioritize long-term regulatory readiness and client trust

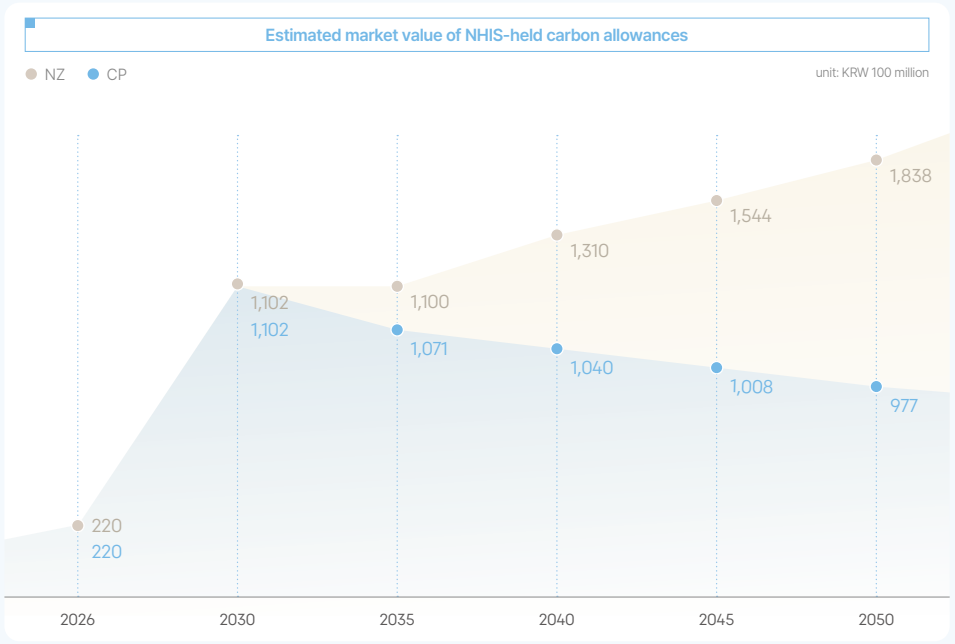
Climate Change Response

Strategy

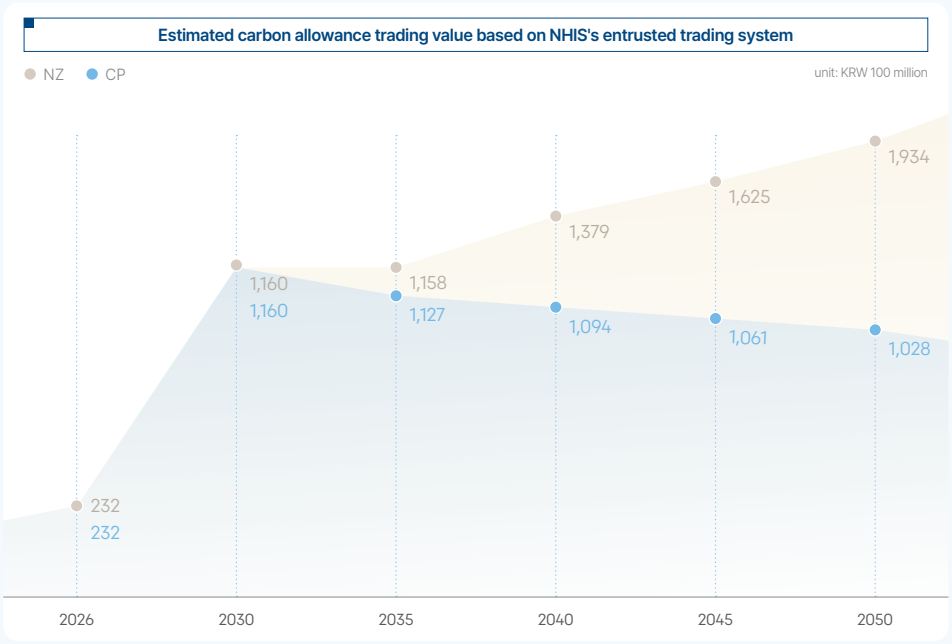
Carbon Allowance Market Opportunity Analysis

NHIS has been participating in the emissions trading system (ETS) as a market maker since 2024. In November 2025, an entrusted trading service under the K-ETS was launched as the first in the nation to do so, further assuming a role as a trading intermediary. The carbon allowance market is recognized as an area of climate-related opportunity with anticipated growth potential; however, uncertainties remain regarding future allowance prices, trading values, and holding volumes. When applying NGFS carbon price scenarios, the market value of carbon allowances currently held is projected to reach between KRW 97.7 billion and a maximum of KRW 183.8 billion by 2050, with carbon allowance trading scale expected to expand from approximately KRW 102.8 billion to a maximum of KRW 193.4 billion.

Estimated Market Value and Trading Volume of Carbon Credits



- Reference holdings: KRW 22 billion / 2.15 million tCO_2eq (as of 2025)
- Calculation methodology: The market value of carbon allowance holdings in 2050 is estimated based on the reference holding volume of 2.15 million tCO_2eq, applying projected year-on-year carbon price increases (NGFS Version 5 NZ and CP scenarios applied) (*Total holdings represent the aggregate of KAU, iKOC 22–27, and KOC 24–29 units.)
- Limitations: Holdings volume is subject to change depending on the strategic direction of the carbon finance business



- Reference trading volume: KRW 23.2 billion / 1.42 million tCO_2eq (Estimated trading value through year-end 2026 based on actual data from Nov. 24, 2025 to Apr. 24, 2026)
- Calculation methodology: The projected trading scale in 2050 is estimated based on the reference trading volume of 1.42 million tCO_2eq, applying projected year-on-year carbon price increases (NGFS Version 5 NZ and CP scenarios applied)
- Limitations: Trading scale is subject to change depending on the market share of industry peers in the K-ETS entrusted trading system

Climate Change Response

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Materiality Assessment for Climate Scenario Analysis

Prior to full-scale climate scenario analysis, NHIS conducted a materiality assessment to proactively identify climate-related impacts. In line with the CPRS[1] classification, the assessment focused on major climate-policy-relevant sectors among the assets subject to financed emissions measurement. Key variables (energy consumption and energy prices) were defined for each climate-policy-relevant sector and the analysis was conducted under the NGFS[2] Phase 3 climate scenarios, assuming increased energy costs as stress conditions.

Climate Scenario Analysis

Climate scenario analysis is the process of setting climate- related impact pathways under various scenarios and analyzing the impacts on a given company under each scenario. This process involves
① developing climate scenarios,
② translating climate risks into financial risks, and
③ measuring potential losses for financial institutions.

Materiality Assessment Process

STEP 01 Data collection
Collect data on operational emissions and relevant external sources for the materiality assessment

STEP 02 Criteria application
Map the Korea Standard Industrial Classification (KSIC) codes from internal emissions measurement results with NACE[3] codes, then integrate scenario variables across KSIC[4]–NACE–CPRS–NGFS

STEP 03 Exposure share calculation
Calculate exposure shares of the CPRS and the expected level of its impact

Illustration of NACE – CPRS – NGFS Variable Mapping

NACE Code	CPRS Main	NGFS Variable
B.05.10 (Mining of hard coal)	1-fossil-fuel	Primary Energy Coal
D.35.11 (Production of electricity)	2-utility	Secondary Energy Electricity, Gas
C.24.51 (Casting of iron)	3-energy-intensive	Production Steel

Materiality Analysis Results

The materiality analysis showed that expected emissions could increase by up to 14.3 times by 2050 compared to the 2025 base year. This finding led NHIS to acknowledge the material implications of climate change on its operations and conduct in-depth scenario analyses.

CPRS	Baseline (Dec. 2025)			2050 Impact		
	Balance	Balance Ratio	Emissions Share	Current Policies	Delayed Transition	Net Zero2050
1-fossil-fuel	KRW 554.7 billion	2.90%	21.30%	0.8 times	0.6 times	0.6 times
2-utility	KRW 90.7 billion	0.50%	9.00%	1.4 times	19.5 times	10.5 times
3-energy-intensive	KRW 1.2705 trillion	6.60%	34.90%	5.0 times	34.5 times	18.4 times
4-buildings	KRW 1.0127 trillion	5.30%	7.90%	0.9 times	1.0 times	1.0 times
5-transportation	KRW 515.7 billion	2.70%	2.00%	1.9 times	3.3 times	3.1 times
6-agri. etc	KRW 600 million	0.00%	0.00%	1.0 times	1.0 times	1.0 times
Total	KRW 3.4452 trillion	18.00%	75.10%	2.9 times	18.7 times	10.2 times
N/A	KRW 15.7098 trillion	82.00%	24.90%	1.0 times	1.0 times	1.0 times
Total	KRW 19.1550 trillion	100.00%	100.00%	2.4 times	14.3 times	7.9 times

1) CPRS (Climate Policy Relevant Sectors): An industry classification code developed in 2017 for transition risk assessment, used to evaluate investor exposure to climate transition risks in Europe
2) NACE (Nomenclature statistique des Activités économiques dans la Communauté Européenne/Statistical classification of economic activities in the European Community): A system for classifying industries that standardizes and compares economic activities within the European Union is used to accurately classify compa- nies' economic activities in climate transition risk assessments
3) NGFS (Network for Greening the Financial System): A global coalition of central banks and financial supervisors established to drive green finance
4) KSCI (Korea Standard Industrial Code): Korea's official industrial classification system that systematically categorizes the key industrial activities conducted by business entities based on their similarities

Climate Change Response

Strategy

Climate Scenario Analysis Approach

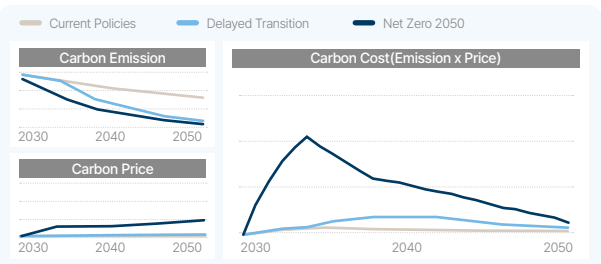
NHIS performs climate scenario-based risk impact analysis, distinguishing between transition risks and physical risks, while quantifying the financial impacts of climate change by defining climate-exposed assets.

This analysis is conducted through a three-step process. The first step involves defining the scope of assets subject to analysis. Of total assets valued at KRW 79.8 trillion as of the end of December 2025, approximately KRW 13.5 trillion (17.0%) was selected for analysis, excluding treasury and local government bonds and short-term assets. In the second step, the adopted climate scenarios were applied to calculate the stressed probability of default (PD) attributable to transition and physical risks, and the financial impacts of climate change were identified through analysis of PD movements and expected loss (EL). In parallel, climate resilience analysis was conducted to assess the capacity to absorb climate-related shocks and restore operational functionality.

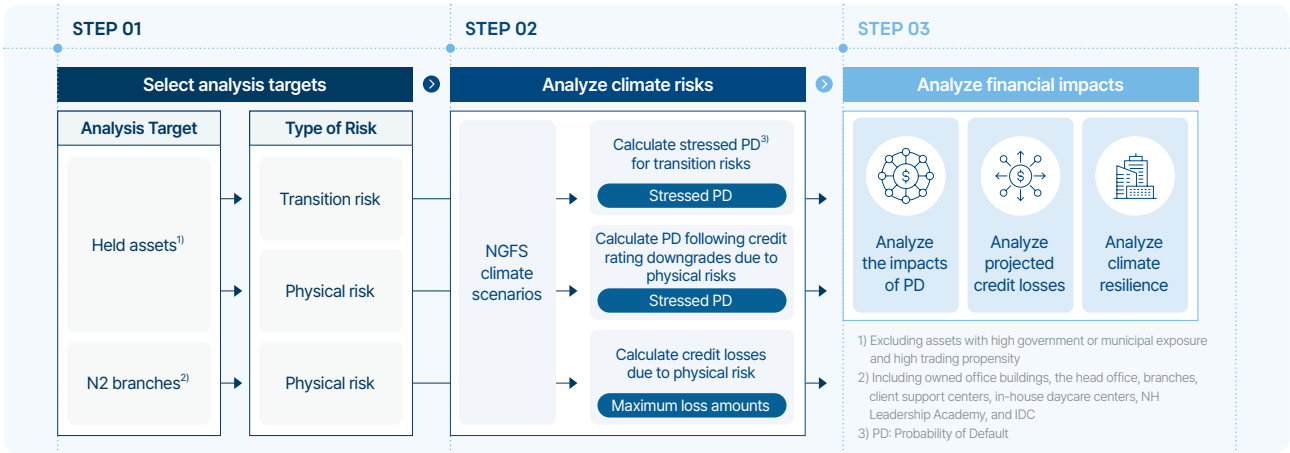
Advancement in Climate Scenario Analysis Approach

In 2025, NHIS advanced our analytical model by incorporating materiality assessment criteria for climate-related risks into sector-level vulnerability analysis, improving the discriminatory power of its risk management framework. NHIS also redefined the magnitude of rating downgrades based on the weighted average credit rating of the asset portfolio under each climate scenario, constructing a realistic risk transmission pathway aligned with asset characteristics and enabling a more objective analysis of financial impacts. The resulting probability of default (PD) and expected loss (EL) outputs will be incorporated into the decision-making process and managed accordingly.

Carbon Price Trends by NGFS Scenario



Climate Scenario Analysis Process

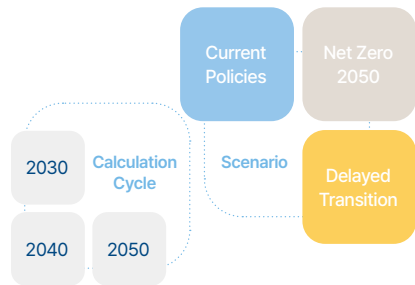


Climate Scenario Adoption

NGFS Scenario

Pathway	Scenario	Scenario
Hot House World	Current Policies	• Current policies remain in place
	NDC Scenario	• Not all nationally announced policies are implemented
Disorderly	Delayed Transition	• No significant annual emissions reduction until 2030; stronger policies are introduced afterwards to limit global warming to below 2°C
	Divergent Net Zero	• Net zero is achieved around 2050, but inconsistent policy implemen-tation leads to higher transition costs and a rapid phase-out of oil
Orderly	Below 2°C	• Gradual strengthening of climate policies enable a 67% likelihood of limiting global warming to 2°C
	Net Zero 2050	• Immediate implementation of ambitious climate policies and innovation to achieve net zero by 2050

Scenarios Adopted by NHIS



NHIS adopted the three representative scenarios proposed by the Financial Supervisory Service for climate stress testing — Current Policies, Delayed Transition, and Net Zero — and calculated results in 10-year increments through 2050.

Climate Change Response

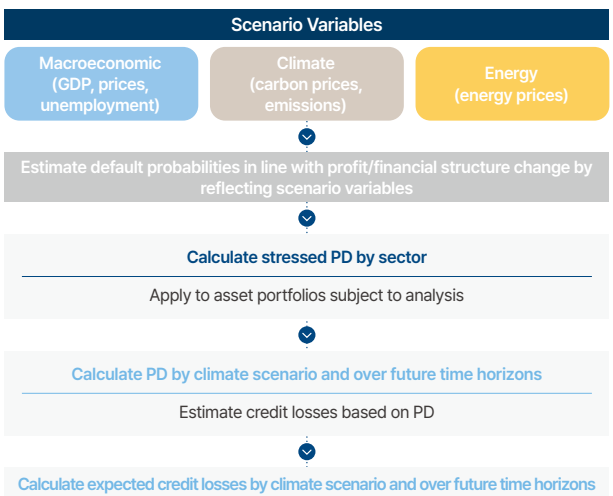
Strategy

Transition Risk Scenario Analysis Approach

To assess transition risks stemming from the shift to a low-carbon economy across the real economy and the financial sector, NHIS employed a probability of default (PD) estimation methodology that incorporates projected changes in profitability and financial structure. The climate variables, macroeconomic indicators, and energy prices drawn from NGFS scenarios were applied to calculate sector-specific stressed PDs, which were then applied to the selected assets to estimate final PDs.

The variables used in the PD calculation are as follows: climate variables include carbon emissions and carbon prices; macroeconomic indicators include GDP, inflation, and unemployment; and energy prices cover coal, gas, and oil. These variables were selected within the bounds of not compromising the accuracy of PD estimation. NHIS aims to extend the scope of analysis by incorporating additional variables through further methodology enhancement. To assess financial impacts, expected credit losses were calculated by applying assumed loss given default rates to the estimated PDs.

Transition Risk Scenario Analysis Process



Transition Risk Scenario Analysis Results

Among the scenarios analyzed, the Net Zero by 2050 (NZ) scenario produced the highest increase in default probabilities, followed by the Delayed Transition (DT) and Current Policies (CP) scenarios. Under the NZ by 2050 scenario, default probabilities in 2050 are projected to increase by up to 2.7 times compared to 2025. Similarly, expected credit losses due to transition risks were the highest under the NZ scenario. Compared to projections based on default probabilities from the base year, cumulative credit losses in 2050 are estimated to rise by up to 2.6 times.

Analysis Results of Projected PD by Scenario

Current Policies

1.0 times increase by 2050 from the base year

Delayed Transition

1.2 times increase by 2050 from the base year

Net Zero 2050

2.7 times increase by 2050 from the base year

Scenario-based Expected Loss Analysis Results

Current Policies

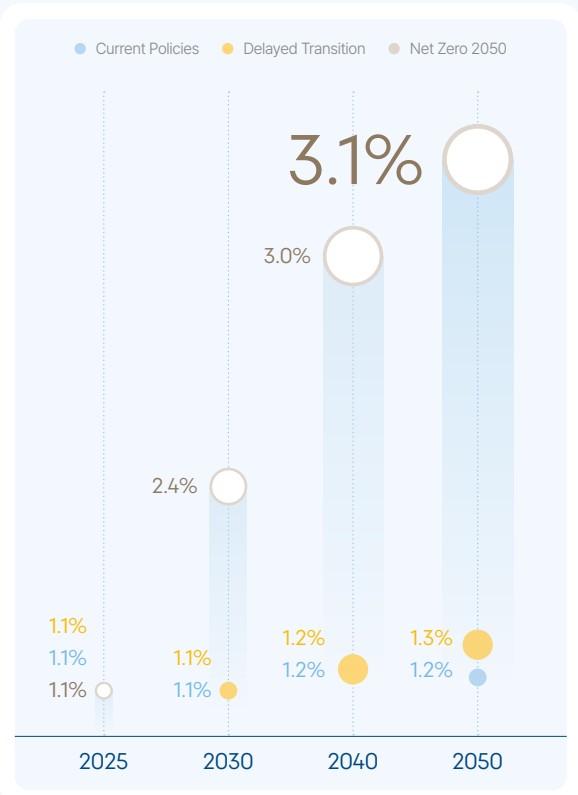
1.0 times increase by 2050 from the base year

Delayed Transition

1.2 times increase by 2050 from the base year

Net Zero 2050

2.6 times increase by 2050 from the base year



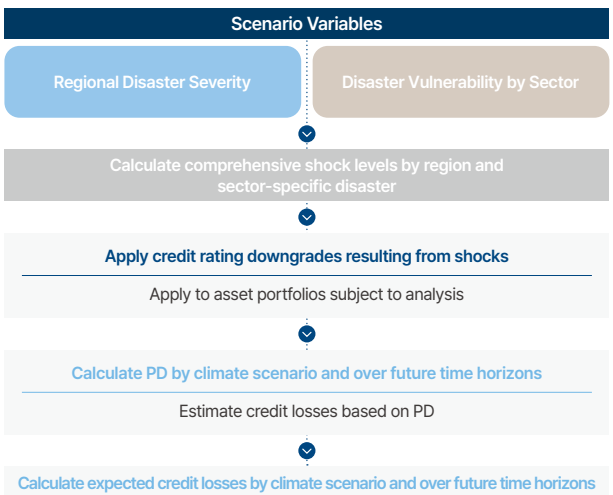
Climate Change Response

Strategy

Physical Risk Scenario Analysis Approach

To assess physical risks transmitted to the real economy and the financial sector in the event of rising average temperatures and various natural disasters, NHIS applied the level of shocks by comprehensively considering sector-specific vulnerability to climate hazards and regional disaster severity. The results informed the calculation of adjusted PDs resulting from credit rating downgrades. Scenario variables were drawn from regional natural disaster damage data published by the Financial Supervisory Service based on NGFS scenarios, in conjunction with sector-specific climate hazard vulnerability data. To assess financial impacts, assumed loss given default rates were applied to the calculated PDs to analyze projected credit losses.

Physical Risk Scenario Analysis Process



Physical Risk Scenario Analysis Results

The increase in PD due to physical risks was highest under the CP scenario, followed by the DT and NZ scenarios. Under the CP scenario, PDs in 2050 are projected to increase by up to 4.8 times compared to the 2025 baseline. Expected credit losses due to physical risks were the highest under the CP scenario. Cumulative credit losses in 2050 rose by up to 3.2 times compared to losses estimated using the base-year PD.

Analysis Results of Projected PD by Scenario

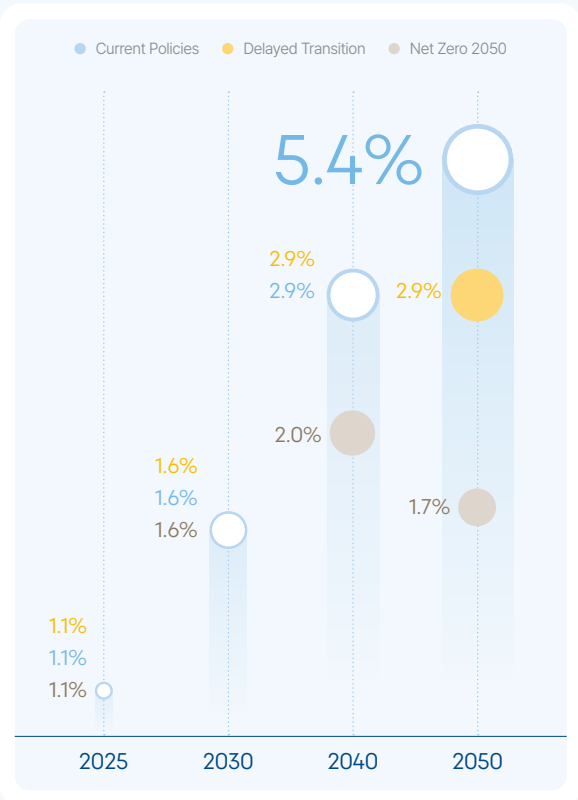
4.8 times increase by 2050 from the base year

Current Policies	Delayed Transition	Net Zero 2050
	2.5 times increase by 2050 from the base year	**1.5** times increase by 2050 from the base year

Scenario-based Expected Loss Analysis Results

3.2 times increase by 2050 from the base year

Current Policies	Delayed Transition	Net Zero 2050
	2.2 times increase by 2050 from the base year	**1.4** times increase by 2050 from the base year



Climate Change Response

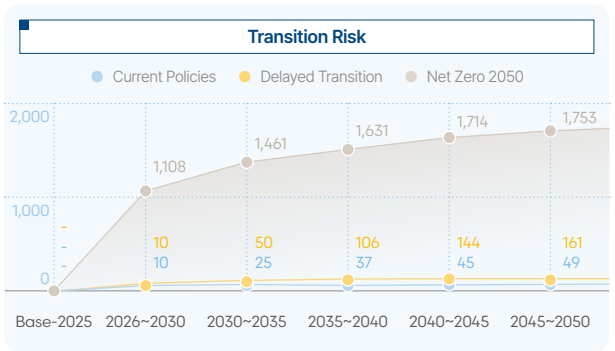
Strategy

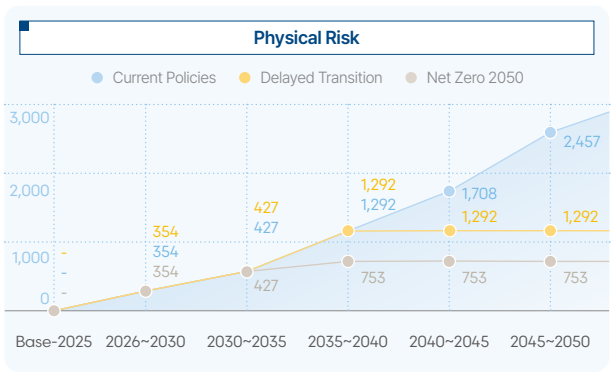
Consolidated Results of Climate Scenario Analysis

Transition risks and physical risks recorded their highest expected losses under the Net Zero (NZ) scenario and the Current Policies (CP) scenario respectively. Comparing the two risk categories, transition risks exhibit a relatively greater impact over the short term. Beyond 2045, however, expected losses from physical risks are projected to increase sharply, with physical risks assessed to have a more pronounced impact over the long term.

Cumulative Expected Losses by Scenario

Unit: KRW 100 million





Additional Physical Risk Analysis Using RCPs

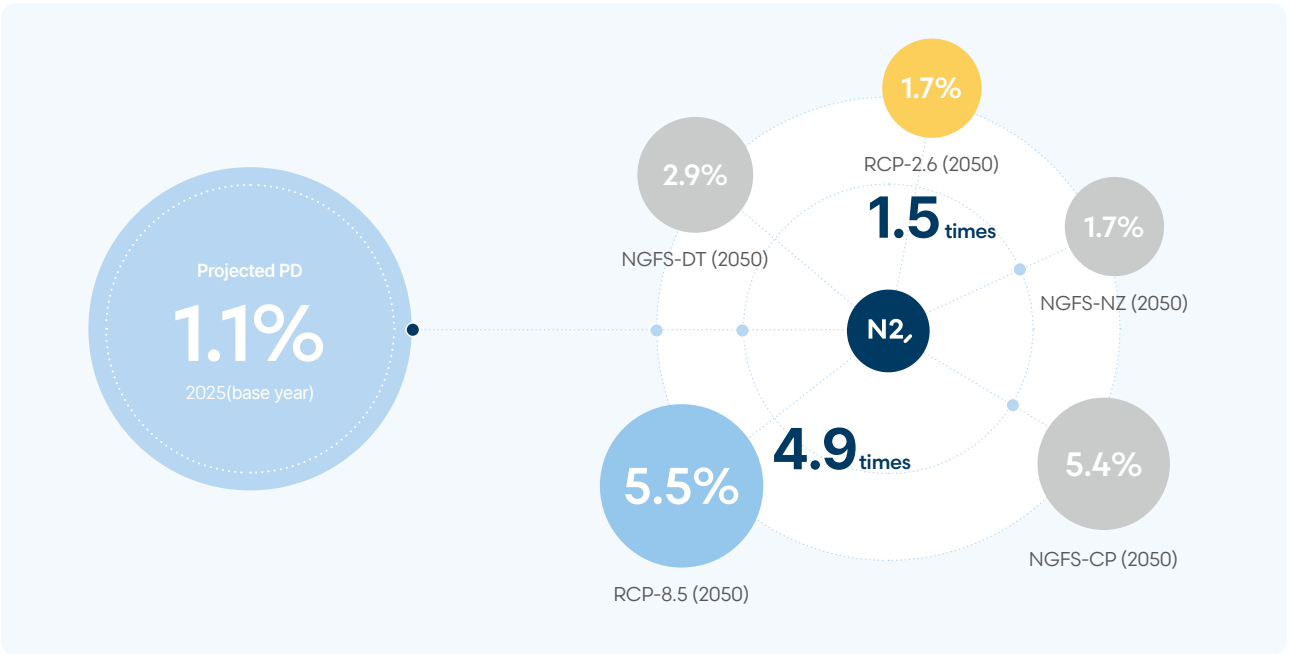
To enhance the reliability of its NGFS scenario-based analysis, NHIS additionally conducted scenario analysis using Representative Concentration Pathways (RCP) developed by the Intergovernmental Panel on Climate Change (IPCC) for assessing climate change impacts and responses. While NGFS scenarios were adopted as the primary analytical framework for both transition risks and physical risks, RCP scenarios were applied in parallel to cross-validate the impacts under varying assumptions. The results indicated that the magnitude of impacts under the RCP-8.5 scenario was comparable to that derived from the CP scenario in the NGFS scenario analysis.

RCPs (Representative Concentration Pathways)

Representative Concentration Pathways (RCPs) are scenarios categorized by GHG concentration trajectories and primarily used to assess the impacts of physical climate risks. The term 'Representative' reflects a range of possible economic and social developments, while 'pathway' refers to projected changes in GHG emissions over time. The numeric values assigned to each RCP scenario indicate the level of additional radiative forcing (in watts per square meter) caused by GHG concentrations.

RCP-8.5 A worst-case scenario assuming continued high GHG emissions along current trajectories
RCP-2.6 A scenario assuming immediate and aggressive GHG mitigation efforts to limit global warming to below 2°C above pre-industrial levels

Change in PD by Scenario



Climate Change Response

Strategy

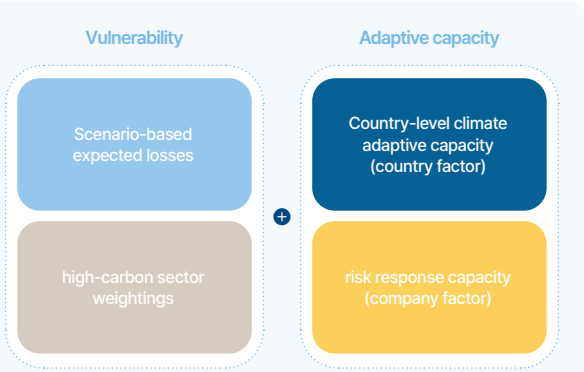
Climate Resilience Management Framework

Climate resilience analysis aims to assess a company's capacity to adapt to and recover from the diverse risks and shocks arising from climate change. NHIS explored a climate resilience analysis methodology that integrates asset-level vulnerability and adaptive capacity under each climate scenario. By leveraging the Integrated Resilience Index derived from this analysis as a practical risk management threshold, NHIS plans to strengthen the stability and resilience of its asset portfolio in the face of climate change.

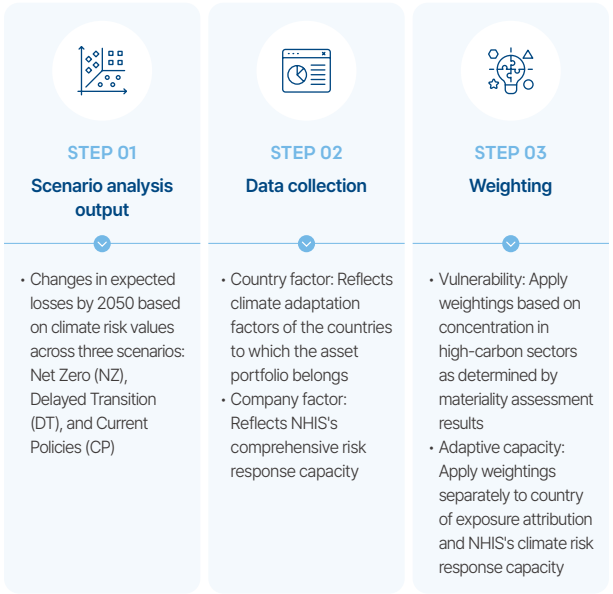
Vulnerability assessment:
Precisely measure asset-level climate risk vulnerabilities by applying high-carbon sector weightings to the volatility of expected losses identified through scenario analysis

Adaptive capacity assessment:
Comprehensively analyze and incorporate the country-level climate adaptation index (country factor) and NHIS's risk response capacity (company factor)

Resilience Analysis Methodology



Resilience Analysis Process



Climate Resilience Analysis Results by Scenario

NHIS has explored ways to classify relative risk levels into three tiers based on the distribution of resilience indices calculated under each scenario. This framework was designed on the basis of statistical discriminability, utilizing the mean and standard deviation of the full dataset.

Climate Resilience Ratings and Definitions

Rating	Definition
Normal	Strong adaptive capacity with financial impacts at a controllable level
Watch	Average level of resilience maintained, while subject to volatility
Alert	In need of establishing a proactive response framework and exploring portfolio management measures

Resilience Ratings by Scenario as of 2050

Under the 2050 Net Zero (NZ) scenario, a satisfactory level of resilience was confirmed against physical risks. However, the transition risk index reflecting abrupt policy changes registered at the Alert level. This underscores that enhancing adaptive capacity during a rapid low-carbon transition is a key priority for mitigating potential financial shocks arising from the transition to a net zero economy.

Climate Resilience Simulation

Scenario	Physical Risk	Transition Risk
CP	Alert	Normal
DT	Alert	Normal
NZ	Watch	Alert

Mid- to Long-term Climate Resilience Strategy

Regular asset portfolio monitoring will serve as the foundation for managing climate resilience across the entire organization. NHIS will progressively scale financial support for green technology and low-carbon transition sectors, while also advancing its own portfolio transition toward greener assets, to mitigate potential financial shocks arising from the transition into a net zero economy. In parallel, climate risk management capabilities will be internalized across the organization through internal process improvements and employee training, and the measurement framework will be continuously strengthened through methodology enhancement driven by scenario updates and data accumulation.

Climate Change Response

Strategy

Physical Risk Analysis Covering All Business Sites[1)]

Physical risks may cause direct damage to operational sites such as office buildings and centers as well as held investment assets. Accordingly, the maximum potential losses under each climate scenario were estimated for the locations of owned and leased buildings by incorporating Statistics Korea data on natural disaster damage by region and building damage over the most recent three-year period, as well as the status of domestic centers, branches and office buildings held in Korea as of the end of December 2025. This analysis was conducted based on representative scenarios selected from the seven scenarios presented by NGFS, and the results indicated that the Current Policies (CP) scenario yielded the highest projected damage level.

1) Including owned office buildings, the head office, centers, customer service centers, in-house daycare centers, the NH Leadership Academy, and IDC

Physical Risk Analysis Process Covering all Business Sites

01 Estimate average damage values and VaR[2)] by region

Collect statistical data on natural disaster damage from the Ministry of the Interior and Safety

- Normalize average damage values by region through simulation

02 Calculate regional sensitivity under each scenario

Apply physical risk analysis models

- Estimate the degree of increased sensitivity to future natural disasters
- Estimate sensitivity levels under each scenario

03 Calculate potential losses across all business sites

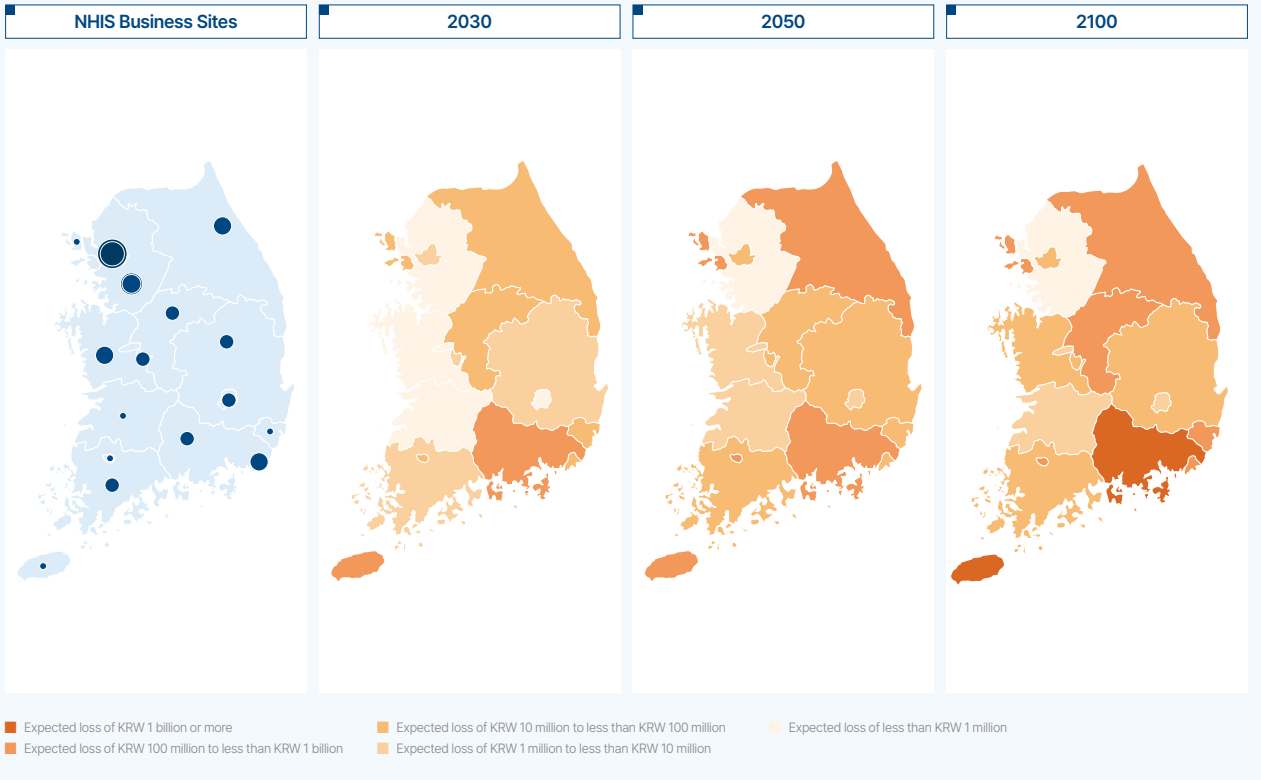
- Estimate maximum potential losses by applying regional sensitivity levels

2) VaR(Value at Risk): Statistical measures that estimate maximum potential losses over a specific time period

Physical Risk Analysis Results Across All Business Sites

Damage levels under each scenario were calculated using a range of methodologies, including the Delta-Normal Value-at-Risk (VaR) estimation method, average damage amount-based estimation method, and region-specific sensitivity multiplier method. The maximum projected damage was estimated at approximately KRW 6.63 billion through 2100. As all owned and leased buildings are comprehensively covered under an all-risk property insurance policy, actual financial losses arising from physical risks such as natural disasters are assessed to be minimal.

Physical Risk Map_NHIS's all Business Sites



Climate Change Response

Risk Management

Climate-related Risk Management Process

A climate risk management framework continues to be established to identify, assess, and manage climate-related risks. Beyond conventional risks concerning interest rates, markets, and credit, climate-related risks are recognized as a material risk that could be faced in the present or near term. The framework is being developed around two pillars: managing the impacts of carbon emissions on society and the environment and managing the impacts of climate-related risks on corporate financials. While establishing and advancing a financed emissions measurement and analysis framework, carbon reduction targets are also set to progressively reduce climate risk exposure. By consistently measuring and assessing the financial impacts of climate risks and aligning relevant management policies, adequate risk controls and long-term sustainability are ensured.

Establishing a Climate Risk Management System

Financed emissions from held investment assets are measured and managed in accordance with the guidelines of the Partnership for Carbon Accounting Financials (PCAF). To establish consistent standards and ensure systematic calculation at the NongHyup Financial Group level, a measurement system was jointly developed across the Group, with financed emissions calculated on a quarterly basis and the results reported to management on a regular basis. Financial impacts are analyzed utilizing climate change scenarios, including the Network for Greening the Financial System (NGFS) recommendations and Representative Concentration Pathways (RCP), and the results inform risk control efforts.

Integrated Management of Climate-related Risks Within the Risk Management Process

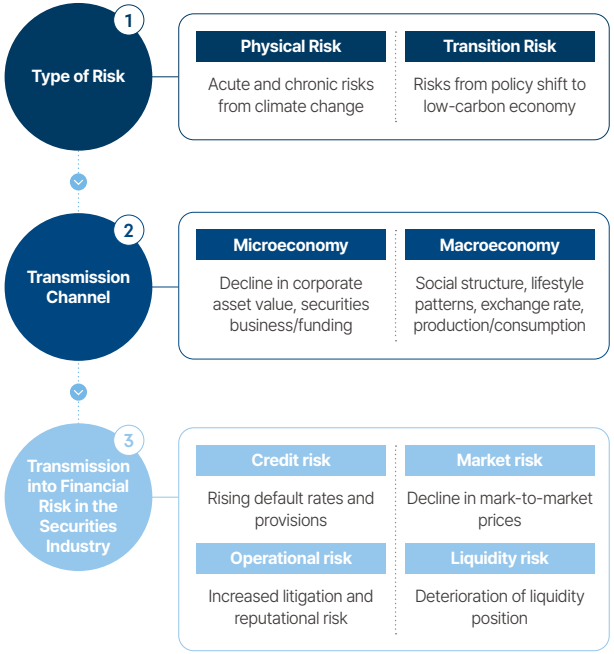
Climate-related risks have been incorporated into the existing risk management process, and are managed across the full risk management cycle encompassing risk identification, measurement and assessment, monitoring and control, and reporting. Based on identified climate-related risks, NHIS assesses the implications of financed emissions in acquiring and holding high-carbon assets, conduct monitoring where necessary, and manage the reduction of high-carbon assets through consultations with respective business divisions.

Climate Risk Management Framework

STEP 1. Risk Identification	STEP 2. Risk Assessment	STEP 3. Monitoring and Reporting	STEP 4. Risk Response and Mitigation
• Analyze potential risks arising from climate change and their transmission to conventional financial risks • Identify climate-related risks that may affect NHIS through these pathways	• Measure and analyze Scope 3 financed emissions • Review sector-level exposures, financed emissions volume, and emissions intensity trends • Conduct impact analyses using climate risk scenarios	• Operate a monitoring system for high-carbon sectors and investment exclusion targets • Establish risk management plans based on monitoring results and report to management	• Develop internal regulations and management policies related to climate risk • Create plans to reduce exposure to high-carbon sectors and minimize financial losses • Establish and implement an integrated climate-financial risk management strategy



Climate Risk Transmission to Financial Risk



Climate Change Response

Metrics & Targets

GHG Emissions Management Metrics

NHIS is establishing a regular management framework by defining organizational boundaries using the operational control approach and leveraging source-specific quantification methodologies and internal manuals. Measurement results undergo third-party verification to ensure objectivity and accuracy. The standards, guidelines, and parameters are subject to change in accordance with the GHG Protocol and applicable domestic and international guidelines. Scope 1 and 2 emissions cover three greenhouse gases of CO2, CH4, and N2O. Market-based operational emissions (Scope 1·2) have declined for two consecutive years, from 8,052.3tCO_2eq in 2023 to 7,333.9tCO_2eq in 2024 and 6,667.4tCO_2eq in 2025.

Standards and Guidelines

01 Operational emissions (Scope 1·2)

Measurement Items

- Use of directly combusted energy in owned and leased office buildings
- Use of indirect energy such as purchased electricity in owned and leased buildings
- Fuel consumption from operation of company-owned vehicles

Standards and Guidelines

- WRI/WBCSD GHG Protocol (2004)
- IPCC Guidelines for National Greenhouse Gas Inventories (2006)
- Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading System (2025)

02 Other indirect emissions (Scope 3)

Measurement Items

- Indirect emissions from the purchase of products and services such as paper, cards and tap water
- Emissions generated during waste disposal processes
- Indirect emissions from employee business travel using transportation

Standards and Guidelines

The Corporate Value Chain (Scope 3) Accounting and Reporting Standard

Parameters

Category		Parameter
Scope 1	Stationary combustion	• Activity data: City gas (LNG) consumption • Calorific value: Fuel-specific national calorific value • Emission factor: Detailed quantification methods and criteria for GHG emissions by emission activity
	Mobile combustion	• Activity data: Diesel and gasoline consumption • Calorific value: Fuel-specific national calorific value • Emission factor: National GHG emission factors
Scope 2	Electricity	• Activity data: Electricity consumption, green premium/REC purchases • Emission factor: National GHG emission factors
	Heat(steam)	• Activity data: Heat (steam) consumption • Emission factor: Detailed quantification methods and criteria for GHG emissions by emission activity (2021)
Scope 3	Category 1(Purchased goods/services)	• Activity data: Paper consumption, corporate/debit cards issued, water consumption • Emission factor: Carbon emission factors under the Environmental Product Declaration system (2021)
	Category 2(Waste generated in operations)	• Activity data: Waste generation • Emission factor: Carbon emission factors under the Environmental Product Declaration system (2021)
	Category 6(Employee business travel)	• Activity data: Mode of transport and distance traveled by employees on business trips • Emission factor: U.S. EPA GHG Emission Factors (2025)

Climate Change Response

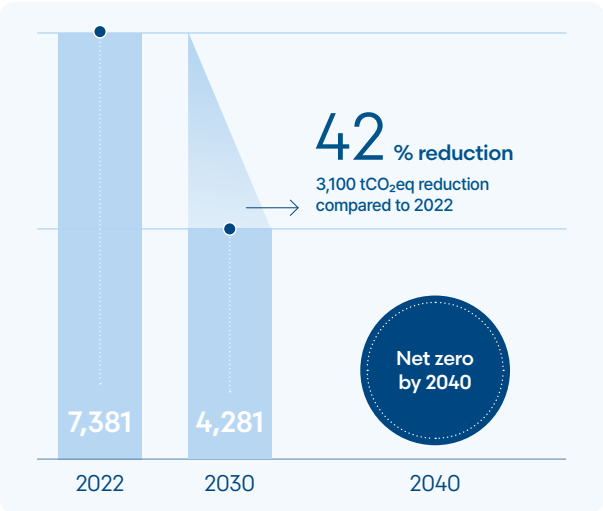
Metrics & Targets

Operational Emissions Reduction Targets

NHIS's operational GHG emissions reduction targets are set in alignment with NongHyup Financial Group's net zero goals. Using 2022 as the base year, the targets aim for a 42% reduction by 2030 and net zero emissions by 2040. While anchored on the Group-wide guidelines, the implementation strategy also reflects NHIS's distinctive business characteristics and operational environment. In 2025, market-based operational emissions (Scope 1·2) decreased by approximately 20.9% against the 2022 base year, coming in 177.9 tCO_2eq below the 2025 emissions target. This reflects efforts to reduce both energy consumption and GHG emissions through improvement in electricity use efficiency and expanded renewable energy procurement.

Operational Emissions Reduction Targets

Unit: tCO_2eq



GHG Emissions Measurement Results[1]

Emissions: tCO_2eq, Emission intensity: tCO_2eq/m^2

Category		Subcategory	NH Investment			NH Futures[2]			NH Hedge Asset Management[2]		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Scope 1 emissions	City gas(LNG)	Head office	249.0	262.4	271.4	28.2	38.7	41.6	N/A	N/A	N/A
		Centers, NH Leadership Academy	265.4	279.3	277.2						
	Gasoline	Mobile combustion	367.7	285.7	308.3						
	Diesel	Mobile combustion	5.3	2.7	2.1						
	Total		887.4	830.1	859.0						
Scope 2 emissions	Electricity	Head office	2,195.2	2,033.5	1,853.3	100.6	102.3	97.6	16.8	17.3	15.6
		Centers, NH Leadership Academy, in-house daycare centers	2,605.6	2,348.8	2,097.2						
		IDC	1,528.0	1,520.6	1,339.0						
		Mobile combustion	3.6	7.1	5.4						
	Steam	Centers	21.7	29.7	21.1						
	Location-based[3]		6,354.1	5,939.7	5,316.0						
	Market-based[4]		6,320.6	5,617.8	4,980.0						
Scope 3 emissions[5]	Water	Company-wide	13.9	15.8	15.1	N/A	N/A	N/A	N/A	N/A	N/A
	Paper	Company-wide	65.9	66.4	69.6						
	Cards	Company-wide	0.1	0.2	0.1						
	Waste	Head office	236.3	218.1	141.4						
	Business travel	Head office	492.5	533.7	544.9						
		Centers	35.6	51.9	57.3						
	Total		844.3	886.0	828.3						
Location-based[3]			8,085.8	7,655.8	7,003.3	128.8	141.0	139.2	16.8	17.3	15.6
Market-based[4]			8,052.3	7,333.9	6,667.4						
GHG emissions intensity[6] Scope 1		Head office	0.0108	0.0096	0.0101	N/A	N/A	N/A	N/A	N/A	N/A
GHG emissions intensity[6] Scope 2		Head office	0.0382	0.0354	0.0322						

1) Calculated in accordance with the WRI/WBCSD GHG Protocol and The Corporate Value Chain (Scope 3) Accounting and Reporting Standard
2) Scope 1 emissions refer to mobile combustion (gasoline) and Scope 2 emissions refer to GHG emissions from electricity consumption at the head office
3) Location-based Scope 2 emissions calculated using the national electricity grid emission factor
4) Market-based Scope 2 emissions reflecting REC and green premium purchases (emissions reduced through REC procurement: 335.9tCO_2eq)
5) Scope 3 calculation: water consumption based on actual and estimated usage (by floor area); paper based on printer usage volume; cards based on the number of corporate and debit cards issued; waste based on the disposal share (recycling, incineration, and landfill) of mixed waste disposed nationwide; and business travel based on employee travel records. Emissions from water, cards, paper, and waste were calculated applying carbon emission factors from the Environmental Product Declaration (EPD) system. Emissions from business travel were calculated in accordance with The Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
6) GHG emissions intensity calculated based on the contracted floor area of the head office building

Climate Change Response

Metrics & Targets

Energy Consumption Management Metrics

NHIS engages in company-wide energy saving initiatives in line with its structured energy management roadmap. Energy saving targets were defined against the 2022 base year and consumption trends have been monitored on an annual basis. In 2025, total energy consumption amounted to 61,461.2GJ, representing a year-over-year reduction of 512.4GJ. As it transitions from an early to a mid-stage phase in its energy-saving efforts, the focus remains on improving energy efficiency within the bounds of ensuring the operational stability of financial infrastructure.

Energy Consumption Management Targets

NHIS's sustained energy saving initiatives aligned with operational emissions reduction efforts allowed it to achieve energy consumption reduction targets for three consecutive years from 2023 through 2025. Improvement targets are defined each year by incorporating savings achieved, and a phased-in approach is taken in expanding the use of renewable energy and adopting more energy-efficient equipment while maintaining the operational reliability of financial infrastructure.

Trends and Achievements in Energy Consumption Reduction Unit: GJ

Category	2023	2024	2025
Total energy consumption	65,124.4	61,973.6	61,461.2
Target	65,217.7	62,660.9	61,595.6
Reduction against target	93.3	687.3	134.4

Energy Consumption Measurement Results

Emissions: tCO_2eq, Emission intensity: tCO_2eq/m^2

Category	Subcategory		NH Investment			NH Futures[1]			NH Hedge Asset Management[2]		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Total energy consumption			65,124.4	61,973.6	61,461.2	2,520.0	2,713.0	2,658.0	131.6	135.4	134.8
Indirect fossil fuel energy consumption	Electricity[3]	Head office	17,201.9	15,934.5	15,988.3	2,101.0	2,138.0	2,039.0	131.6	135.4	134.8
		Centers, NH Leadership Academy, in-house daycare centers	20,417.4	18,405.4	18,092.3						
		IDC	11,973.7	11,915.9	11,551.3						
	City gas(LNG)	Head office	4,548.9	5,166.2	5,343.9	N/A	N/A	N/A	N/A	N/A	N/A
		Centers, NH Leadership Academy	5,228.2	5,502.2	5,460.0						
	Steam	Centers	363.4	496.8	353.3						
Mobile combustion	gasoline, diesel	Head office	5,362.4	4,496.7	4,625.8	419.0	575.0	619.0			
	Electricity[3]	Head office	28.4	55.8	46.3	N/A	N/A	N/A			
Consumption from renewable energy procurement			262.8[4]	6,122.5[5]	8,657.9[6]	N/A	N/A	N/A	N/A	N/A	N/A
Energy intensity[7] Scope 1	Head office		0.1752	0.1641	0.1731	N/A	N/A	N/A	N/A	N/A	N/A
Energy intensity[7] Scope 2	Head office		0.2991	0.2775	0.2784						

1) Electricity consumption at the head office and gasoline consumption from mobile combustion
2) Electricity consumption attributable to the leased floor areas of the Parc.1 building, calculated based on monthly electricity usage billed to NHIS
3) Differences from the domestic gross calorific value standard (9.6 MJ/kWh) may arise as the calorific value of indirect energy (electricity) is calculated using the GHG Protocol Guidance (3.6 MJ/kWh)
4) REC procurement based on renewable electricity generated from solar power
5) REC procurement based on renewable electricity generated from bioenergy, and green premium procurement based on solar power
6) Purchase of RECs based on renewable energy generated from solar power, and purchase of solar-based Green Premium
7) Energy intensity calculated based on the contracted floor area of the head office building

Climate Change Response

Metrics & Targets

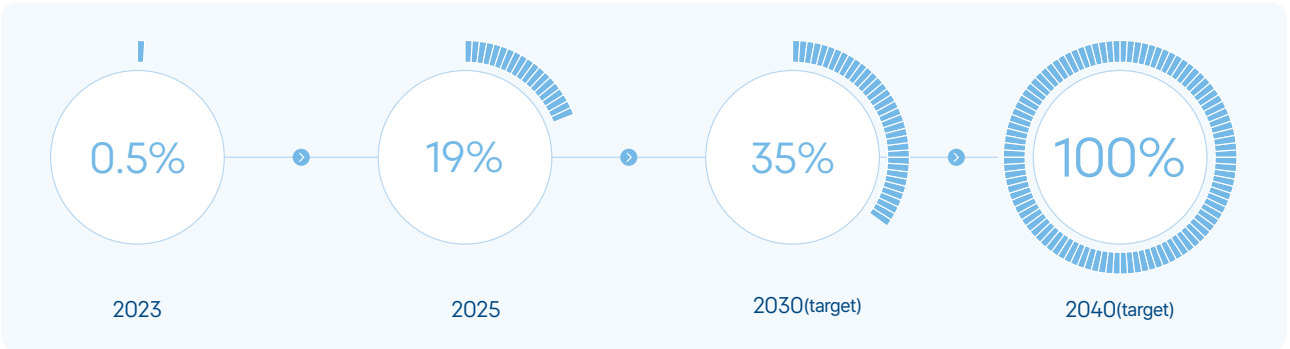
RE100 Implementation Strategy and Transition Targets

NHIS joined K-RE100[1] in November 2023, committing to sourcing 100% of its electricity from renewable energy by 2040. In 2025, RECs and green premiums were purchased, converting 19.0%[2] of its total electricity use to renewable energy with a target to increase this share to 35% by 2030. In February 2024, NHIS also joined CoREi (Corporate Renewable Energy Initiative), setting voluntary transition targets and strengthening its implementation capacity. A flexible and comprehensive approach is taken to renewable energy transition, factoring market trends, policy developments, and internal management strategies, while pursuing external partnerships to secure transition pathways and contribute to social value creation.

Financed Emissions Management Metrics

Compared to other sectors, the financial industry generates a disproportionately higher portion of financed emissions (Scope 3-Category 15) relative to operational emissions (Scope 1·2), underscoring the need for systematic management. The PCAF methodology is applied to calculating financed emissions and aims to progressively increase the share of eco-friendly assets in its portfolio while closely monitoring high-carbon sectors. This underpins efforts to reduce financed emissions, effectively manage transition risks arising from climate change, and reinforce its capacity to address climate-related risks. In 2025, financed emissions declined by approximately 213,000 tCO_2eq year-over-year to 1.487 million tCO_2eq, and financial intensity improved from 18.1 tCO_2eq per KRW 100 million in 2023 to 7.6 tCO_2eq per KRW 100 million in 2025, marking a sustained declining trend over two consecutive years.

RE100 Implementation Roadmap



1) A voluntary domestic campaign aimed at sourcing 100% of electricity from renewable energy by 2050, modeled after RE100 (Renewable Energy 100)
2) In 2025, 2,405MWh of electricity was sourced from renewable energy, out of total electricity consumption of 12,688MWh

Financed Emissions Measurement Results[3]

Balance: KRW 100 million, Emissions: 10,000 tCO_2eq, Intensity: tCO_2eq / KRW 100 million

Category	2023			2024			2025		
	Balance	Financed Emissions	Financial Intensity	Balance	Financed Emissions	Financial Intensity	Balance	Financed Emissions	Financial Intensity
Listed equity	728.8	2.3	31.7	577.1	1.3	23.6	835.3	0.5	6.0
Corporate bonds	80,364.5	170.1	21.2	91,052.9	99.9	11.0	144,497.7	64.3	4.4
Corporate loans	20,526.5	13.6	6.6	35,039.6	14.8	4.2	28,116.4	17.0	6.0
Unlisted equity	14,736.7	21.2	14.4	14,934.8	45.2	30.3	18,100.9	64.0	35.4
Infrastructure project finance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Object finance	164.9	0	1.3	N/A	N/A	N/A	N/A	N/A	N/A
Commercial real estate	1,515.3	0.1	0.3	858.6	0	0.1	4,188.3	0.1	0.4
Subtotal	**118,036.7**	**207.3**	**17.6**	**142,463.0**	**161.2**	**11.3**	**195,738.6**	**145.9**	**7.5**
Sovereign exposure	4,229.4	13.8	32.6	2,690.4	8.8	32.7	1,120.4	2.8	25.3
Total	**122,266.1**	**221.1**	**18.1**	**145,153.4**	**170.0**	**11.7**	**196,858.9**	**148.7**	**7.6**

3) Financial intensity is calculated by dividing financed emissions (tCO_2eq) by the outstanding balance (KRW 100 million) of investee and borrower companies.

Climate Change Response

Metrics & Targets

Financed Emissions Reduction Target

NHIS's financed emissions reduction targets are established and managed in alignment with NongHyup Financial Group's net zero goals. The interim target is to reduce financed emissions by 31.1% by 2030 against the 2023 base year[1], following Korea's Nationally Determined Contribution (NDC) pathway, with phased reductions through 2040 and a net zero target set for 2050. Reduction targets are defined by excluding government exposure in reflection of the characteristics of its investment portfolio and business. In 2025, financed emissions amounted to 1.459 million tCO_2eq[2], down by nearly 9.5% year-over-year, bringing it closer to meeting the 2030 target of 1.427 million tCO_2eq.

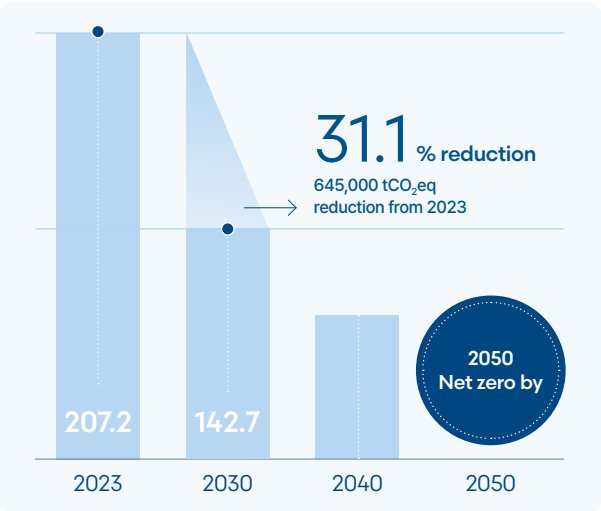
Reliability of Financed Emissions Data

Financed emissions data are collected and measured based on carbon disclosures from investee companies and the National Greenhouse Gas Management System. Data reliability is assessed using the PCAF-aligned Data Quality Score, with lower scores indicating higher data reliability. In 2025, average data quality scores[3] were 2.52 for Scope 1, 2.62 for Scope 2, and 3.32 for Scope 3, reflecting year-over-year improvements across all three Scopes and enhanced reliability of the underlying data.

Sector-specific Financed Emissions in Line with SBTi Standards

NHIS measures financed emissions from key sectors in accordance with the Science Based Targets initiative (SBTi)[4] framework. As of the end of 2025, financed emissions from key sectors as defined by SBTi totaled approximately 956,000 tCO_2eq, representing nearly 64.3% of total financed emissions. By sector, the highest emissions came from chemicals with 715,000 tCO_2eq, followed by power generation at 86,000 tCO_2eq and cement at 57,000 tCO_2eq, with the share of chemicals increasing significantly compared to the prior year. Portfolio monitoring of high-carbon sectors is being strengthened while analyzing sector-specific emissions trends to drive reductions in financed emissions.

Mid- to Long-term Financed Emissions Targets Unit: 10,000 tCO_2eq

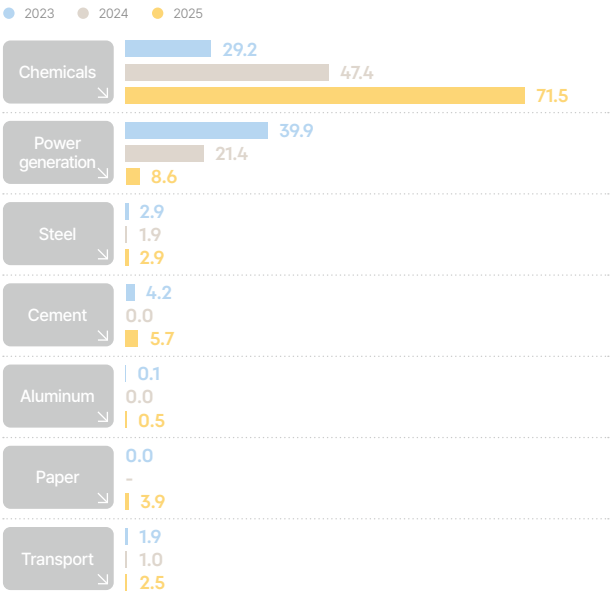


Financed Emissions Data Quality Score Unit: Scores

Category	Scope 1	Scope 2	Scope 3
Listed equity	2.92	2.92	3.11
Corporate bonds	2.36	2.36	3.36
Corporate loans	3.81	3.81	3.91
Unlisted equity	2.50	2.50	2.84
Commercial real estate	-	4.00	-
Government bonds	1.00	4.00	4.00
Average score	2.52	2.62	3.32

3) Calculated as a balance-weighted average: (Asset balance × data quality score per asset) / Total balance

Financed Emissions by Key Sector under the SBTi Unit: 10,000 tCO_2eq



1) NongHyup Financial Group established its financed emissions reduction targets through SBTi vali- dation in 2021, setting NHIS' 2030 target at 24.2% reduction from 2021 levels. As the number of investee companies disclosing GHG emissions increased, financed emissions rose compared to the initial measurement, prompting a target recalibration based on the 2023 baseline

2) Financed emissions targets are defined by excluding government exposure, and actual performance against targets is measured on the same basis

4) SBTi (Science Based Targets initiative): A global initiative aimed at supporting the development of science-based GHG emissions reduction targets

Climate Change Response

Metrics & Targets

Internal Carbon Price Management

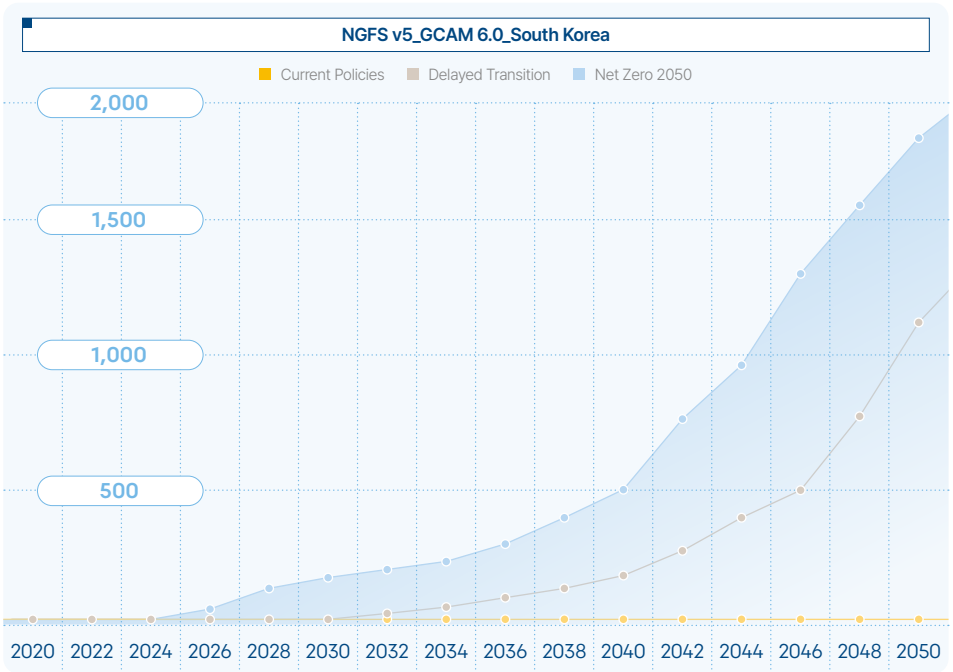
NHIS has introduced Internal Carbon Prices (ICP) to proactively incorporate the potential financial costs of carbon emissions into its internal decision-making and risk assessment processes. By objectively quantifying the economic value of carbon emissions, ICP is applied to prioritization in green finance investment and risk management. To ensure reliable carbon price setting, an advanced methodology is implemented: the shadow price approach imposes a notional cost without affecting actual cash flows, and carbon price pathways from the GCAM 6.0 model under the NGFS Fifth Assessment scenarios are utilized. The applied scenario is based on projected future carbon prices for Korea under the Net Zero 2050 scenario, comprehensively accounting for anticipated price movements from 2030 through 2050. Based on these results, NHIS will assess the economic feasibility of renewable energy procurement including RECs and energy efficiency investments, and work toward the efficient implementation of its 2050 net zero roadmap.

Internal Carbon Price Overview

Purpose	• Budget setting for renewable energy procurement in the course of net zero implementation • Basis for climate-related judgements in investment decision-making and risk assessment • Analysis of opportunities in green finance investment
Type	• Shadow price
Price Range	• Minimum: approx. KRW 215,022(USD 151.25 $_{2010}/tCO_2$) • Maximum: approx. KRW 2,278,182 (USD 1,602.56 $_{2010}/tCO_2$)
Scope of Application	• Scope 1, 2 • Scope 3 (financed emissions)
Application Status	• Reflected in business (investment/renewable energy procurement) decision-making

Internal carbon price pathway

Unit: US$2010/tCO$_2$



Carbon Finance

Carbon Finance Implementation Framework

Establishing a Carbon Finance Implementation Framework

NHIS pursues carbon finance as a key business priority to address climate change and support the transition to a low-carbon economy. The Carbon Finance Task Force was launched in 2022 to lay the necessary operational foundation, and established the Carbon Finance Department under the Investment Division in 2023 as a dedicated function to reinforce its business implementation framework.

Carbon finance operations are structured around three key areas: emissions trading, carbon reduction project investment, and partnerships with international organizations. Platforms are being built to facilitate emissions trading and broaden the base for market participation while investing in reduction projects leveraging low-carbon technology and engaging in collaborative programs with global climate institutions, strengthening the role of finance in countering climate change.

Expansion of Carbon Market Participation

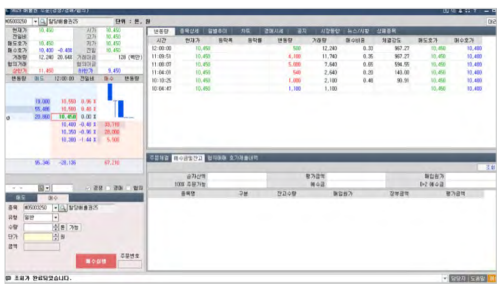
Hosting a Carbon Market Seminar

To help corporate clients strengthen their climate action capabilities and enhance understanding of carbon markets, NHIS hosted the inaugural Carbon Market Seminar in May 2025 in partnership with Ecoeye, a specialist carbon solutions provider. The seminar featured presentations on its entrusted trading business for the K-ETS and the carbon credit business model jointly pursued by NHIS and Ecoeye, while expanding collaboration opportunities among businesses and financial institutions through the networking session. NHIS plans to continue providing carbon market intelligence through seminars and forums and to support the development of a vibrant carbon finance ecosystem.

Launching Entrusted Emissions Trading Service

NHIS launched "NHIS K-ETS HTS", an entrusted emissions trading service, in November 2025 to facilitate participation in the carbon allowances market and enhance trading convenience. As a flagship initiative under the pilot project led by the Korea Exchange and the Ministry of Environment for the Korean Emissions Trading System (K-ETS), this service extends the existing model which requires direct Korea Exchange membership to access the trading system to an entrusted trading structure mediated through private securities firms, enabling market participants to trade emission allowances more conveniently through a dedicated NHIS account.

Built on an HTS infrastructure capable of handling up to one million concurrent users, NHIS K-ETS HTS provides a stable and professional trading environment. This service is expected to enhance trading convenience for allocated entities, diversify modes of market participation, and reduce transaction costs, while contributing to increased liquidity and advanced price discovery in the emissions allowances market.



→ K-ETS HTS trading interface

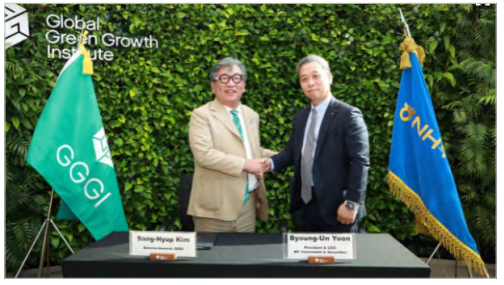
Global Partnership for Carbon Finance

Expanding Partnerships across the Global Carbon Market

In September 2025, NHIS signed an MOU with Xpansiv, a global environmental commodities trading infrastructure company, to strengthen its carbon finance capabilities. As the operator of CBL (Carbon Brokerage Ltd.), the world's largest carbon credit trading platform, Xpansiv provides global market infrastructure for the digital trading of diverse environmental commodities including renewable energy certificates and natural gas. Through this partnership, NHIS will support Korean companies in need of carbon credits with more efficient access to international carbon credit markets.

Scaling Climate Finance through Partnership with International Organizations

To address the global climate crisis and establish a sustainable financial ecosystem, NHIS signed an MOU with the Global Green Growth Institute (GGGI) in October 2025 to implement the Climate Tech Company Overseas Expansion Support Program (FP240). GGGI is an international organization established to promote sustainable economic growth and climate action worldwide. Under this partnership, GGGI will identify climate technology companies across Southeast Asia — spanning Lao PDR, Cambodia, Vietnam, Indonesia, and the Philippines — while NHIS will manage a fund dedicated to supporting global climate technology companies in advancing into the Southeast Asian market. Through this collaboration, both organizations aim to advance global climate action by bridging climate technology innovation and investment.



→ MOU with GGGI for the implementation of the Climate Tech Overseas Expansion Support Program

Environmental Stewardship

Environmental Management Framework

Establishing an Environmental Management System

Environmental Management Policy Overview

NHIS maintains a clear commitment to climate action and environmental protection, underpinned by its company-wide Environmental Management Policy. The CEO holds top-management responsibility for the ISO 14001-based environmental management framework, overseeing its establishment and overall operation, and directly managing environmental management policies and targets. The ESG Committee and Sustainability Council develop and oversee environmental management strategies and mid- to long-term plans, while the ESG Group handles day-to-day execution, including defining implementation tasks, evaluating performance, and planning environmental management campaigns. Through this structure, the environmental management framework flows organically from decision-making to execution under the CEO's overarching accountability.

Since obtaining ISO 14001 certification in June 2022, NHIS has maintained its certification through successive surveillance and renewal audits. A GHG Inventory Manual has been established to systematize the management standards for GHG emissions data and advance the calculation and management process. Through these efforts, the reliability and consistency of environmental performance data are continuously enhanced.

Climate Disclosure through CDP

NHIS transparently discloses its climate action strategies and GHG emissions data through the Carbon Disclosure Project (CDP). CDP disclosure serves as an objective benchmark for assessing its climate response and helps strengthen the environmental data management framework and GHG reduction initiatives on an ongoing basis.

In the 2025 CDP assessment, NHIS achieved a Leadership A rating — the highest available grade. This recognition reflects the breadth of its climate management performance, spanning its climate action strategy, level of environmental disclosure, and GHG management framework. Going forward, its environmental data management framework will be advanced, expand climate-related disclosures, and uphold transparent environmental management in line with global standards.

Specialized Environmental Management Training

NHIS supports employees in participating in external specialist training programs to strengthen environmental management capabilities. In July 2025, the completion of the CDP Climate Change training program was facilitated, covering the CDP assessment framework, key considerations by question, and part-specific management practices, enhancing capacity to respond to climate disclosure requirements. Participation in a green finance specialist training program was also supported, through which employees gained knowledge of sustainable finance concepts, K-Taxonomy calculation methodologies, and practical application cases, strengthening operational expertise in green finance. To proactively respond to rapidly evolving environmental regulations and disclosure standards, participation in relevant specialized training will continue to be supported going forward.

Fostering an Eco-friendly Workplace

Improvement in Workplace Infrastructure

When relocating centers or performing facility improvement works, NHIS adopts high-efficiency LED lighting to reduce electricity consumption and enhance energy efficiency. This approach was applied to the relocation of the Sooji, Jinju, and Kuri WM Centers, the establishment of the Sejong NH Finance PLUS Center, and the expansion of the Banpo branch, driving an ongoing transition toward greener, more energy-efficient workplaces.

Operating a Greywater System

Parc.1 Tower 2, NHIS's headquarters, operates a greywater system to conserve water resources and ensure efficient water use. Wastewater from washroom basins is treated through a multi-stage filtering and purification process before being reused for toilet flushing. In 2025, 14,051.7 tons of water were recycled through this system, accounting for approximately 27% of total annual water consumption at the head office building. This water reuse system minimizes the environmental impact of our workplace operations and reinforce an efficient resource management framework.

Expanding EV Charging Infrastructure

NHIS continues to expand the electric vehicle (EV) charging infrastructure across its workplaces to support the transition to eco-friendly transportation. The head office building operates a charging station with capacity for 36 vehicles, along with two units installed at the Gwangju office and three units at the NH Leadership Academy, establishing a charging network across key locations. This infrastructure enhances the convenience of EV use for both employees and visiting clients, while supporting the broader adoption of sustainable mobility across its operations.

Transitioning to Eco-friendly Corporate Fleet Vehicles

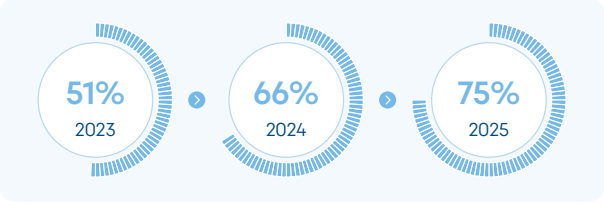
NHIS is pursuing a phased transition to a low-carbon corporate fleet. As of the end of 2025, 32 hybrid and 20 EVs are in operation across a total fleet of 69 corporate vehicles, reinforcing the foundation for a sustainable mobility transition.

Overview of Corporate Fleet Vehicles

Unit: Vehicles

Category	2023	2024	2025
Gasoline-powered	30	18	12
Diesel	6	7	5
Hybrid	20	24	32
EV	17	24	20
Total	73	73	69

Proportion of Eco-friendly Transportation



Environmental Stewardship

Resource Usage

Water and Wastewater

Unit: m^3

Category	Scope of Calculation	2023	2024	2025
Water withdrawal[1)]	Head office	36,446.2	42,486.2	37,864.4
	Centers	22,118.0	24,027.8	25,663.1
Water discharge	Head office	36,446.2	42,486.2	37,864.4
	Centers	22,118.0	24,027.8	25,663.1
Water consumption[2)]	Head office	0.0	0.0	0.0
	Centers	0.0	0.0	0.0
Greywater consumption	Head office	12,830.2	12,676.4	14,051.7

1) Calculated the amount of water entering the new office building (Parc.1) (withdrawal) and the amount of water discharged (wastewater) based on water consumption
2) Calculated water consumption based on the water withdrawal and wastewater guidelines laid out by the CDP (Carbon Disclosure Project)

Waste Discharge

Unit: ton

Category	Scope of Calculation	2023	2024	2025
Waste generation[1)]	Head office	287.7	271.1	174.0
Waste recycling	Head office	126.7	134.8	134.6

1) All waste generated is general waste

Paper Consumption

Unit: ton

Category	Scope of Calculation	2023	2024	2025
Paper consumption	Company-wide	58.8	59.3	62.1

Employee Engagement in Environmental Management

Cross-NongHyup Sustainability Action Campaign

A cross-NongHyup sustainability action campaign was carried out throughout the year, covering a range of themes that employees can easily practice in their daily lives. Through various participatory activities — including joining the Hometown Love Donation project, disposing of e-waste through the e-Cycle Governance program, certifying sustainability-related activities, and practicing ethical consumption by using eco-friendly products and products from social enterprises — employees broadened shared awareness of everyday environmental action and the value of sustainable management. Building on employees' voluntary participation, participatory campaigns will continue to spread a culture of everyday sustainability practice and to establish a sustainable organizational culture.

'Grow with N2,' Campaign

The internal campaign "Grow with N2," was designed to promote personal growth and the practice of sustainability values among employees. By encouraging employees to nurture their own companion plants in daily life and experience the meaning of growth and sustainability, the campaign is closely aligned with the N2 brand philosophy, fostering a culture of environmental awareness and action across the organization. Moving forward, employee engagement initiatives will be expanded through programs featuring climate-resilient crops and a range of partnerships.



→ Delivering companion plant cultivation kits for employees

Coffee Capsule Resource Circulation Campaign

Since 2022, NHIS has partnered with Nespresso on the "Coffee Capsule Green Moment" campaign. Used coffee capsules from in-house coffee machines are reclaimed collectively through dedicated collection bins on each floor and sent for a closed-loop resource cycle. In 2025, coffee capsules collected at the head office totaled 120,900, generating approximately 1,505kgCO_2eq in GHG emissions reductions. Reclaimed capsules are recycled into compost, fertilizer, and industrial inputs, contributing to resource circularity.

GHG emissions avoided by reclaiming coffee capsules

1,505 kgCO_2eq

Promoting the Use of Reusable Cups

To reduce single-use products and foster eco-friendly habits, tumbler washing machines have been installed and operated in the cafeterias of the head office building. Since 2022, 13 such washers have been deployed to make it more convenient for employees to use their personal tumblers and reusable cups. In 2025, the machines were used 246,671 times, avoiding approximately 9,867kg of carbon emissions — equivalent to the amount of carbon dioxide absorbed annually by approximately 1,495 thirty-year-old pine trees.

Carbon emissions avoided by using reusable cups

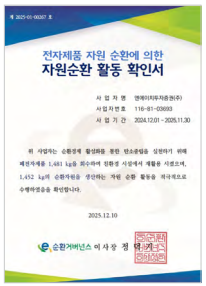
9,867 kg

Environmental Stewardship

Employee Engagement in Environmental Management

Resource Circulation Campaign

To extend the scope of net zero action from direct emissions (Scope 1·2) to other indirect emissions (Scope 3), NHIS is partnering with the E-Cycle Governance to drive resource circulation initiatives. End-of-life IT devices and electronics are collected from within the offices and recycled through lawful and safe procedures to minimize waste generation. A program is also operated through which employees can voluntarily donate or return used household electronics, extending resource circulation into everyday life. In 2025, a total of 1,481kg of e-waste was collected, reducing Scope 3 emissions by 4,824kgCO_2eq.





End-of-life electronics collected

1,481kg

Toy Disassembly Campaign

Since 2023, NHIS has partnered with TRU (Toy Recycle Union), a private foundation, on a volunteer program dedicated to dismantling end-of-life toys. By disassembling and sorting discarded toys that would otherwise be incinerated or landfilled, this initiative helps reduce environmental pollution and contribute to resource circularity. In 2025, 100 employees participated in this program. Prior to the volunteer activity, participants attended environmental training covering the environmental impact of plastic waste and microplastics and proper sorting practices, raising their awareness of resource circularity. The dismantling of 41kg of toys generated 143.5kgCO_2eq in GHG emissions reductions.





→ Employees participating in the toy disassembly campaign

Biodiversity Conservation

TNFD Membership

NHIS joined the TNFD (Taskforce on Nature-related Financial Disclosures) in March 2026 to recognize the impact of natural capital and biodiversity on the financial system and investment decision-making and to proactively address these issues. Leveraging the TNFD framework, NHIS will systematically identify and assess nature-related risks and opportunities and progressively expand the analysis of natural capital dependencies and impacts across its investment portfolio.

Biodiversity Management Framework

The ESG Committee serves as a central forum for deliberating biodiversity-related strategies and implementation directions, while the ESG Department oversees day-to-day execution. The biodiversity-related risk and opportunity management framework will be advanced in line with TNFD guidelines, with these considerations integrated throughout the management strategy and responsible investment framework.

Board of Directors

ESG Committee

- Review ESG strategies and initiatives including biodiversity issues
- Coordinate cross-departmental consultations and present policy directions on key biodiversity issues

ESG Department

- Oversee the working-level implementation of biodiversity-related matters
- Engage in TNFD response and initiative management
- Report to the ESG Committee and manage agenda items
- Oversee the implementation of biodiversity initiatives and ensure cross-departmental coordination



PEOPLE

NHIS is refining the overarching management framework across clients, digital technology, risk management, and social responsibility, reinforcing both the competitive edge and trustworthiness of its financial services. While proactively navigating the evolving financial landscape through innovation in client experience, data-driven decision-making, and enhanced financial consumer protection, NHIS also pursues shared growth and social value creation in tandem to advance sustainability over the long term.

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Focus Information Security and Client Data Protection 75
Talent Management 79
Social Responsibility Management 85
Focus Mutual Growth with Agriculture and Rural Communities and Community Partnership 88
Shared Growth 90

Social responsibility is not a choice: it is an imperative that finance must confront. NHIS goes beyond merely accommodating developments and needs of its clients, employees, and the broader community, continuously exploring how finance can play a role in actively addressing these challenges. While strengthening the trustworthiness of financial services, NHIS also strives to embed social value creation into the fabric of its business operations.

Grounded in Trust, Expanding the Reach of Finance for Social Value Creation



Finance in Action for Social Value

01

Client and Financial Consumer Protection

Setting client trust as the standard for finance

As expectations of finance continue to rise, so does its complexity and uncertainty. Against this backdrop, NHIS is committed to delivering financial solutions that clients can more readily understand and trust. Taking an integrated approach to client-centric management and financial consumer protection, the overall structure of its services is continuously reviewed and refined. By broadening tailored services and digital client interfaces to enhance accessibility and convenience, NHIS also continues to strengthen its consumer protection framework.

02

Digital Finance and Platform

Redefining financial experience through digital transformation

Digital technology is rapidly reshaping the way finance operates, and client expectations continue to rise in step. The focus is on delivering tangible convenience and value to clients beyond mere technology adoption. Through data-driven analytics and platform advancement, investment intelligence and financial services are made more intuitively accessible, while NHIS remains vigilant that digital transformation translates into enduring competitive advantage rather than a one-off change.

03

Talent and Corporate Culture

Strengthening sustainability through a people-centered organization

Change in finance is ultimately made possible by people. Building an environment where employees develop adaptability to change and grow sustainably is a fundamental priority. To this end, frameworks governing fair performance evaluation and compensation, capability development, safety, and welfare are continuously improved, solidifying the foundation of the organization as a whole. NHIS is committed to fostering a corporate culture respecting diversity and inclusion and to creating a trustworthy workplace for employees.

04

Shared Growth and Social Value Creation

Extending the role of finance into society

Finance increasingly exerts greater impact on society, and so too does the responsibility that comes with it. NHIS recognizes that finance must go beyond the mere provision of capital to play a role in enhancing the sustainability of industries and local communities. Through shared growth finance, community support, and social impact initiatives, NHIS engages with society in diverse ways, continuously exploring how to make a meaningful difference across industries and the communities it serves.

Client-centric Management

Client-centric Management Framework

Client Satisfaction Survey

Regular client satisfaction surveys have been conducted since 2019 to advance client-centric management. These surveys are performed on a year-round basis for center advisor services and operational services while annual surveys targeting MTS users capture client feedback across the full range of services. Survey results are classified into three tiers — require improvement, improve gradually, and maintain/strengthen — and systematically incorporated in order of priority. Through continuous improvements to core client experience areas including searchability, accessibility, and usability, the quality of client-centered digital financial services is continuously enhanced. Building on these efforts, NAMUH MTS ranked first in the securities sector for two consecutive halves in NongHyup Financial Group's 2025 Mobile App Competitiveness Assessment.

NH Mentors Client Panel Program

NHIS operates NH Mentors as a client panel group to gather client feedback on its diverse products and services. In 2025, NH Mentors helped identify the financial service use experience and requirements of both existing and prospective clients through surveys benchmarking the remote consultation performance of ISA and pension advisors, client behavior research, and retirement pension client awareness surveys. The findings are reflected in the review of potential product and service improvements, with identified client needs and pain points incorporated into actual improvements.

Complaint and VOC Handling

A dedicated complaint and VOC team under the Financial Consumer Protection Group manages the intake and handling of client complaints and feedback. All submissions are promptly reviewed and resolved, with matters requiring compensation or service improvement addressed through established internal review procedures. As a general principle, complaints are responded to within 14 days of receipt, and VOC cases are resolved within two to seven business days.

Customer Satisfaction Survey Results by Center Unit: Points

Category	Client Satisfaction[1)]
Center advisor[1)]	95.8
Operational service[1)]	93.0

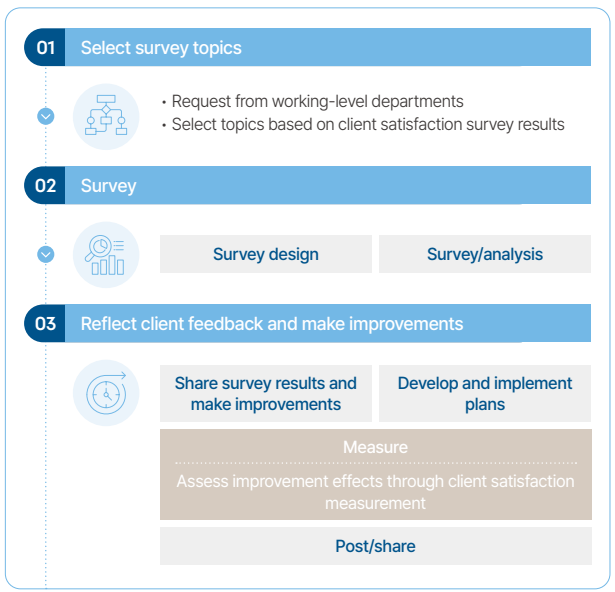
1) As of H1 2025

Mobile App Competitiveness Assessment Results among Securities Firms Unit: Points

Category	Client Satisfaction[1)]
NAMUH MTS	70.5

1) Average score of H1 and H2 2025(Survey provider: Macromill Embrain)

NH Mentors Operation Process



VOC Handling Unit: Cases, %

Category	2024	2025	Change	
			Case	Percentage
Inquiry	9,554	15,201	△5,647	59.1
Suggestion	2,359	1,846	▽513	-21.7
Complaint	2,202	5,810	△3,608	163.9
Compliment	3,882	3,231	▽651	-16.8
Total	17,997	26,088	△10,419	46.1
Cases handled	17,997	26,088	-	-
Handling rate	100%	100%	-	-

Client-centric Management

Client-centric Management Framework

Recognized in the Korea Brand Recommendation Index

NHIS has been ranked first in the securities firm category of the "Korea Brand Recommendation Index" published by the Korea Management Association Consulting (KMAC) for four consecutive years. The Index evaluates brand competitiveness based on actual consumer experience and likelihood to recommend, and NHIS received positive assessments across a range of factors including financial product competitiveness, client service quality, and brand trustworthiness. This recognition reflects a comprehensive evaluation of service experience at client touchpoints and overall satisfaction with financial products.

Expanding Personalized Client Services

Hybrid Pension Asset Management

NHIS provides a hybrid pension asset management service combining specialist expertise and AI for clients who prefer digital channels. The pension PB team, AI robo-advisor, and dedicated consultation staff work in close coordination to deliver asset management services tailored to each client's profile.

The retirement pension PB team, composed of top-tier PBs and pension specialists, provides VIP clients seen in person with comprehensive consulting covering market analysis, portfolio rebalancing, maturity management, and tax optimization strategies. Notably, the "On-site Pension Consulting Service" delivers an integrated review spanning national pension and pension savings as well as retirement pension, while also supporting corporate clients through briefing sessions and consultations.

Pension Investment Service Powered by IRP Robo-advisor

An Individual Retirement Pension (IRP) robo-advisor service has been introduced, enabling digitally-based pension asset management. This service analyzes a client's investment profile and proposes a suitable portfolio, drawing on a total of 49 retirement pension investment algorithms. Clients may subscribe to recommended portfolios or select products aligned with their risk appetite through the NAMUH app and N2 app, with algorithms automatically rebalancing portfolios in response to changing market conditions to support the reliable management of pension assets.

As of the end of March 2026, the aggressive investment algorithm recorded an average cumulative return of 60.6%, with certain strategies delivering returns of 106.5%. Clients may choose between a performance-based fee structure (15% of generated returns) and a flat fee structure (0.3% of invested assets), which allows for a management approach tailored to each client's investor profile and preferences.

Offering Educational Content for Retirement Planning

A range of investment education content is provided to support clients in building assets and preparing for a stable retirement. The Longevity Research Institute plays a central role in delivering retirement preparation information and retirement planning content targeted at middle-aged and older clients.

In 2025, THE100 Report was published 18 times, along with N2 Wise Retirement Living and N2 Retirement Pension Whitepaper, offering a steady stream of pension and retirement-related information. The YouTube channel also featured the "K-Retirement Hunters" and "Pension The 100 Age" series, helping to deepen clients' understanding of pension asset management and retirement preparation. Through these content initiatives, NHIS assists clients in managing their assets from a long-term perspective and preparing for life after retirement. Moving forward, efforts to provide information tailored to age groups and investment objectives will continue to be strengthened.

Family Office Service for UHNW Clients

For clients with KRW 10 billion or more in deposited assets, NHIS provides institutional-grade wealth management services. Beyond wealth management, programs aligned with their lifecycle and family-level decision-making are operated, spanning family business succession, philanthropy, foundation establishment and operation, immigration and overseas education, and next-generation leadership education. Small-group seminars are also hosted for these clients to share insights on wealth management and business operations. Since its launch in October 2021, the client base has continued to expand, with a total of 224 families served by Family Office services as of 2025. Building on this accumulated experience, NHIS continues to advance its wealth management services tailored to the distinct needs of each client.

Expanding the Offline Financial Centers and Consultation Infrastructure

In line with the growing demand for specialized wealth management consultation, NHIS continues to expand its network of regional offline financial centers. The number of financial centers has risen from 10 at the end of 2022 to 15 at the end of 2025, with Smart Teller Machines (STM) deployed within these centers to promptly handle routine client transactions. As of December 2025, 19 STMs are in operation, along with consultation rooms offering one-stop services from consultation to transaction execution. Each financial center is equipped with dedicated spaces for client seminars and consultation programs, delivering face-to-face wealth management services.

Client-centric Management

Expanding Personalized Client Services

Tax Optimization Service for Overseas Equity Investors

To enhance tax management convenience for overseas equity investors, NHIS now offers a choice of capital gains tax calculation method. In addition to the conventional first-in, first-out method, the moving average cost method is also provided, broadening investor choice in determining the tax calculation method best aligned with their own investment strategy. This service applies from the 2024 tax year, and once an investor switches to the moving average cost method, further changes are not permitted.

Equity Compensation Linkage Service

An MTS-based equity compensation linkage service has been introduced to enhance the operational efficiency of equity compensation programs and employee convenience. The service automatically reflects compensation details — including equity compensation rights under a post-delivery settlement method — in the employee's MTS account without the need to open a separate dedicated account, marking the industry's first such offering. Through a partnership with QuotaLab, a one-stop service has been built that integrates the entire process of equity compensation contracting, grant, and administration, enabling companies to efficiently administer their equity compensation programs without complex procedures, while employees can intuitively check their compensation details through the mobile app. Looking ahead, additional equity compensation structures including Restricted Stock Awards (RSA) and Employee Stock Purchase Plans (ESPP) will be introduced to expand the scope of this service, with its client base continuing to be broadened through collaboration with corporate clients.

Expanding Digital Channel Services

Chatbot Noah Operation and Service Improvement

Chatbot "Noah" was designed to provide virtual client consultation and financial intelligence. In addition to addressing basic inquiries covering investment information, real-time price lookups, event updates, and official notices, Noah is also used for a range of services from personalized guidance on shareholder rights such as paid subscriptions and objection notices to transaction password changes required for IPO subscriptions. Since its launch in September 2022, Noah's usage has grown steadily, with an average of 3,737 daily users and a return visit rate of 57% as of 2025. To help clients locate their desired information more easily, the interface has been redesigned from a horizontal carousel layout to a vertical button-landing structure, enhancing usability and information accessibility.

AI-powered Investment Information Service

AI-powered services are being expanded to improve access to overseas investment information. The “Three-Line Summary” service condenses news, earnings, and price movements for individual US stocks into three concise sentences, while real-time updates on critical information including Korean translations of disclosures, key figures, and stock price trends, enabling investors to stay on top of major issues in overseas markets. NHIS also became the first in the Korean financial sector to sign an MOU with Perplexity, introducing “Perplexity Pro” as an AI-powered search service that analyzes a wide range of overseas data in real time and delivers it in Korean, significantly enhancing the ease of information discovery for investors.

Operating Digital Investment Information Channels

Digital channels are leveraged to strengthen investment intelligence delivery and client engagement. Through the official YouTube channel, the investment information program “Happy Open Stock” is broadcast regularly, and in response to client demand, the broadcast time has been shifted from lunchtime to pre-market hours, improving the timeliness of information delivery. Live video seminars via Zoom are also hosted to facilitate interactive client communication, with analysts and portfolio managers directly delivering market analysis and investment strategies while addressing client questions to offer actionable investment insights. Building on domestic and global investment strategies and the analysis of high-potential stocks and fixed income and alternative assets, rigorous analysis of small- and mid-cap stocks and unlisted companies in step with policy developments. The coverage extends further to include structural shifts in future industries such as AI, robotics, space, and stablecoins, offering tailored insights aligned with each client’s investment profile and needs. The Digital Care service links investment information delivery with wealth management services, providing clients with tailored investment solutions underpinned by diverse investment content and portfolio review functions.

Client-centric Management

Expanding Inclusive Finance

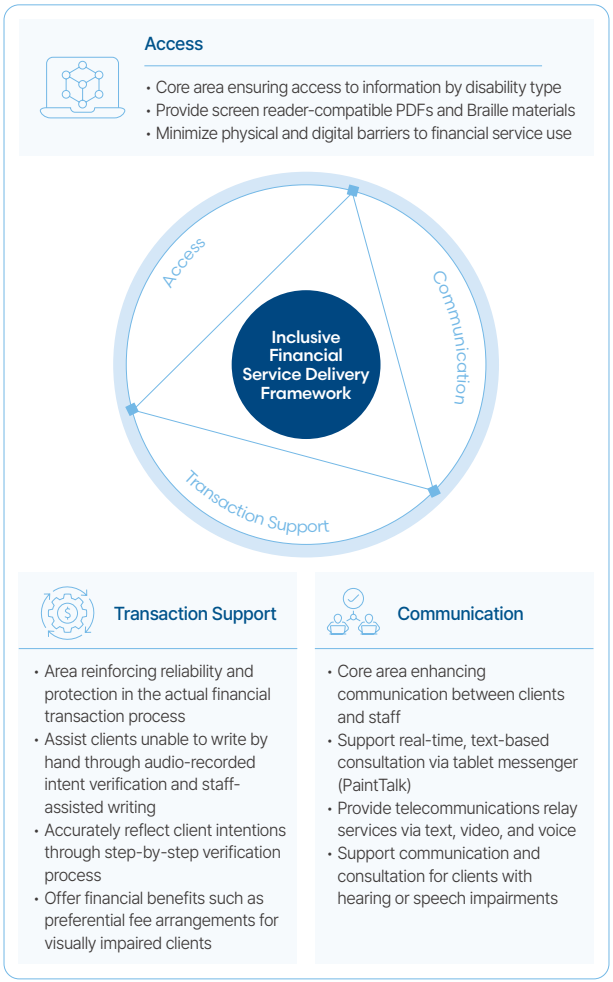
Financial Service Delivery Customized for Different Disability Types

In response to government policies aimed at improving financial accessibility for people with disabilities, NHIS is building a tailored financial service delivery framework that reflects the specific characteristics of different types of disability. For clients with visual impairments, screen reader-compatible electronic documents (PDF) and Braille materials are provided. For clients with hearing or speech impairments, tablet-based messenger consultation programs are used to enable real-time face-to-face communication. For clients unable to write by hand, procedures have been established for confirming their intent through audio recording and staff-assisted writing, ensuring the accuracy and credibility of financial transactions while accurately reflecting client intentions through step-by-step verifications conducted before and after each transaction. To make financial transactions more readily accessible for clients with disabilities, telecommunications relay services (text, video, and voice relay) are provided, with dedicated inclusive financial services being broadened, including preferential fee arrangements for visually impaired clients, driving ongoing improvements in financial accessibility.

Preferential Financial Services for Clients with Disabilities

Preferential products and financial protection services are provided to improve the financial service environment for people with disabilities. Clients with special needs are supported in enrolling in tax-exempt comprehensive savings accounts, and those with visual impairments benefit from a preferential stock trading commission service designed to reflect the characteristics of their offline and ARS-based trading activity. To safeguard clients with disabilities from financial fraud, a security block service for credit transactions and non-face-to-face account opening is also provided: upon application by the client or their legal guardian, this service prevents new credit transactions or remote account openings across the financial sector, fostering a safer and more accessible financial service environment for clients with disabilities.

Inclusive Financial Service Delivery Framework



Account Number Auto-Recognition Service for Senior Clients

Tailored services are offered to meet the needs of senior clients to enhance their access to financial services. The “Account Number Auto-Recognition Service” supports senior clients using the Automated Response Service (ARS) by automatically identifying their client number and promptly connecting them with a consultant. As of 2025, the cumulative number of enrolled clients stands at 220. The consultation framework has also been improved for clients in need of assistance with certificate issuance and device use, with dedicated consultation staff assigned to handle device and certificate-related inquiries from clients aged 70 and above, enabling older clients to use financial services with greater ease and confidence.

Financial Consumer Protection

Governance

Financial Consumer Protection Framework

To ensure systematic protection of financial consumers' rights and interests, the Financial Consumer Protection Group operates under the direct leadership of the CEO, and the Chief Consumer Officer (CCO) oversees all aspects of client-centric management. Financial consumer protection campaigns are launched to raise awareness of consumer protection among employees, while a product sales framework prioritizing consumer protection has been established to strengthen accountability and transparency throughout the sales process. A VOC (Voice of Customer) system is also operated to collect and manage client feedback, along with a complaint prevention and handling system.

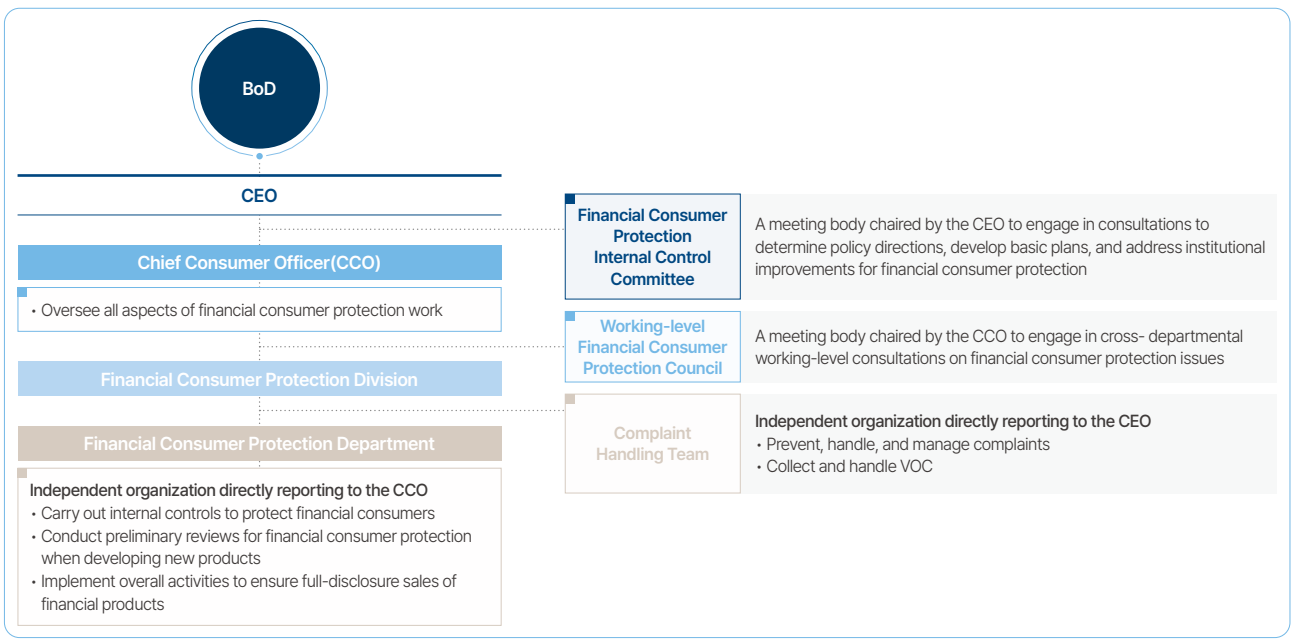
Code of Financial Consumer Protection

NHIS has established the Code of Financial Consumer Protection to put client value first and grow together with clients, translating this commitment into action at all levels of the organization. Each year, a Day of Financial Consumer Protection is designated and employees sign a pledge to abide by this Code, embedding accountability for consumer protection throughout the organization. Consumers are also informed of their rights specified under the Financial Consumer Protection Act — including the right to withdraw subscriptions, the right to terminate illegal contracts, and the right to access information — through the corporate website, supporting consumers in clearly understanding and exercising their rights.

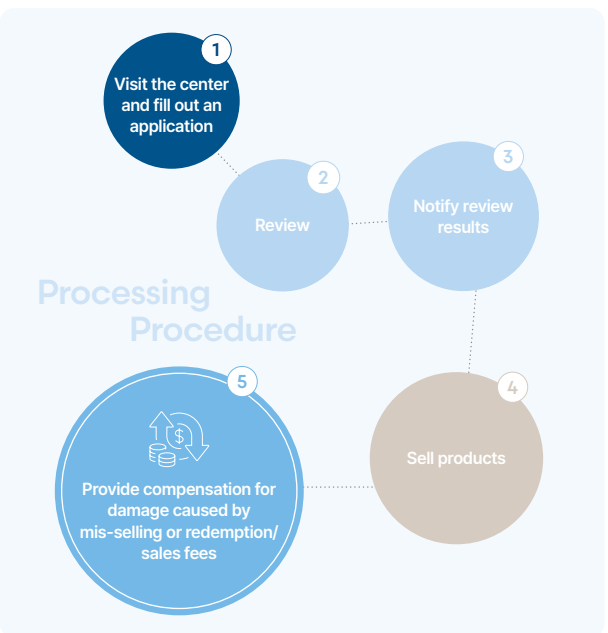
Ensuring Consumer Protection Throughout the Entire Financial Product Lifecycle

A consumer protection framework is operated spanning the entire product lifecycle from development through sales and post-sales monitoring. For financial consumers who have suffered losses due to mis-selling, a compensation service is available: individual clients submit a service application form and may receive compensation after a compensation review. The Fee Refund Service also ensures that clients requesting redemption or cancellation within five business days of product subscription can have their refunds processed along with sales fees returned, protecting client choice and relieving the financial burden associated with financial product use.

Financial Consumer Protection Governance



Liability for Damage Caused by Mis-selling and Fee Refund Service Procedures



Financial Consumer Protection

Strategy

Mid- to Long-term Goals for Financial Consumer Protection

To strengthen financial consumer protection, NHIS has established and operates mid- to long-term goals along with detailed initiatives. NHIS first strengthens its governance and internal control systems and, building on this foundation, enhances consumer protection that clients can tangibly experience as well as financial inclusion, while progressively establishing a digital financial response system going forward.

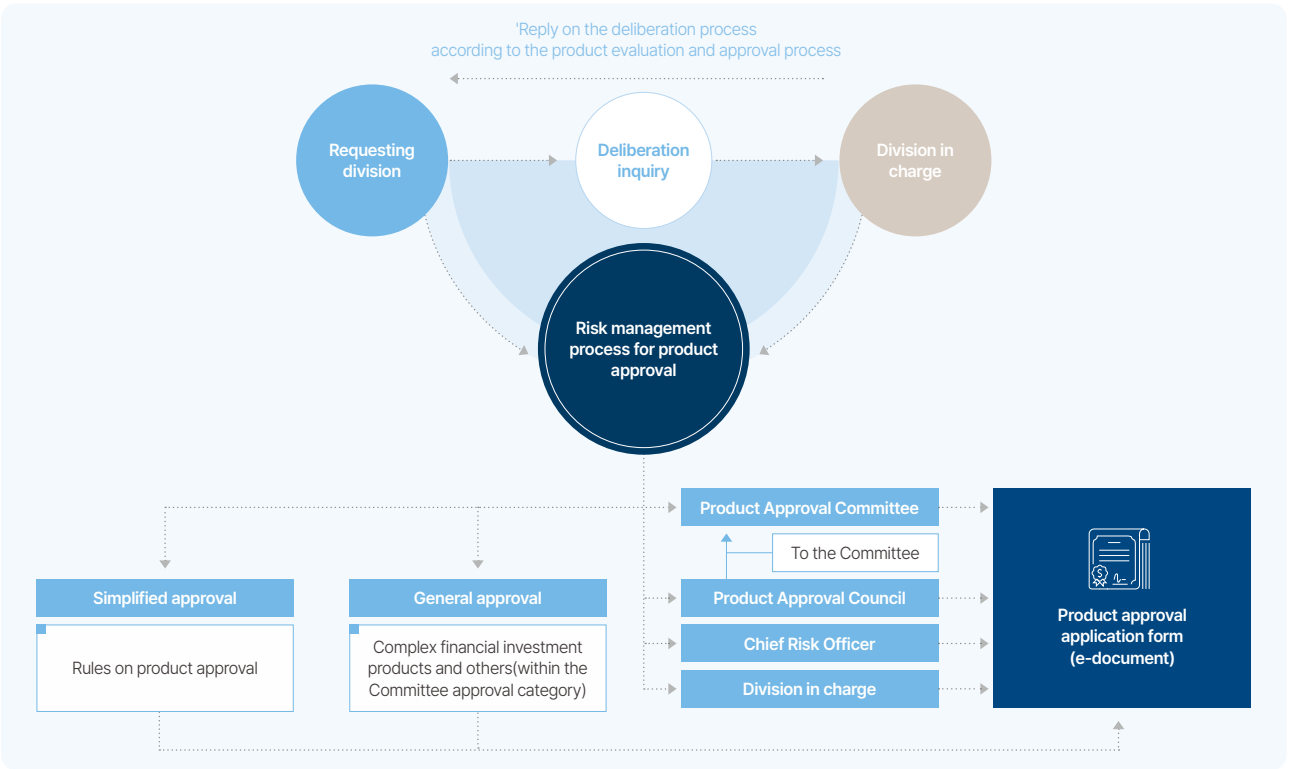
Mid- to Long-term Goals and Initiative Strategy for Financial Consumer Protection

Goal Item	Target Year	Mid- to Long-term Goal Details
Strengthening Governance and Internal Control Systems	2026	• Enhancing differentiation by improving consumer protection-related assessment indicators • Strengthening disciplinary standards for internal control violations related to consumer protection • Improving and operating the management system for employees prone to mis-selling (preparing regular reports)
Enhancing Experience-oriented Consumer Protection and Financial Inclusion	2026–2027	• Systematizing root-cause analysis and recurrence-prevention processes based on complaints and VOC data • Enhancing response efficiency by advancing AI-based VOC analysis and automated response functions • Supporting the compliant sale of financial products through AI-based training and improved guidance materials
Establishing a Digital Financial Response System	2026–2029	• Strengthening the tailored guidance system for financially vulnerable groups • Enriching and expanding the operation of the "One Company, One School" financial education program • Enhancing understanding through step-by-step information delivery tailored to the client's perspective and participatory events

Product Deliberation Process

To proactively manage risks that may arise in the financial product sales process, internal control procedures are applied from the pre-deliberation stage. When introducing new products, reviews are conducted to ensure compliance with the Rules for Pre-inspection of New Products and Financial Consumer Protection Internal Control Regulations, preemptively identifying any compliance issues with internal and external regulations. This is followed by a meticulously designed product deliberation process to determine whether a product may proceed to sale. The process is further divided by method of product management and type of investment assets into Product Approval Committee approval, Product Approval Council approval, CRO sign-off, responsible division sign-off, general approval, and simplified approval.

Product Deliberation Process



Financial Consumer Protection

Strategy

Product Approval Committee

Prior to selling financial investment products such as collective investment securities, derivative-linked securities, wrap accounts, and money market trusts, comprehensive analyses and reviews of product-related risks and sales suitability are conducted to determine whether to approve the sale of such products. In particular, the multi-phase deliberation process implemented by the Product Approval Committee and the Product Approval Council ensures the objectivity and expertise of the product approval process. In 2025, the Product Approval Committee and the Council reviewed and approved 18 and 10 agenda items respectively.

Review of Products Restricted for Solicitation

The Product Selection Oversight Committee is operated to proactively manage investment risks and potential disputes that may arise in the sale of products linked to NH Financial Group affiliates. The Committee reviews, and if necessary, restricts the solicitation of high-risk or potentially disputable products for clients referred by NongHyup Bank. In line with this product pre-selection process, restricted products are separately designated to prioritize client interests and safety. Personnel responsible for protecting banking and securities consumers review agenda items and exercise their veto authority over certain proposals for the purpose of protecting financial consumers, ensuring the objectivity and integrity of the product selection process. The Committee convenes each quarter, and as of December 2025, a total of 18 products have been designated as restricted.

Risk Management

Advancing the Anti-Financial Fraud Framework

In response to the increasingly sophisticated financial fraud methods, NHIS remains vigilant in monitoring irregular transactions through its Fraud Detection System (FDS) and suspicious account monitoring system. In 2025, suspicious account detection capabilities were further advanced to accelerate response times. Detection solutions that issue alerts when voice phishing apps are installed on a client's device are also provided. For frontline employees at customer service centers and centers, training is conducted on identifying and addressing signs of financial fraud. The "Check My Security Level" service is available on the MTS and website to support clients in independently assessing their security status. In line with the implementation of the shared liability system under which fraud losses are distributed between victims and financial institutions, a one-stop fraud remedy process has been established to reduce the time from initial claim submission to resolution.

Operating a Stock Manipulation Risk Alert System

A big data-based risk management framework is operated to prevent investment losses arising from stock manipulation or other irregular market transactions. The stock manipulation risk alert system identifies common patterns among stocks that were previously subject to forced selling1) due to stock price manipulation, and proactively notifies clients of stocks flagged for potential risk. Risk exposures are comprehensively determined based on multiple criteria, including margin loans taken out within one month of account opening, current price relative to the 52-week high, short-selling eligibility, capital size, and average trading volume. Clients holding flagged stocks receive text alerts. In 2025, a total of 7,899 such alerts were sent through this system.

1) A transaction in which a securities firm forcibly liquidates a client's stock holdings when the client fails to repay their loan by maturity or when the value of the collateralized assets falls below a specified threshold

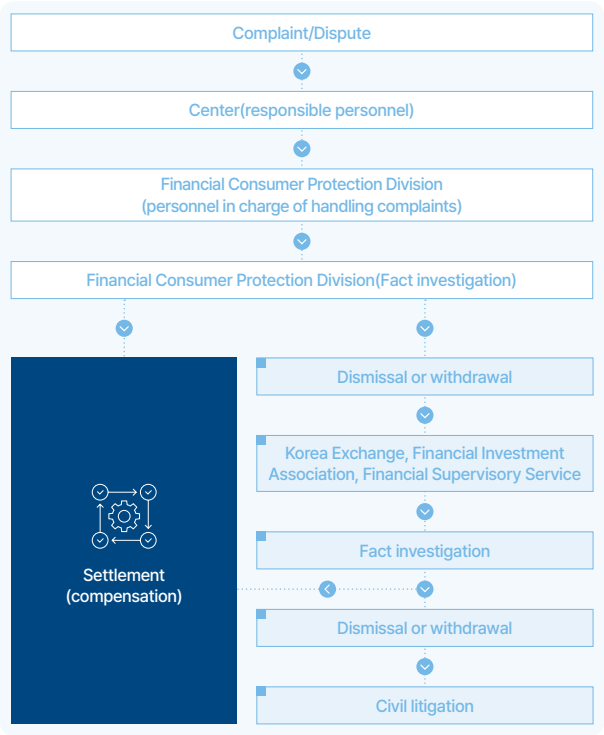
Full-Disclosure Sales Training

To ensure compliance with the Financial Consumer Protection Act and the appropriateness of the sales process, full-disclosure sales training and a review framework are provided for employees. Standardized training is conducted across all centers, along with advanced training for employees, with a total of 240 training sessions delivered in 2025. To assess the internalization of full-disclosure sales practices, blind mystery shopping is carried out throughout the year. In 2025, the average score of financial centers stood at 95.81 points, demonstrating a high level of compliance across the board. Employees who fall below the threshold score receive retraining and reevaluation to improve their sales capabilities on an ongoing basis.

Client Complaint Handling Framework

To promptly handle client feedback and complaints arising in the course of financial service use, virtual channels are available on the website and MTS to receive complaints and VOC. Once a complaint is submitted, the client who raised the concern is notified, and the complaint proceeds through investigation, review, and determination before the handling outcomes are communicated.

Complaint/Dispute Handling Process



Financial Consumer Protection

Metrics & Targets

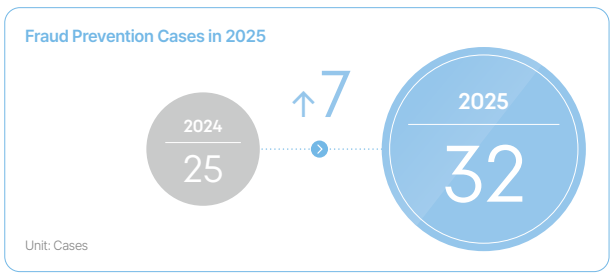
Anti-Financial Fraud Efforts

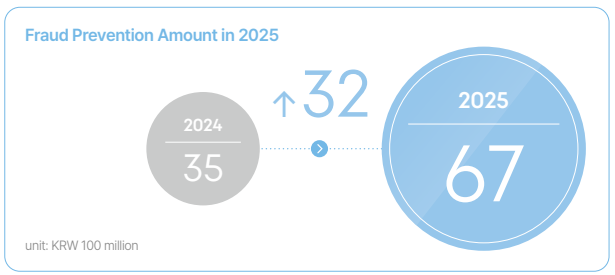
The number and amount of fraud cases prevented are continuously monitored. In 2025, the number of cases prevented rose to 32, up seven from the previous year, while the value of prevented fraud increased to approximately KRW 6.6 billion, up KRW 3.1 billion year-on-year, reflecting the growing effectiveness of the anti-fraud framework.

Fraud Prevention Cases and Value in 2025 Unit: Cases, KRW million

Category	2023	2024	2025
Cases prevented	34	25	32
Losses avoided[1)]	2,105.9	3,506.5	6,672.1

1) Restated 2023 and 2024 data following rigorous data audit





Financial Consumer Protection Training for Employees

To raise employee awareness for the purpose of financial consumer protection and full-disclosure sales compliance, mindset-shift training tailored to managers was provided under the supervision of the CCO. Training courses are segmented into standardized, function-specific, advanced, and mindset-shift in consideration of employees' job capabilities and proficiency level, and pre-training surveys are conducted to incorporate identified training needs in developing and implementing training plans. Customized training is provided specific functions including the Digital Wealth Management Group, BUCO, and financial consumer protection leaders, along with CS training aimed at building a culture of responsible financial consumer engagement. In 2025, the overall employee satisfaction score for financial consumer protection training was 4.18 points out of 5.0.

Financial Consumer Protection Training Provided in 2025 Unit: Sessions, Persons

Category	Topic	Sessions	Trainees
Standardized training	Online financial consumer protection training	17	2,897
	Full-disclosure sales training in preparation for mystery shopping	9	1,324
	H1 full-disclosure sales training for door-to-door and phone-based channels	41	678
	H2 full-disclosure sales precaution and complaint prevention training	51	581
	Training on full-disclosure sales procedure updates following revision of the standard investment solicitation guidelines	4	903
Function-specific training	Understanding financial consumer protection for new hires	2	28
	Financial consumer protection leader roles and complaint prevention	4	250
	Full-disclosure sales training for role transfer and mid-career employees	2	24
	Full-disclosure sales training for WM Division BUCO	2	11
	Phone-based full-disclosure sales training for employees at Digital Wealth Management Group	5	152
Advanced training	Financial Consumer Protection Act, complex financial investment products, door-to-door sales procedures	5	105
	Precaution during sales based on internal control inspections	56	681
	Handling difficult client behavior	6	493
	CS training to enhance customer satisfaction	6	46
	Advanced CS training titled 'Handling Difficult Customers and Emotional Resilience'	6	81
Awareness training	Mind-shift on financial consumer protection and complaint prevention for the CCO	24	582

Happy Call Operations for Mis-selling Prevention

The Happy Call program aims to prevent mis-selling by verifying the appropriateness of the sales process with clients following the sale of a financial product, conducted via phone calls and online channels. In accordance with the happy call guidelines of the Korea Financial Investment Association, monitoring criteria are continuously refined to reflect the evolving regulatory and market landscape. Since April 2025, Happy Call coverage has been extended from elderly and unsuitable investors to retail investors, broadening the scope of consumer protection. In 2025, 5,559 happy calls were answered out of 6,113 calls made, achieving a response rate of 90.9% — exceeding the 86% happy call adequacy ratio set as the benchmark under NongHyup Financial Group's Consumer Management Index (CMI).

Financial Consumer Protection Performance Evaluation

To foster a culture of financial consumer protection and strengthen regulatory compliance, financial consumer protection performance indicators have been integrated into the performance evaluations of sales personnel. These indicators comprise mystery shopping results, internal control review outcomes, post-sale monitoring, and complaints and VOC. At the head office level, performance is managed through company-wide KPIs that reflect internal control regulations for financial consumer protection. For business divisions, groups, departments, and centers subject to internal controls, semiannual reviews are conducted, with point reductions applied for non-compliance with review items, violations identified through thematic reviews, and attributable complaints. Top-performing centers, financial consumer protection leaders, and exemplary employees are recognized through CEO commendations based on annual financial consumer protection activity results, encouraging active engagement in consumer protection efforts.

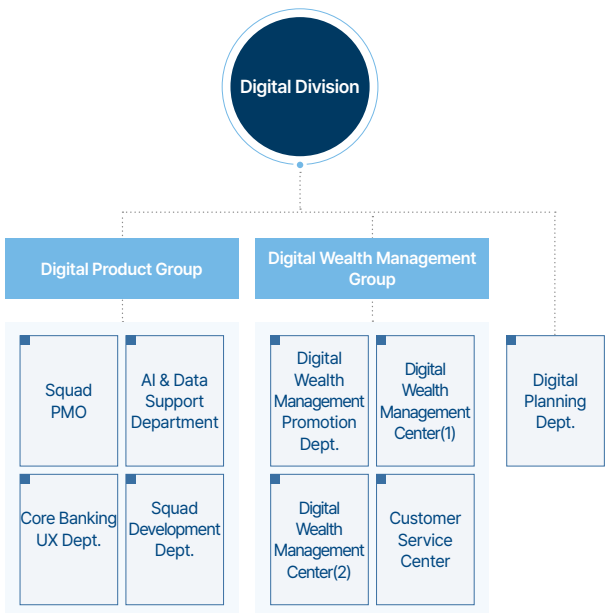
Digital Innovation and Platform Competitiveness

Governance

Advancing the Organizational Structure Around Digital Finance

As the market rapidly pivots toward digital channels, the need to comprehensively reinforce client touchpoints and service competitiveness continues to grow. In response, NHIS has realigned its digital organization along functional lines, establishing an operational framework that seamlessly spans from service planning through to wealth management. The Digital Product Group drives service planning and UI/UX improvement with agility through its Squad-based structure, while the Digital Wealth Management Group delivers tailored wealth management services to strengthen client-centric investment support. The Digital Planning Department develops and implements client and pricing strategies, aligning NHIS's mid- to long-term business direction with on-the-ground execution.

Digital Finance Organization



Strategy

Digital Transformation Strategy

To navigate evolving digital technology and shifting client behavior, NHIS establishes its mid- to long-term digital transformation roadmap and systematically pursues strategies and initiatives accordingly. Building on its existing digital transformation direction, the organizational operating model and service development framework are being advanced to enhance responsiveness and execution.

In 2025, NHIS rapidly adapted to changing markets and clients behavior through Squad-based operations (Squad Year 1). Pursuing a dual-track strategy — delivering immediate AI experiences to clients through commercial AI services while simultaneously conducting technical validation and implementation of AI One Product components — sustainable competitive advantages in AI service delivery are being built. The alignment between digital channels and digital advisors is being strengthened through AI-powered hybrid services, expanding service coverage and quality, while a cross-platform strategy is being implemented to advance into a platform that delivers consistent, device-agnostic investment experiences.

4 Key Pillars of the Digital Finance Initiative

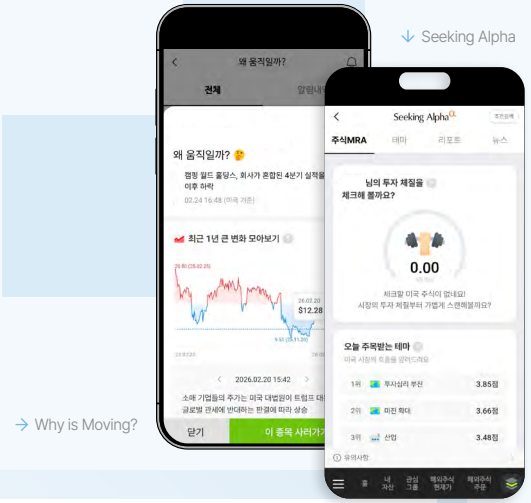
Objective	1 Squad Year 1	2 AI 2-Track Approach	3 Hybrid Service	4 Cross Platform
Strategy	Establish and operate Squad-based organizational units to swiftly respond to shifting market dynamics and client behavior	Streamline the lifecycle of data lake-driven AI service processes from planning and development to launch, operate an experiment-based agile development model	Expand service coverage and quality through AI-powered complementarity between digital channels and digital advisors	Evolve into a platform delivering a new, device-agnostic investment experience
Priority	• Organize Squad units focused on key digital client journeys and core themes • Establish Squad operating standards (authority, goal-setting, collaboration process) and performance management framework	• Build sustainable AI service competitiveness through organic operations ensuring both agility and robustness 1. Develop quick-win services by prioritizing the delivery of immediate AI experiences for clients using commercial AI services 2. Conduct technical validation and implementation of AI One Product components	• Broaden the coverage of digital advisor services by leveraging AI • Drive consistent, elevated quality for consultations and improve the operational efficiency of advisors	• Declare transition into a financial platform connecting novel investment experience (at MWC) • Develop tradeable Minimum Viable Products (MVP) (app, tablet, PC program)

Digital Innovation and Platform Competitiveness

Strategy

NHIS Digital Financial Services

NHIS provides a broad suite of financial services to support clients in making well-informed investment decisions in the digital environment. Through AI-powered analytical tools, global investment intelligence services, and data-driven trading tools, personalized content and services are delivered in alignment with clients' investment profile and interests.



01

Real-world Investment Tools
Armed with Data

NH Data
Data-driven analysis of stock-specific interest trends, trading flows, and cross-stock fund movement to capture the hidden currents of the market

Monthly NAMUH
Sentiment-based investment report delivering monthly trading activity analysis and visualization through big data

Average Cost Simulator
Visual simulation of projected average cost and return upon additional purchases, presented with intuitive animations

02

Global Information Hub
Wall Street at Your Fingertips

Why is Moving?
Real-time analysis and summary of the causes behind sharp moves in overseas stocks to identify the reason for price swings the moment they happen

Wall Street Live
Daily morning streaming of investment strategies from leading global experts including Tom Lee and Mark L. Newton

Master's PICK
Quarterly portfolio holdings and investment philosophy of five legendary investors in the US

Seeking Alpha
Stock MRA portfolio assessment based on analyst consensus over the past 3 months, alongside real-time investment news

1) MRA: Market-Risk-Adjusted

03

AI Investment Brain
From analysis to decision: AI, every step of the way

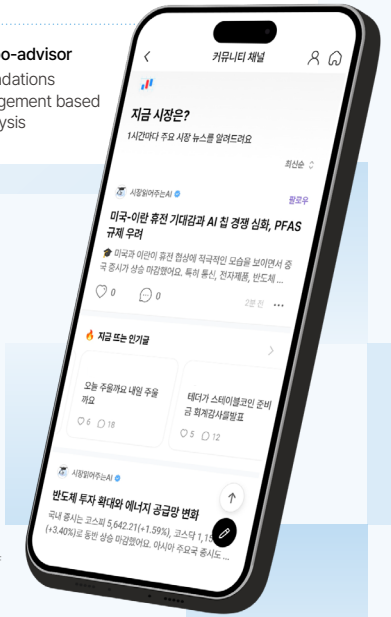
AI Market Brief
AI-powered automated analysis and summary of market news at 30-minute to one-hour intervals, delivering an at-a-glance snapshot of the day's market

AI Chart Analyzer
First in the financial industry to deliver generative AI-based chart interpretation, covering buy, sell, and stop-loss signals, trend and pattern recognition, and support/resistance analysis

AI Portfolio Analyzer
Multi-dimensional AI analysis of stock holdings, including trading patterns, investment tendencies, and portfolio concentration

Terminal X
Real-time Wall Street insights and investment guidance in partnership with an AI-based financial and investment research platform

Retirement Pension AI robo-advisor
Automatic portfolio recommendations optimized for long-term management based on individual risk appetite analysis



Digital Innovation and Platform Competitiveness

Risk Management

Analysis of Digital Finance-related Risks and Opportunities

In line with the mounting uncertainties across the digital financial landscape, key risks and opportunities associated with digital finance are identified and their potential impacts are systematically analyzed. Identified factors are categorized by short-, mid-, and long-term horizons, with the findings used to prioritize response efforts and establish corresponding action plans.

Risk and Opportunity		Potential Impact	Time Horizon[1]			NHIS's Response
			Short-term	Mid-term	Long-term	
Risk	Physical infrastructure damage due to natural disasters	• Disruptions to financial transaction services and platforms caused by natural disasters such as floods and fires • Increased risk of critical financial data loss due to damage to backup systems	●			• Operate disaster recovery centers • Implement data backup and off-site storage • Conduct semiannual disaster recovery drills
	Operational risks from dependence on IT services and network environments	• Recovery and maintenance costs incurred due to IT service disruptions • Direct financial losses for clients caused by transaction interruptions • Decline in brand value from rising client complaints	●	●		• Conduct real-time system failure monitoring • Conduct semiannual disaster recovery drills • Strengthen infrastructure reliability to prevent disruptions
	Security and internal control risks resulting from digital transformation	• Financial losses from security incidents due to lost client trust or legal sanctions • Declining confidence in client data protection capabilities • Increased compliance costs due to tightening information security regulations	●	●		• Conduct security breach and data leak response drills • Detect threats through real-time security monitoring • Undergo regular external audits and assessments • Review system/service vulnerabilities and conduct simulation hacking
	Ethical risks from AI adoption	• Decision-making influenced by bias inherent in training data • Ambiguity in accountability when decision-making is delegated to AI • Increased legal exposure in line with developments in AI ethics regulations			●	• Monitor legal developments such as the Basic AI Act and ensure regulatory compliance • Establish internal governance frameworks including ethical principles and guidelines
Opportunity	Business expansion through digital innovation	• Enhanced client acquisition through personalized financial services on digital platforms • Competitive advantages through expanded digital asset-related financial services		●	●	• Expand services powered by generative AI • Monitor digital asset-related markets and systems and explore new business opportunities

1) Short-term: 1~5 years, Mid-term: 5~10 years, Long-term: 10 years and beyond

Metrics & Targets

Strengthened Management of Digital Finance Performance

To explore broader business opportunities through digital innovation, NHIS is strengthening the operational performance of its digital and AI-based services as well as organizational digital capabilities.

On the client management side, with 5,718,994 digital clients and 2.71 million monthly active users (MAU) on MTS, NHIS continuously monitors client experience and service utilization to assess platform competitiveness. Internally, training and utilization metrics are tracked to strengthen digital capabilities, while the stability of digital systems is maintained through regular inspections and disaster recovery drills. Based on these performance metrics, improvement targets are set to strengthen digital competitiveness and operational resilience in a balanced manner.

Digital Finance Metrics

Unit: persons, cases

Monitoring Metric	Outcomes		
	2023	2024	2025
Digital clients[1]	4,836,272	5,238,665	5,718,994
Mobile Trading System MTS users (average MAU[2], Unit: 10,000 persons)	260	264	271
Usage of AI-based client services	N/A	3,438,714	8,023,442
Usage of AI-based internal operational support services	N/A	22,654	62,498
Digital online training courses[3]	39	49	56
Employees who completed digital online training courses	184	229	556

1) Cumulative number of non-face-to-face clients for NAMUH/N2
2) Based on Wiseapp
3) Number of courses in the digital and big data (AI) categories of online training courses completed by at least one employee

Information Security and Client Data Protection

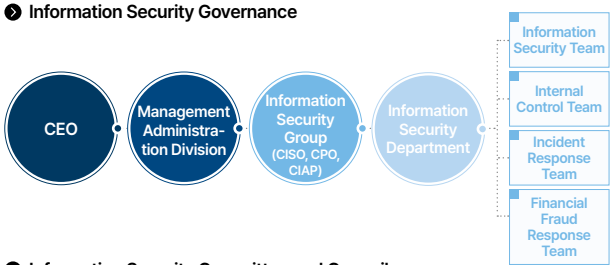
Governance

Information Security Framework

To ensure a company-wide, integrated response to the expanding digital financial environment, NHIS has established the Information Security Group and a unified information security governance framework consolidating the Chief Information Security Officer (CISO), Chief Privacy Officer (CPO), and Credit Information Administrator & Protector (CIAP). Pursuant to revisions to the Electronic Financial Supervision Regulations, company regulations stipulate that key deliberations and resolutions of the Information Security Committee be reported to the Board of Directors, with two such reports provided to the Board in the second half of 2025.

In 2025, the Information Security Committee convened 29 times to deliberate and decide on 74 agenda items, while the Personal Credit Information Protection Council meets on a quarterly basis. This structure further aligns the development and implementation of information security policies and advances information security management across the entire organization.

Information Security Governance



Information Security Committee and Council

Category	Information Security Committee	Personal Credit Information Protection Council
Chair	Chief Information Security Officer (CISO)	Chief Privacy Officer (CPO)
Member	Heads of departments related to IT, information security, compliance, and digital	Heads of departments handling key client personal information and compliance operations
Role	Deliberate and decide on important matters associated with internal information security	Share and consult on key matters associated with personal data processed for the purpose of providing client services
Cycle	Year-round	Quarterly

Strategy

Mid- to Long-term Information Security Roadmap

To advance the company-wide information security framework, core strategic pillars have been established — building a self-regulated security framework, developing a Zero Trust security environment, and strengthening financial fraud intelligence capabilities — and are being pursued in a phased manner.

Mid- to Long-term Information Security Roadmap

Building Trust, Securing Tomorrow

Deliver secure services and a sustainable security environment anchored in "Trust" as the core value of information security

	Advancing a self-regulated security framework	Building a Zero Trust-based security model	Secure incident response resilience
Objective			
Strategy	• Improve the (personal) data protection management system in line with regulatory changes • Expand the client data subject rights protection framework • Build a sustainable (personal) data protection management framework	• Establish a Zero Trust-based access control framework • Strengthen review and monitoring to prevent unauthorized data use	• Advance the threat intelligence-based detection and response framework • Establish a secure, user-centric service design environment • Strengthen incident response capabilities
Priority	**2026** • Realign personal data segregation/disposal policies • Take stock of and improve personal data masking policies • Redefine information asset classification standards	**2026** • Restructure the network security environment (policy/process) • Improve malware detection and response • Enhance monitoring of external transfer of critical data	**2026** • Establish an open-source management framework • Identify and address security threats through blind penetration testing • Develop an incident response/recovery framework from an information security perspective
	2027 • Advance the personal data processing outsourcing and partnership management framework • Establish an integrated information security risk assessment framework • Provide client-centered data subject rights enhancement service	**2027** • Implement network segmentation and establish an access control framework • Conduct theme-based information security reviews from a data lifecycle perspective • Advance scenario-based information security monitoring	**2027** • Advance technical vulnerability management capabilities • Establish a security management framework for emerging technology • Establish a detection and monitoring framework based on 5W1H principles
	2028 and beyond • Introduce and apply personal (credit) information impact assessment • Transition to a sustainable (personal) data protection management framework based on maturity-based reviews • Establish an integrated management framework for domestic and international (personal) data protection certifications	**2028 and beyond** • Transition to Zero Trust security architecture • Build an integrated information security solution operating environment • Automate information security review and monitoring	**2028 and beyond** • Establish a pre-design foundation for emerging technology security • Establish a sustainable attack surface management framework • Diversify vulnerability assessment targets and conduct ongoing penetration testing • Secure a cyber resilience framework

Information Security and Client Data Protection

Strategy

Information Security and Data Privacy Framework

As large-scale security breaches and personal data leaks continue to rise, corporate social responsibility for information security and personal data protection is coming under ever-greater scrutiny. In response, NHIS operates its information security and data privacy framework with the goal of "providing a trustworthy service environment".

Operational Strategies for Information Security and Data Privacy

Establishing a Reliable Environment for Clients

• Company-wide information security training • Training for outsourcing companies • Constant notices on information security • Company-wide information security campaigns	• Inspection on outsourcing company employees • Self-audits on Information Security Day • Penetration testing for vulnerabilities • Infrastructure inspections	• Personal data • Technical security • Physical security • Administrative security	• Principle of Least Privilege • User-based access control • Data masking and encryption	• Information technology security solution • Data privacy solution • Financial fraud prevention and response solution
Continuous awareness-raising and change management for employees and outsourcing staff	**Risk-based data privacy and information security audits**	**Establish information security and data privacy management systems and achieve relevant certifications**	**Control unauthorized data access through information security-based internal controls**	**Security solutions to reduce personal information breaches to zero and protect client assets**

Information Security to Support Secure Financial Transactions

- Establish information security strategies and plans
- Establish information security goals and annual business plans
- Operate the Information Security Committee

Establish information security policies and a management system

- Review regulatory compliance
- Assess risks
- Establish and implement information security policies and protection measures
- Establish and amend information security regulations and rules

Internal control management for information security

Personal control	System control
Employee/partner company inspection	Security assessment and review Vulnerability review and analysis

Personal Data Privacy along the Entire Client Journey

- Establish personal information protection strategies and plans
- Establish personal information protection goals and annual business plans
- Personal Information Protection Council
- Ongoing information security assessment

Establish personal information protection policies and a management system

- Review regulatory compliance
- Assess risks
- Establish and implement personal information protection policies and protection measures
- Establish and amend personal information protection regulations and rules

Internal control management for personal information protection

Internal control	External control
• Excessive access to personal information • Monitoring of personal data transferred/printed out • Register book of personal information management • Credit rating inquiry history review	• Management of personal information consignment/provision contracts • Training and inspection of personal information consignee companies • Confirmation of personal information destruction

Training and public relations | **Cooperation with supervisory authorities for audits and inspections** | **Information security system establishment and operation** | **Information security control monitoring**

Information Security and Client Data Protection

Risk Management

Information Security Certification

To ensure the systematic management of information security and data privacy, NHIS is building an integrated security framework anchored in domestic and international certifications. Since first obtaining Information Security Management System (ISMS) certification in 2015 and transitioning to ISMS-P in 2021, it has remained certified for 10 consecutive years, further achieving ISO 27001 (information security management) and ISO 27701 (privacy information management) certifications in 2022 and 2023 respectively. In 2024, NHIS became the first in the securities industry to obtain APEC CBPR certification, subsequently transitioning to the Global CBPR framework through certification renewal in 2025. Regular audits are conducted to maintain these certifications and build information security capabilities in alignment with global standards. NHIS has also been granted the highest rating (Grade S) in the Financial Services Commission's ongoing information security assessment for three consecutive years.



→ Global CBPR certificate, ISMS-P certificate



→ ISO/IEC 27001, 27701 certificates

Vulnerability Assessment and Response

NHIS conducts vulnerability assessments across key services including HTS1), MTS2), and WTS3) as well as the corporate website and internal systems to proactively address such vulnerabilities, performing annual assessment of the electronic financial infrastructure along with semiannual vulnerability scans and penetration testing of the website. In 2025, 216 services were subject to penetration testing and 86 projects received vulnerability reviews. All identified vulnerabilities are fully remediated, with the adequacy of measures verified through follow-up reviews before service deployment. Vulnerability management solutions have also been introduced to ensure the systematic operation of the end-to-end vulnerability management process.

1) HTS stands for Home Trading System and enables users to trade stocks from home or the office
2) MTS stands for Mobile Trading System and enables stock trading via mobile devices
3) WTS stands for Web Trading System to support direct stock trading through a securities firm's website

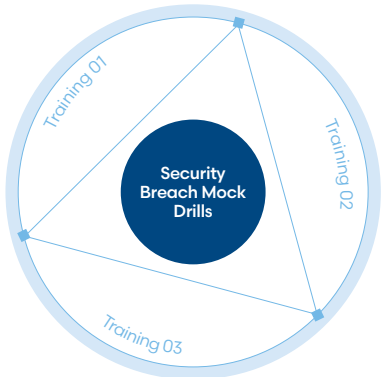
Incident Response and Security Monitoring

NHIS operates an incident response framework to proactively counter external cyber threats such as hacking and DDoS attacks, conducting regular response drills in cooperation with professional external organizations. In 2025, two public server hacking response drills, two DDoS attack response drills, and four email intrusion response drills were performed to assess incident response capabilities. Around-the-clock security controls are also in place to monitor key information assets on an ongoing basis, identifying and blocking security threats in real time that may arise in the course of service operations.

Security Breach Mock Drills by Type

Training 01 **Public sever hacking response drill**

Launch vulnerability attacks on public servers and train on procedures to detect and block such attacks in advance



Training 02 **Email intrusion response drill**

Send socially-engineered malicious emails to all employees, new hires and randomly selected employees, and perform detection and response drills

Training 03 **DDoS response drill**

Perform detection and response drills under the scenario where a large volume of traffic overwhelms public web servers, leading to resource shortages

Security Breach Response Process



Information Security and Client Data Protection

Risk Management

Principles in Handling Personal Data

NHIS applies the data minimization principle throughout the entire process of collecting and using personal data. Client personal data is collected only to the extent necessary for service delivery, with restrictions on use beyond the original purpose and on third-party provision. Collected data is retained only for the period specified from the time of initial consent, and promptly destroyed in a way that makes its recovery or reproduction impossible upon fulfillment of its purpose. A concise data privacy policy is also provided to ensure clients can easily understand how their personal data is handled.

Review and Monitoring of Personal Data Handling

The entire organization, including the head office and centers, is subject to regular reviews of personal data processing to maintain appropriate management practices. Excessive access to and download of client personal data — including account information, balances, and transaction records — are monitored on an ongoing basis, with anomalies verified for their causes to prevent potential data leaks by insiders.

Third-party outsourcing companies handling personal data also undergo regular inspections, with 93 companies reviewed in 2025. Where deficiencies are identified, a follow-up framework is operated to verify that corrective measures are implemented.

Process to Respond to Personal Data Leaks

A personal data breach response manual has been developed to apply step-by-step response standards in the event of an incident, notifying affected clients and reporting to regulatory authorities in accordance with applicable laws. These response procedures are assessed for effectiveness through scenario-based simulation drills drawing on real-world cases, with capabilities to address personal data leaks continuously strengthened.

Personal Data Breach Response Process



Metrics & Targets

Information Security Training

To raise employee awareness of information security, NHIS operates training programs that go beyond regulatory requirements. In collaboration with the Korea Financial Security Institute, function-specific training programs are provided, along with separate data privacy training for outsourcing companies processing personal data and internal departments managing such data. A monthly information security magazine is also published, and internal notices are issued in the event of major security issues, maintaining information security awareness across the organization.

Information Security and Data Privacy Training Provided to Employees

Unit: Persons, hours

Category		2023	2024	2025
Information security training	Training participants	3,035	3,077	3,064
	Training hours	18,933	19,110	19,105

2025 Specialized Training for Dedicated Personnel and Partners

Unit: Persons, hours

Category	Specialized Training for Dedicated Personnel	Training for Partners
Participants	29	115
Training hours	500	345
Course	• 12 courses covering legal and regulatory frameworks, digital finance, financial security, and hacking defense • 3 courses including the Financial Security Executive Program • Financial Security Manager certification course	• Practices on personal information protection concerning financial custody operations

Client Data Privacy Overview

By operating a robust information security framework, NHIS has maintained zero substantiated complaints related to client personal data breaches and client data loss from 2023 through 2025.

Data Privacy Breach Overview

Unit: Cases

Category	2023	2024	2025
Substantiated complaints concerning breaches of client data privacy and losses of client data	0	0	0

Talent Management

Talent Management Framework

Human Rights Policy

Human Rights Policy Overview

Sustainable growth in the financial industry begins with responsible business conduct that respects the rights of all stakeholders. NHIS prioritizes the protection of human rights — for employees, clients, and partners alike — as a core business principle. To this end, a Human Rights Policy has been established that clearly specifies its principles and standards in upholding human rights, disclosed transparently to stakeholders through its website and integrated reports. Human rights and labor-related risks that may arise in the course of business conduct are also managed in line with the UN Guiding Principles on Business and Human Rights. The principles of human rights protection are embedded across our organizational operations and processes, with the relevant management framework assessed on an ongoing basis to ensure that the rights of wide-ranging stakeholders — including employees, clients, and partners — are duly respected.

Human Rights Training for Employees

NHIS conducts regular human rights training to protect employees' rights and strengthen their awareness of human rights. To foster a healthy workplace where employees understand and respect one another's rights, mandatory training is provided in accordance with applicable laws, covering sexual harassment prevention, disability awareness, and workplace bullying prevention. In 2025, such training reached a total of 3,032 employees.

Human Rights Training Provided to Employees Unit: Persons

Category	2023	2024	2025
Sexual harassment prevention	3,040	3,054	3,032
Workplace bullying prevention	3,040	3,054	3,032
Improvement in perceptions on disability	3,040	3,054	3,032

Grievance Mechanisms for Employees

The HR Grievance Counseling Request program supports employees in submitting requests for counseling on matters spanning all aspects of working life — including peer relationships, job duties, departmental transfers, and corporate culture — as well as personal concerns such as health, family, and finance. The Communication and Empathy bulletin board on the corporate intranet serves as a direct communication channel with the CEO, where employees can freely raise grievances or offer work-related suggestions while discussing a range of organizational issues. With a 100% resolution rate maintained by addressing all grievances filed, employee voices are reflected in our organizational operations to foster a trust-based corporate culture.

Employee Grievance Mechanisms under Operation Unit: Cases

Category	2023	2024	2025
HR grievance counseling under the HR management system	24	22	23

Labor-Management Communication

Ongoing labor-management communication channels are maintained to ensure stable organizational operations and improve working conditions. In addition to regular wage and collective agreement negotiations, the Labor-Management Council and the Industrial Safety and Health Committee convene quarterly to consult and decide on matters related to working conditions. Beyond these formal consultative channels, regular dialogue channels are also operated to gather feedback from the labor union in developing and refining HR programs, ensuring continuous communication between labor and management. As of the end of 2025, all 1,963 eligible employees have joined the labor union, maintaining a membership rate of 100%.

Collective Bargaining Agreement Unit: Persons, %

Category	2023	2024	2025
Employees eligible for collective bargaining[1)]	1,926	1,816	1,963
Percentage of employees eligible for collective bargaining	62.0	58.1	63.0
Percentage of employees eligible for collective bargaining who joined the labor union	100.0	100.0	100.0

1) Employees covered by collective agreements are general employees in principle in accordance with labor-management agreements (excluding certain employees including those at the HR department)

Talent Management

Diversity and Inclusion

Anti-Discrimination Policy

In line with the growing importance of genuine belonging and equitable opportunity within diverse workplaces, NHIS announced its Diversity, Equity and Inclusion (DEI) policy in 2022. Guided by the principle of equal employment and respect for human rights, it strictly prohibits discrimination on the grounds of gender, race, ethnicity, nationality, religion, disability, and political or religious orientation. Equal opportunity is ensured across recruitment, promotion, training, compensation, and benefits to support fair HR practices, and an inclusive organizational culture is cultivated that respects the diversity of its employees and enables them to realize their full potential.

Employee Overview

Unit: Persons(%)

Category			2023	2024	2025
Total employees	Male		1,791(57.7)	1,781(56.9)	1,785(57.0)
	Female		1,314(42.3)	1,347(43.1)	1,348(43.0)
	Total		3,105	3,128	3,133
	By region	Domestic	3,102(99.9)	3,126(99.9)	3,132(99.9)
		Overseas	3(0.1)	2(0.1)	1(0.03)
Temporary employees[1]	Male		674	733	645
	Female		255	292	286
	Total		929(29.9)	1,025(32.8)	931(29.7)[4]
Permanent employees[2]	Male		1,117	1,048	1,140
	Female		1,059	1,055	1,062
	Total		2,176(70.1)	2,103(67.2)	2,202(70.3)
Non-employee workers in the workplace[3]	Male		154	170	163
	Female		100	120	123
	Total		254	290	286

1) Include executives, annual salary contract employees, sales professionals, short-term contract employees, and part-timers
2) Include regular employees and indefinite contract employees
3) Primarily engaged in financial and insurance services, security and guard duties, cleaning and other personal services, and driving and transportation
4) Four fewer than the fixed-term employee count reported in the business report, as interns are excluded.

Enhancing Employee Diversity

Diversity, Equity & Inclusion Policy Overview

NHIS recruits and manages employees in accordance with fair standards, without discrimination on the basis of gender, nationality, place of origin, or disability. Through fair performance evaluation and ongoing improvements to parental and childcare support, it is building an environment where female talent can sustain and advance their careers within the organization. These efforts have contributed to a steady rise in female representation: as of 2025, women account for 43% of total employees and 35.4% of all managers. In recognition of these efforts, NHIS was named a Diversity Excellence Company at the 2025 WIN Awards hosted by WIN, a nonprofit association of senior female corporate executives.

Employee Diversity Overview

Unit: Persons(%)

Category		2023	2024	2025
Composition of employees by gender	Male	1,791(57.7)	1,781(56.9)	1,785(57.0)
	Female	1,314(42.3)	1,347(43.1)	1,348(43.0)
Composition of employees by age group	20s	353(11.4)	353(11.3)	341(10.9)
	30s	877(28.2)	811(25.9)	777(24.8)
	40s	1,105(35.6)	1,159(37.1)	1,172(37.4)
	50 and over	770(24.8)	805(25.7)	843(26.9)
Composition of employees by diversity criteria	High school graduates	7.4	7.4	7.1
	Employees of national merit	2.8	2.7	2.6
	Employees with disabilities[1]	2.2	2.5	3.5
Employees by job level	Executives	65(2.1)	69(2.2)	63(2.0)
	Manager positions[2]	2,037(65.6)	2,085(66.7)	2,115(67.5)
	Staff	1,003(32.3)	974(31.1)	955(30.5)
Female leadership	Females among all manager positions[3]	30.8	33.9	35.4
	Females among all contract employees	27.4	28.5	30.7
	Females among all regular employees	48.7	50.2	48.2

1) Based on reporting to the Korea Employment Agency for Persons with Disabilities
2) Manager positions: Manager and above positions, excluding executives
3) All manager positions: Manager and above positions, including executives

Talent Management

Fair Recruitment and Performance Evaluation

Fair Recruitment

NHIS recruits experienced professionals on a rolling basis to acquire talent with expertise and potential while maintaining a stable employment base, and continues to bring in high-potential individuals through a range of new hire recruitment channels. Evaluation criteria are designed to ensure that personal characteristics such as region of origin, educational background, and gender do not influence hiring outcomes, upholding fairness and objectivity throughout the recruitment process. Candidates are assessed comprehensively on their job competencies through personality tests, written exams, and interviews, with external evaluators engaged to further strengthen the integrity and transparency of the assessment process.

Fair Performance Evaluation

To ensure fair and reasonable evaluation, NHIS employs semantic grading, KPI-based performance management, and hybrid assessment models, establishing a performance evaluation framework that balances quantitative and qualitative metrics. A feedback system runs in parallel to enhance the integrity of the evaluation process, and employees are free to raise objections to their results through a formal appeals procedure. Outstanding performers are also recognized and further motivated through The STARS 100 and ORIGIN programs.

Recruitment and Turnover

Unit: Persons(%)

Category		2023	2024	2025
New hires by age group	Below 30	76(49.4)	75(45.7)	71(44.9)
	30~below 50	69(44.8)	79(48.2)	79(50.0)
	50 and over	9(5.8)	10(6.1)	8(5.1)
New hires by gender	Male	104(67.5)	102(62.2)	127(80.4)
	Female	50(32.5)	62(37.8)	31(19.6)
Turnover and retirement by age group	Below 30	27(14.9)	25(13.5)	20(10.3)
	30~below 50	101(55.8)	84(45.4)	85(43.8)
	50 and over	53(29.3)	76(41.1)	89(45.9)
Turnover and retirement by gender	Male	131(72.4)	127(68.6)	137(70.6)
	Female	50(27.6)	58(31.4)	57(29.4)
Number of employees who voluntarily left[1)]		90(2.9)	78(2.5)	78(2.5)

1) Include employees who left the organization for job-related or other personal reasons in the scope of calculating voluntary turnover

Annual Total Compensation Ratio

Unit: KRW million, %

Category		2023	2024	2025
Annual total compensation ratio	Total annual compensation for the organization's highest-paid individual	3,161.0	5,949.0	2,007.7
	Median total annual compensation for all employees except the highest-paid individual	132.1	150.3	166.5
	Annual total compensation ratio	23.9	39.6	12.1
Annual growth rate of total compensation	Percentage increase in annual total compensation for the highest-paid individua	0.0	88.2	-66.3
	Median percentage increase in annual total compensation for all employees except the highest-paid individual	-19.9	13.8	10.8
	Annual total compensation increase ratio	0.0	6.4	-6.1

Talent Management

Employee Competency Enhancement

Job Expertise Training

NHIS operates a training framework aligned with the competency requirements of each role nurturing specialists capable of navigating a changing business environment. This covers competency enhancement programs for head office employees, tailored training for retail operations, and cross-functional competency development training for all employees.

Digital Convergence Talent Development and Training Framework

NHIS provides training aligned with digital innovation trends including generative AI and data analytics to help employees strengthen their digital capabilities. Courses covering ChatGPT, vibe coding and AICE certification are offered to build digital proficiency, while practical training in Figma, Python, and Tableau is made available to all employees to foster a data-driven decision-making culture across the organization.

The "AI Business Insight" program and the company-wide digital training initiative "AX College" further enhance employees' ability to apply generative AI to their day-to-day operations. As part of the pan-NongHyup industry-academia collaboration program, data science project courses are available at Sungkyunkwan University to cultivate specialists. Employees are also supported in pursuing master's degrees in partnership with KAIST and Yonsei University, among others, to nurture key talent in the digital, IT and data fields.

Sustainability Training

An online learning environment is available for employees to deepen their understanding of sustainability management and strengthen their ability to put it into practice at their own initiative. A broad curriculum — spanning sustainability concepts and global trends, ESG assessment and disclosure practices, climate change and environmental issues, supply chain management, and ESG finance and investment strategy — enables employees to build expertise in the areas of their choosing.

Expert Development Training

Cross-functional Competency

- Employee competency development training and division-specific job expert training (tax, economic indicator analysis, and more)
- Job competency enhancement, tailored training for retail services, and cross-functional competency development to strengthen role-specific expertise and develop talent resources matched to each job type

Digital Competency

- AX College
- Generative AI Business Insights
- Sungkyunkwan University Data Science Program
- AI business solutions using ChatGPT
- Data analytics using generative AI
- Data analysis visualization with Tableau
- Vibe coding powered by generative AI
- AI-powered content creation
- Using Figma as a UI/UX collaboration tool

Tailored Training for Retail Operations

- Retail bond master training
- Equity trading fundamentals
- Soft skill training
- Understanding IB financing and WM collaboration case studies
- Tax checklist training
- Foreign exchange specialist training
- Global equities specialist training

Competency and Expertise Enhancement for New Hires

- Induction training for new hires (university graduates hired through open recruitment)
- New hire retention course (follow-up)
- Department/Center head leadership training
- Experienced mid-career hire training
- Financial product fundamentals for operations staff

Employee Training Overview

Unit: Hours, KRW 10,000

Category		2023	2024	2025
Average training hours per employee		78	81	71
Average training hours per employee by gender	Male	75	78	69
	Female	83	86	73
Average training hours by type of employees	Center sales	127	115	111
	Center operations	114	120	93
	Head office sales	51	56	51
	Head office support	62	68	56
Average training expenses per employee		53	73	68

NH Book Concert

NH Book Concert is a program where authors present their own publications directly to employees, helping them stay abreast of emerging trends and broaden their knowledge across diverse fields in a rapidly evolving business environment. The program featured two sessions in 2025: "Mindset for Unlocking Your Potential and Your Organization's in the Age of AI" by Cho Yong Min in June, and "Success Principles Through Film: Creative Innovation Through Cinema" by Lee Seung Jae in December.

Talent Management

Safety and Health Framework

Safety and Health Management Policy

Safety and Health Management Policy Overview

NHIS's Safety & Health Management Policy recognizes the life, health, and safety of employees and clients as the foremost priority. Safety and health targets are set and continuously improved to provide a safe workplace with rigorous compliance with applicable laws and regulations. Hazard factors are proactively identified and remedied, and a dedicated safety and health organization is operated with adequate staffing and budget to foster a culture of safety in which employees take personal ownership of workplace safety.

Employee Mental Wellness Support Program

The Employee Assistance Program (EAP) helps employees manage the emotional demands and stress that may arise in the workplace. Through psychological counseling, employees can work through concerns related to family, personal, and professional matters, with the program extended to spouses and children as well. Appointments and self-assessments can be made conveniently through a dedicated website and mobile app, with accessibility further enhanced through a range of counseling formats including in-person and telephone sessions. Each Friday, a weekly EAP Letter is distributed covering a variety of topics, fostering an environment where employees can check in on their mental wellness in daily life.

Safety and Health Certification and Drills

Since obtaining ISO 45001 (occupational health and safety management system) certification in July 2023, NHIS has maintained this certification through successive surveillance audits, anticipating and preventing potential workplace hazards while systematically managing organizational safety and health. In 2025, fire evacuation drills were conducted at Parc.1 NH Financial Tower, followed by fire safety training at the head office, with emergency response capabilities further reinforced through the deployment of smoke protection masks and automated external defibrillators (AED).

Industrial Safety and Health Committee

NHIS operates the Industrial Safety and Health Committee on a regular basis to advance the systematic management of employee safety and health. The Committee convenes quarterly to deliberate and decide on key matters related to workplace safety and health management, and comprising five employee representatives and five employer representatives. Frontline feedback is incorporated into the safety and health management framework to ensure that decisions are made through labor-management consultation.

Employee Health and Safety Support

Category		Unit	2023	2024	2025
Employee health checkups	Employees who received health checkups[1]	Persons	4,934(2,987)	4,789(2,973)	5,045(3,002)
Employee health and safety status	Occupational injuries[2]	Cases	0	2	1
	Lost workdays[3]	Days	0	0[4]	0[4]
Employee use of the mental wellness program	Psychological counseling provided	Cases	1,395	2,404	2,803
	Employees who received counseling	Persons	361	391	335
	Satisfaction(out of 5.0)	Points	4.7	4.6	4.7

1) Provided for employees and their families
2) Calculated based on Korea Workers' Compensation and Welfare Service approval criteria under the Industrial Accident Compensation Insurance Act
3) Actual workdays lost due to occupational injuries
4) Remote work and paid leave are provided to injured workers, resulting in no lost workdays

Industrial Safety and Health Committee Meetings Held

Date	Key Decision Agenda
Mar. 20, 2025	Discuss measures to improve the head office environment and employee healthcare services
May 9, 2025	Discuss countermeasures and response plans following the fire incident at the head office
Sept. 30, 2025	Report on employee fire safety training and drills
Nov. 17, 2025	Discuss safety and health plans for 2026

Talent Management

Welfare & Benefits

Childbirth and Childcare Support

To support employees through key lifecycle stages such as childbirth and childcare, NHIS provides family-friendly programs and welfare benefits. Parental leave of up to 24 months is available, with guaranteed fixed pay throughout the leave period along with 120 days of paid leave following childbirth. When a child enters elementary school, employees may reduce their working hours by two hours per day to ease the demands of childcare. These flexible arrangements have contributed to an increase in the monthly average number of parental leave applicants from 8.0 in 2024 to 8.2 in 2025.

Work and Life Balance Overview

Unit: Persons, %

Category			2023	2024	2025
Parental leave	Employees who took parental leave	Male	4	15	10
		Female	73	81	88
	Employees who returned to work after parental leave	Male	7	5	8
		Female	49	59	56
	Employees who returned and worked 12 months after parental leave	Male	3	5	5
		Female	66	46	58
	Percentage of employees who returned and worked 12 months after parental leave	Male	100.0	71.4	100.0
		Female	100.0	93.9	98.3
Flexible working hours[1]	Eligible employees[2]		3,040	3,059	3,070
	Employees who used flexible working hours		754	747	834
	Percentage		24.8	24.4	27.2
Mom's Lounge	Eligible employees[3]		103	82	82
	Employees who used Mom's Lounge		57	53	60
	Percentage		55.3	64.6	73.2
Family care leave	Eligible employees		3,040	3,059	3,070
	Employees who took family care leave		196	206	228
	Percentage		6.4	6.7	7.4

1) Exclude reduced work hours available during pregnancy or for childcare
2) All employees excluding executives
3) Employees who took prenatal checkup leave, maternity leave, or miscarriage leave between the preceding year and the end of the current year (head office and all centers)

Support for Retirement Planning

Employees nearing retirement are provided with six months of paid leave to support structured retirement life planning, offering dedicated time to plan the next chapter of their lives. Through the Life Planning Offboarding program, participants can access a range of courses covering financial planning, guidance on retirement and government support programs, career design, and psychological and physical health management. In 2025, a total of 84 employees participated in the program.

Interest Payment Support for Employee Stock Ownership

The Employee Stock Ownership Plan helps employees build personal assets and foster a greater sense of accountability toward the company. Through this plan, employees can earn dividend income and share in the rewards of company growth. To reduce the associated financial burden, NHIS covers deposit fees, stamp taxes, purchase fees, and part of the interest on stock acquisition loans. Where the collateral value falls below a set threshold, additional collateral is provided to offset the shortfall and mitigate the risk of stock price volatility.

Career in Economics Camp

NHIS hosts the "Career in Economics Camp" for employees' children to help deepen their understanding of economics and finance and explore future career pathways. In August 2025, a two-day overnight camp was held for 200 children in grades 4 to 6, offering career mentoring education themed around economics, English, and AI, alongside global cultural experiences with native speakers and a hands-on AI practice program.

Social Responsibility Management

CSR Framework

CSR Philosophy and Governance

Carrying forward the spirit of sharing-driven management of NH Financial Group, NHIS not only creates economic value but also fulfills ethical and social responsibility, pursuing shared growth with local communities and offering opportunities for the underprivileged to take on stronger social roles. As a partner supporting the foundation of clients' lives and growing alongside them, NHIS engages in a broad array of corporate social responsibility (CSR) initiatives to help clients lead more stable and flourishing lives.

These efforts are structured systematically through the ESG Department and Social Contribution Group, which play a pivotal role in developing mid- to long-term plans and coordinating their execution in conjunction with NongHyup-wide synergies. The progress and outcomes of key initiatives are assessed on a regular basis, while major agenda items are deliberated and approved through the ESG Group and ESG Committee, ensuring the integrity of strategic direction and decision-making across all CSR initiatives.

CSR Governance



Direction of CSR Initiatives

Corporate Social Responsibility Policy Overview

Type 01
NHIS
Raise CSR funds and conduct sponsorship activities that align with the distinctive roles and characteristics of securities business

Type 02
Client
Provide donation opportunities and expand participation channels to engage clients in social value creation

Type 03
Employee
Engage in volunteering and promote the spread of a donation culture based on volunteerism and continuity

CSR Initiatives

Category			Unit	2023	2024	2025
CSR Initiatives	Employees who participated in CSR initiatives(cumulative)		Persons	6,521	6,426	5,980
	Total CSR participation hours		Hours	29,294	28,672	28,114
Rural volunteering		Visits to rural villages	Times	26	36	37
		Employee participants(cumulative)	Persons	998	1,081	1,220
Love Sharing Blood Donation		1st time participants	Persons	98	86	110
		2nd time participants	Persons	98	103	99
		3rd time participants	Persons	94	107	85
Fostering young farmers	Crowdfunding	Farms supported	Farms	24	24	24
		Funding	Cases	4,802	5,726	3,871
		Target value	KRW million	19	21	18.5
		Funds raised	KRW million	148	213	125
		Achievement rate	%	765	1,018	675
	Live commerce[1]	Number of farms supported[2]	Farms	8	13	16
		Sales generated[3]	KRW million	22	69	28

1) Initiated in 2023
2) 2024 figures restated to reflect the latest data
3) 2023–2024 figures restarted following a change in the data calculation methodology to actual sales generated by supported farms

Social Responsibility Management

Supporting Vulnerable Groups

Disaster Recovery and Emergency Relief

In the event of large-scale disasters, NHIS mobilizes company donations and employee contributions to support rapid recovery. In April 2025, approximately KRW 300 million was provided to help recover wildfire damages through a combination of company donations and contributions from 1,417 employees. Between August and September, over KRW 2.17 billion was committed to extreme rainfall recovery efforts, through contributions from 1,002 employees, company donations, and 30,000 boxes of ready-to-eat rice. An additional KRW 45 million was provided separately to address drought conditions in Gangneung. In July 2025, 60 employees volunteered directly in Yesan, South Chungcheong Province, visiting flood-affected farms and assisting with hands-on recovery work.

Disaster Recovery and Emergency Relief in 2025 – Programs and Amounts

Program	Amount
Wildfire recovery support	KRW 200 million
Employee contributions for wildfire recovery	KRW 100 million
Extreme rainfall recovery support	KRW 2.1 billion
Employee contributions for extreme rainfall recovery(1,002 persons)	KRW 70 million
Drought relief support for Gangneung	KRW 50 million
Total	Approx. KRW 2.52 billion



→ Flood relief volunteering

Angel Fund – Employee Engagement CSR Program

The Angel Fund, operational since 2015, is an employee-led CSR program in which employees donate a fixed amount of their monthly salary and directly participate in programs of their own choosing. In partnership with NGOs, the program supports vulnerable groups and children, with employee contributions matched by the company to deliver annual donations totaling KRW 146.4 million to organizations including the Mil-al Welfare Foundation and the Korea Pediatric Cancer Foundation.

Angel Fund Programs Implemented in 2025

Program	Benefi-ciaries	Catego-ry	Description
Medical expense support for children with pediatric cancer, leukemia, and rare diseases	5	Medical expense support	• Support high-cost treatments including bone marrow and hematopoietic stem cell transplants • Support the purchase of new drugs, anti-cancer drugs, and rare disease medications • Support the payment of rehabilitation and radiation therapy costs
Health support for rural and medically underserved communities	40	Social care service	• Support community self-governance meetings to address health issues • Provide basic health literacy and first-aid training along with primary care delivery • Arrange an integrated medical-care cooperation framework
		Custom-ized service	• Enhance health outcomes through visiting nursing and rehabilitation service • Provide daily necessities and mobility aids • Link residential safety inspections with pest control services
Nutritional sup-port for food-insecure children from low-income families	45	Regular support	• Provide monthly nutritional allowance of KRW 150,000 across 8 installments
		Holiday gift support	• Offer holiday gifts twice a year(Lunar New Year/Korean Thanksgiving)



→ Coal Briquette Delivery Volunteer Service

Promoting Rice Consumption and Supporting Vulnerable Groups

As a member of NH Financial Group, NHIS donated rice worth approximately KRW 2.03 billion in 2025 to promote rice consumption and support vulnerable groups. Rice product packages were delivered to 5,000 housing-vulnerable individuals under the Ministry of Land, Infrastructure and Transport and 3,000 individuals of national merit under the Ministry of Patriots and Veterans Affairs. Rice and rice-processed products were also donated to underprivileged groups across local communities, including multicultural families, seniors living alone, and children's homes. Rice for meal provision was additionally supplied to the Korean National University of Arts in support of emerging culture and arts talent.

Rice Consumption Promotion and Support for Vulnerable Groups in 2025 – Programs and Amounts

Program	Amount
Rice packages for housing-vulnerable individuals(5,000 persons)	KRW 500 million
Rice packages for individuals of national merit (3,000 persons)	KRW 300 million
Rice donation for underserved local communities(14,005 bags)	KRW 1.13 billion
"Rice of Love" sponsorship: Support for culture and arts talent	KRW 100 million
Total	Approx. KRW 2.03 billion

Community Outreach and Giving

Wide-ranging giving initiatives continue to help socially vulnerable groups lead more stable lives. To support seniors living alone in single-room dwellings and homeless individuals in Yeongdeungpo, KRW 20 million was donated to cover the cost of supplies for the Warmth Center, a self-select community store where residents can choose daily necessities within their individual credit limit. In December, some 30 employees participated directly in delivering 2,000 briquettes to help vulnerable residents stay warm through the winter.

The spirit of giving extends to the holiday season as well. Working in partnership with the Mil-al Welfare Foundation, NHIS supports food-insecure children during the Lunar New Year and Chuseok (Korean Thanksgiving) holidays — distributing Rural Love gift vouchers to 45 children at Lunar New Year, and Moguchon gift sets to children and welfare centers during Chuseok, sharing the warmth of the season with those in need.

Social Responsibility Management

Supporting Inclusive Finance

Financial Support for Adolescents

To protect teenagers from investment risks stemming from limited financial literacy and exposure to unlicensed private lending, NHIS provides financial literacy education. Instructors are selected from among employee volunteers, and post-session satisfaction surveys are conducted using the Financial Supervisory Service's QR code to ensure continuous quality assessment. In 2025, this program reached 7,111 students across 209 sessions at 41 schools, more than tripling the number of sessions and doubling the number of beneficiaries compared to 2023. In recognition of these achievements, NHIS received the Korea Financial Investment Association(KOFIA) Chairman's Award in the Employees at Excellent Financial Institutions category. To help youth leaving institutional care build a foundation for financial independence, NHIS also operates an ISA investment support program in partnership with KOFIA: ten participants are selected each year and supported with KRW 300,000 per month over three years through an NHIS ISA account, supporting a stable transition to independent life.

Financial Literacy Education Provided to Adolescents

Category	2023	2024	2025
Partnerships established	56 centers/ 69 schools	56 centers/ 84 schools	53 centers/ 85 schools
Education provided	25 schools/ 66 sessions	36 schools/ 97 sessions	41 schools/ 209 sessions
Students who received education	3,388 persons	5,918 persons	7,111 persons

Awards Granted for Financial Literacy Education in 2025

Award	Category	Awardee	Department
Korea Financial Investment Association Chairman's Award	Employees at excellent financial institutions	Kim Dae-Hong	Pension Consulting Department(2)

Supporting the "1,000-Won Breakfast" Program

NHIS supports the "1,000-Won Breakfast" program at 26 national and public universities outside the Seoul metropolitan area, aiming to foster healthy eating habits among college students who show persistently high rates of skipping breakfast and to broaden the long-term base of rice consumption. Led by the Ministry of Agriculture, Food and Rural Affairs, this program enables students to enjoy a nutritious breakfast for just KRW 1,000, with NHIS covering the participating institutions' share of approximately KRW 530 million. This initiative supports balanced nutrition among college students while contributing to expanded rice consumption among young adults.

Fostering Inclusive Employment through Equity Investment

To fulfill its social responsibility for advancing inclusive employment, NHIS continues to invest in standard workplaces hiring persons with disabilities. These workplaces are social enterprises established through joint investment by multiple companies to create employment for individuals with developmental disabilities who face barriers in entering the workforce. In 2025, NHIS made new equity investments in Bravo Beaver Daegu and Heart Heart Art & Culture. As of the end of 2025, investments across five such workplaces have generated recognized employment for 65 persons with disabilities.

Bravo Beaver employs people with developmental disabilities to manufacture, process and sell stationery, nuts, confectionery, and coffee products. Heart Heart Art & Culture supports employees with developmental disabilities in performing art-related roles and developing careers as professional artists. In 2025, NHIS purchased approximately KRW 210 million in arts and culture services from Heart Heart Art & Culture, encompassing disability awareness education delivered through cultural experiences and a classical concert performed by young adults with developmental disabilities.

Going forward, NHIS will continue with these equity investments to foster inclusive employment, alongside a broad array of initiatives aimed at creating stable employment opportunities for people with disabilities and generating social value.

Forest Campaign for Child-led Environmental Education

In partnership with ChildFund Korea, NHIS provided forest and nature experience education to 2,400 children in local communities from September to December 2025. Under the theme "Forest Campaign with NH Investment & Securities: From Small Seeds to Great Forests", participating children were provided with companion plant kits and guided through the hands-on experience of planting and tending their own seeds, fostering an appreciation for the natural ecosystem and a sense of connection with nature. Through the process of nurturing seeds, this initiative conveys the meaning of growth and sustainability and contributes to the development of environmental sensibility among future generations.



→ Children from local communities participating in the Forest Campaign



→ Education provided at Donggu Middle School (Guri City, Gyeonggi Province)

Mutual Growth with Agriculture and Rural Communities and Community Partnership

Agriculture and Rural Community Support Framework

NHIS is progressively advancing its strategy for supporting agriculture and rural communities, centered on tailored, lifecycle-aligned support and the growth of future agriculture. In 2026, the focus is on refining the execution and structure of existing programs; in 2027 and 2028, on broadening the scope of support and scaling impact to enhance program effectiveness; and in 2029-2030, on driving an agricultural ecosystem transition in conjunction with cutting-edge technology and laying the basis for sustainable growth. This phased approach will secure both the stability of rural communities and the competitiveness of agriculture, while establishing an integrated support framework spanning the full lifecycle.

Lifecycle-Aligned Farmer Support Programs

Agricultural support programs are tailored to the distinct needs of farmers across four lifecycle stages — children, adolescents, youth, and seniors. For children in rural areas, products manufactured by standard workplaces hiring people with disabilities are donated, supporting child wellbeing while simultaneously creating employment for individuals with developmental disabilities. Secondary school students across eight rural counties receive Hope Tree scholarships, and young farmers are supported through cultivation programs covering online market access and competitions. Seniors benefit from a refrigerator replacement program operated across eight village communities. This integrated, lifecycle-aligned support framework drives efforts to counter rural depopulation and build communities where people choose to live.

STEP 01 Support for Rural Children

To cater to the specific needs of children and adolescents in rural areas affected by wildfires, heavy rainfall, and broader vulnerability, NHIS donated products from Bravo Beaver, a standard workplace hiring people with disabilities, on four occasions throughout 2025. In collaboration with Good People International and ChildFund Korea, approximately KRW 630 million worth of goods were delivered to 3,581 children and adolescents across 19 rural communities nationwide. In sourcing these donations through a recognized standard workplace dedicated to inclusive employment, NHIS achieved two social goals in tandem: stable livelihoods for individuals with developmental disabilities and tangible support for children and adolescents in rural areas.



Support for rural children

Donate products from standard workplaces hiring people with disabilities to rural children

KRW 630 million/year

← Supporting children in wildfire-affected areas

STEP 02 Hope Tree Scholarship

The Hope Tree Scholarship program aims to narrow the educational gap and support vulnerable adolescents in rural areas. Scholarships are awarded to secondary school students from underserved backgrounds in county-level rural communities, and recipients are selected based on a comprehensive assessment of factors including rural designation and the proportion of multicultural families and adolescents. In 2025, the program was restructured to focus support on rural communities, awarding KRW 1.5 million to each of 50 recipients across five counties — 10 students per county. Since its inception in 2005, this initiative has reached 810 students on a cumulative basis, with a phased expansion underway toward a target of 45 cumulative counties by 2030.



Hope Tree Scholarship for secondary school students

Award KRW 1.5 million scholarships to 10 secondary school students each across 5 rural counties

KRW 120 million/year

← Awarding Hope Tree Scholarships

STEP 03 Young Farmer Development Programs

To assist the entry and settlement of young farmers, the support framework is centered around market access and capability building. Digital platform-based sales channels are provided to help early-stage or low-profile young farmers establish a stable market presence. Through agri-food crowdfunding and live commerce, NHIS helps farming households strengthen their online distribution capabilities and create pathways to tangible revenue generation. Best practice discovery and education-linked programs are also available to support the sustainable growth of young farmers. In 2025, crowdfunding supported 24 farming households, achieving KRW 125.81 million in funding, while live commerce assisted 16 farming households in generating KRW 28.02 million in sales.



Young farmer development

Support programs covering online market access and competitions

KRW 150 million/year in farm sales facilitated

← Live commerce

STEP 04 Support for Rural Village Communities

The village community goods support program, initiated in 2019 to improve living conditions in rural areas, continued in 2025. Standing alongside rural residents as they grapple with population aging and demographic decline, NHIS delivered 352 refrigerators to village communities across eight counties, totaling approximately KRW 450 million in value. This program has grown beyond a mere goods donation into a shared commitment to strengthening the fabric of rural community life.



Refrigerator donation for village communities

Support refrigerator replacement across 8 counties

KRW 450 million/year

← Donating refrigerators to rural village communities

Mutual Growth with Agriculture and Rural Communities and Community Partnership

Fostering an Agri-food Startup Ecosystem

NHIS hosts the Agri & Food Tech Startup Rising Expo (AFPRO), an event bridging startups, investment, and technology to promote innovative entrepreneurship and investment activity in the agri-food sector, spanning ag-tech, food-tech, and green bio. Its programs are structured in alignment with government agri-food policies, and are delivered in collaboration with the Korea Agriculture Technology Promotion Agency (KOAT), COEX, and NongHyup to broaden industry-wide participation. AFPRO facilitates networking among startups and provides matching opportunities with investors and industry experts, contributing to the expansion of the investment ecosystem in the agri-food sector.

Supporting Ag-Tech Youth Startups

To facilitate technology-based entrepreneurship in the agri-food sector, NHIS operates education and linkage programs to identify and nurture ag-tech startups. In-depth education delivered at the NongHyup-wide level supports participating startups in strengthening their commercialization capabilities, while proof-of-concept (PoC) projects with NongHyup affiliates enhance the real-world applicability of their technologies. Promising companies are also supported in conjunction with the Hope Agricultural Innovation Fund, establishing a staged support structure spanning education, field validation, and investment.

Establishing an Agri-Food Youth Startup Investment Fund

To revitalize youth entrepreneurship across agriculture and its upstream and downstream industries and enhance the added value of agricultural produce, NHIS is expanding the investment base for agri-food startups. A KRW 1 billion commitment was made as a limited partner in a KRW 8 billion venture fund raised by Sopoong Ventures, strengthening support for early-stage agri-food companies. This fund targets businesses operating across the agri-food value chain, with a primary focus on companies that have undergone incubation and investment by a startup accelerator, companies within seven years of founding, and companies with a youth-centered workforce, aiming to cultivate a youth-driven startup ecosystem.

Operating Ag-tech Business Investment Funds

To support innovation-driven growth across the agricultural sector, NHIS raises and operates ag-tech investment funds at the NongHyup-wide level. Starting with the NongHyup Ag-tech Inclusive Innovation Fund in 2022, the Hope Agricultural Innovation Fund was launched in 2024. These funds target companies operating in digital transformation — including agricultural production and distribution and smart farming — as well as those owning cutting-edge technologies such as AI and robotics, supporting technology adoption in agricultural settings and the broader industry advancement.

AFPRO Performance Summary

Category	2023(1st)	2024(2nd)	2025(3rd)
Scale	9,172 visitors, 327 booths, 236 companies(agri-food tech startups and related institutions)	8,905 visitors, 305 booths, 268 companies(ag-tech, food-tech, green bio)	8,629 visitors, 359 booths, 201 companies(ag-tech, food-tech, green bio)
Outcomes (satisfaction)	Satisfaction: 93.8% Intent to return: 95.1%	Satisfaction: 85.6% Intent to return: 88.8%	Satisfaction: 89.8% Intent to return: 88.6%

Ag-tech Youth Startup Campus Performance Summary

Category	2023	2024	2025
Support provided	• Startups identified: 9 teams	• Startups identified: 11 teams • PoC with NongHyup affiliates: 6 teams • Agri-food business expansion: 3 teams	• Startups identified: 7 teams • PoC with NongHyup affiliates: 7 teams

Ag-tech Investment Fund Performance Summary

Category	NongHyup ag-tech Inclusive Innovation Fund	Hope Agricultural Innovation Fund
Launching	2022	2024
Total size/NHIS commitment	KRW 53.0 billion/KRW 15.1 billion	KRW 51.1 billion/KRW 15.1 billion
Investment target	• Companies leading digital transformation in agricultural production/distribution and smart farming	• Companies owning cutting-edge technologies applicable to agricultural settings, including AI and robotics

Supporting Entry-level Smart Farms

By introducing an affordable smart farm model combining information and communications technology with existing greenhouse facilities, NHIS is working to enhance farming convenience and productivity at comparatively low setup costs. As a joint initiative between NH Financial Group and NH Agribusiness Group, this program promotes smart farming adoption and investment support in tandem by bridging farming households, companies, and securities firms, helping accelerate digital transformation in agricultural settings and sharpen the competitive edge of small and mid-sized and young farmers.



→ Strawberry grower adopting NongHyup's entry-level smart farm model



→ Agri & Food Tech Startup Rising Expo

Shared Growth

Shared Growth and Collaboration Framework

Partner Integrity Management

Business Partners Code of Conduct Overview

NHIS recognizes partners as collaborators in shared growth and is committed to building transparent and ethical business relationships. At the time of contract signing, partners sign the Contractual Integrity Pledge to forge partnerships grounded in mutual accountability, with the pledge submitted annually. Upon contract termination, working-level staff are surveyed to review compliance with applicable laws and procedures to proactively address corruption risks. A Partner Code of Conduct — covering key areas including business ethics, labor and human rights, diversity, equity and inclusion, health and safety, and environmental protection — provides the foundation for responsible and mutually beneficial partner relationships.

IR Support for Small and Mid-sized Partners

Small and mid-sized companies are comparatively limited in accessing investor relations (IR) opportunities, highlighting the need for broader touchpoints with investors. In response, NHIS operates tailored IR events that connect these companies with investors. Through a small-cap focused IR program, companies can directly engage with investors, and in 2025, NH Mid/Small Cap Corp Day was hosted with participation from 32 companies. Themed around industry-specific characteristics spanning robotics, space, stablecoins, and AI, this event helped expand investment opportunities across a diverse range of sectors. Participating companies are selected based on a comprehensive assessment of growth potential, competitiveness, and information access gaps, and are provided with a platform to communicate their corporate strategies and vision to both institutional and retail investors.

Startup Collaboration and Ecosystem Building

Open Innovation Fund Investment

NHIS is pursuing open innovation-based fund investments to revitalize the startup ecosystem and nurture innovative companies. A KRW 4.5 billion commitment was made to the NH-G Fund, raised by the Korea Venture Investment Corporation as an open innovation initiative, with NH Venture Investment serving as a discretionary fund manager. This fund targets companies engaging in open innovation, startups seeking to enter global markets, and SMEs with a technology evaluation rating of TI-6 or above, identifying and supporting companies with proven technological capabilities and growth potential.

NHIS also participated in the Technology Innovation Fund co-organized by the Ministry of Trade, Industry, and Energy and Korea Growth Investment Corporation, forming a KRW 100 billion NH-OC Global Open Innovation Fund with a commitment of KRW 6.5 billion. Structured as a co-GP arrangement between overseas venture capital firms and NH Venture Investment, this fund supports Korean companies in advancing into overseas markets and facilitates open innovation with international partners. Together, the two funds drive efforts to foster an innovation ecosystem grounded in cross-industry collaboration and nurture companies with global competitiveness.

Industry-Academia Cooperation for AI

NHIS engages in industry-academia collaboration programs with leading research institutions to build technological competitiveness in AI and strengthen practical service application capabilities. In partnership with Seoul National University, KAIST, and POSTECH, three projects were undertaken over 10 months with 17 participants. The research topics covered personalized recommendation systems, AI agents, and financial news and market analysis, translating cutting-edge academic research into internal capabilities and accumulating AI skills across the organization. Through the exchange of the latest academic trends and research findings, these collaborations enhance the expertise of its internal AI workforce and continuously build the technological competitiveness required for digital transformation.

Shared Growth

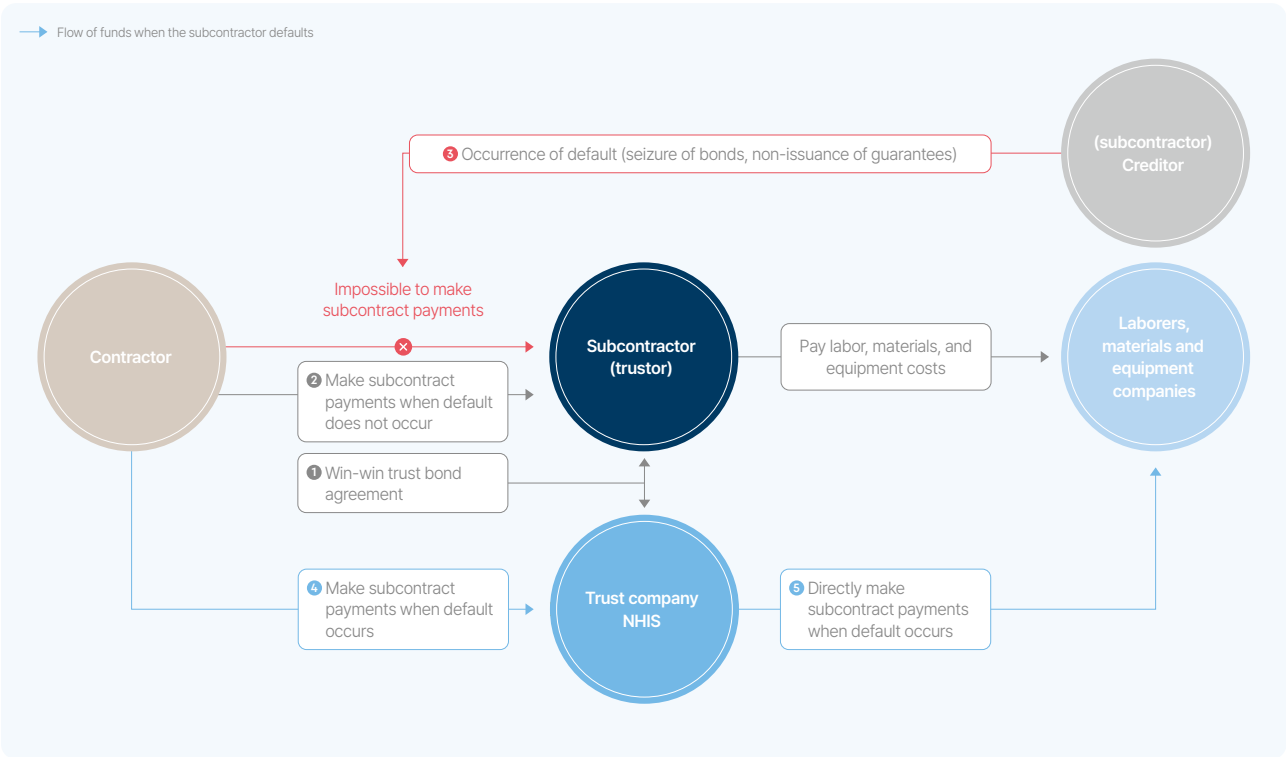
Shared Growth Finance

Operating the Win-Win Bond Trust System

Given the structural risk in the construction sector whereby delays in progress payments can cascade into payment defaults for lower-tier subcontractors, NHIS has been operating the Win-Win Bond Trust System since 2023 to support the stable disbursement of subcontract payments to thousands of subcontractors. Under this system, subcontractors entrust their receivables to a trust company, with construction payments deposited and managed through a trust account, ensuring timely payments without default. This safeguards the rights and interests of laborers and lower-tier subcontractors while preventing risks at construction sites including project delays.

In September 2024, an MoU was signed with CI Guarantee and Works Mate to lay the basis for introducing this system across over 10,000 member companies. The Win-Win Bond Trust System was also honored with the Grand Prize in the Construction Finance category at the Daehan Economy Construction Awards. Since 2025, a joint venture bond trust has been introduced to address violations of joint cost-sharing obligations in joint contract projects, continuing efforts to address a range of pain points within the construction industry.

Operational Process of the Win-Win Bond Trust System





1
2
3 FACTS & FIGURES

PRINCIPLE

NHIS takes a holistic view of its governance framework, pursuing ongoing improvements to enhance the effectiveness of board-centered accountability, ethics and compliance frameworks, and company-wide risk management. The scope of oversight is being expanded to include the evolving regulatory landscape and climate-related risks, building governance that works in practice, not just on paper.

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Finance in Action for Governance

Governance is not merely an administrative framework — it is the foundation upon which trust in finance rests. Amid a changing environment and rising expectations, NHIS continually questions whether existing practices remain adequate, and works to build a more accountable decision-making structure, committed to continuously refining and enhancing its governance to ensure it works in practice, beyond procedural formality.

Governance That Earns Trust Through Accountable Decision-Making



01

Responsible Board Governance

Strengthening the Board through balance and expertise

The Board of Directors is the central body for setting the company's direction, and it should be assessed as to whether it is fulfilling its role to its full potential. At NHIS, the focus is on fostering an environment in which genuinely independent decision-making can take place, while ensuring diversity and expertise in Board composition. Through ongoing reviews of frameworks governing Board operations, performance evaluation, and compensation, NHIS seeks to embody accountable governance that goes beyond mere formality. Various committees under the Board also further support deeper engagement with key issues and enhance the quality of decision-making.

02

Ethics and Compliance

Building trust through principles

Trust in finance demands more than mere regulatory compliance. NHIS continuously assesses whether its commitment to ethical management translates into actual conduct, and seeks to strengthen awareness and culture across the organization. In strengthening its internal controls and compliance framework, the aim is to go beyond box-ticking, encouraging employee engagement through whistleblowing mechanisms and training programs. The commitment extends beyond responding to the shifting regulatory landscape — holding itself to an ever-higher standard.

03

Risk Management

Enhancing risk response through proactive management

Amid the mounting uncertainty across the financial environment, NHIS is mindful that conventional risk management is no longer sufficient. Rather than reacting to risks after the fact, it continuously reviews its approach to build a framework capable of identifying and managing risks before they materialize. An integrated approach is taken to managing key risk factors with the Risk Management Committee and the company-wide risk management framework playing a pivotal role, while enhancing effectiveness through close alignment with internal controls.

04

Climate Risk Management

Establishing a management framework for the evolving risk landscape

Climate change represents a new type of risk that falls outside historical experience, and cannot be adequately addressed through existing management frameworks alone. NHIS continues to grapple with how best to identify and manage climate-related risks. The approach is to integrate climate-related risks into the company-wide risk management framework and to refine relevant processes to progressively raise management standards. While this approach is not yet fully mature, NHIS remains committed to proactive efforts to ensure climate-related risks do not translate into financial impacts.

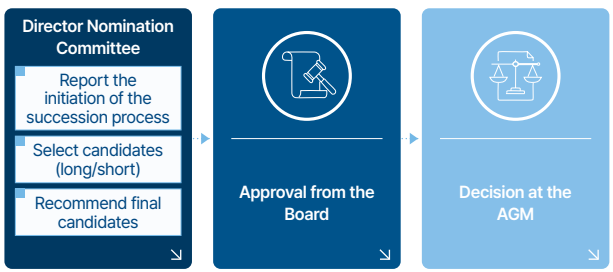
Responsible Board Governance

Composition of the Board

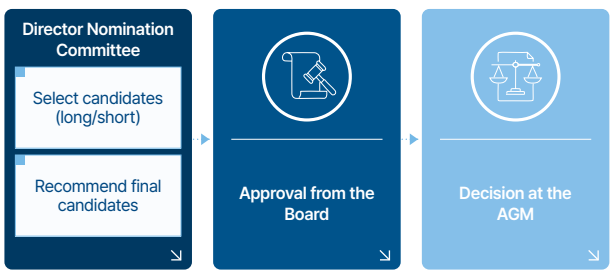
Director Appointment Process

NHIS follows an impartial and transparent process in appointing its CEO, outside directors, and Audit Committee members, comprising nomination by the Director Nomination Committee and appointment at the Annual General Meeting of shareholders. The Director Nomination Committee identifies candidates through candidate pool development, competency assessment, and qualification verification before selecting final nominees. In the case of the CEO, the final candidate is recommended within 40 days of the initiation of the succession process. Outside director candidates are selected based on relevant expertise, practical experience, and the ability to fulfill their role independently. Under the current succession plan, a pool of 98 CEO candidates and 120 outside director candidates is maintained, ensuring the soundness of governance and continuity of management.

CEO Appointment Process



Outside Director Appointment Process



Independence and Transparency of the Board

Board of Directors Independence Policy Overview

To protect stakeholder interests and enhance corporate value, the Board of Directors serves as the central body for deciding and overseeing key corporate matters. As of the end of March 2026, the Board consisted of one inside director and five outside directors, with outside directors holding a majority of seats and an outside director serving as Chair to uphold independence. Directors serve a two-year term, which may be renewed. Outside directors may serve up to six years at NHIS, or up to nine years including their tenure at affiliated companies. As of the end of March 2026, the average tenure of Board members is 1.2 years. Information on Board composition, committee activities, and key governance-related regulations is transparently disclosed through the corporate website, integrated reports, governance reports, and business reports.

Expertise and Diversity of the Board

Board of Directors Diversity Policy Overview

The expertise and diversity of the Board are the cornerstone of sound governance. NHIS's Board of Directors is composed of specialists across finance, management, economics, law, sustainability, accounting, and IT/digital, and is provided with ongoing training delivered by a dedicated support function to deepen its understanding of the financial industry. Directors are appointed with diversity in mind, spanning gender, age, career experience, and area of expertise, to ensure balance across the Board. With two female outside directors, a female director ratio of 29% has been achieved.

Board Composition[1]

Unit: persons, %

Category			2023	2024	2025
Independence	Director Type	Inside Director	2	1[2]	1
		Outside Director	5	5	5
		Non-Executive Director	1	1	1
Diversity	Gender Ratio	Male	87.5	85.7	71.4
		Female	12.5	14.3	28.6
	Age Ratio	Aged 50 and above	100.0	100.0	100.0
Expertise	Area of Expertise[3]	Finance	3	3	3
		Management	2	3	4
		Economics	3	3	2
		Law	1	0	1
		Sustainability Management	1	1	0
		Accounting	2	1	1
		IT/Digital	0	1	1

1) As of the end of each year
2) Reduced from two to one following the abolition of the standing audit committee member (inside director) system at the end of 2024
3) The sum of expertise areas may exceed the total number of directors, as individual directors may hold expertise in multiple areas

Responsible Board Governance

Board Composition

2026 Board of Directors Composition

As of the end of June 2026

Director	Name	Gender	Tenure[1]	Career	Expertise	Committee Affiliation
Inside director	Shin Jae-Wook(CEO)	Male	Jun. 30, 2026 –	• Head of the Real Estate & Infrastructure Division, NH Investment & Securitie • Current) CEO, NH Investment & Securities	Finance, management	-
	Bae Kwang-Soo(CEO)	Male	Jun. 30, 2026 –	• Head of the WM Division, NH Investment & Securities • Current) CEO, NH Investment & Securities	Finance, management	-
Outside director	Min Seung-Kyu	Male	Mar. 27, 2024 –	• First Vice Minister of Agriculture, Food and Rural Affairs • Vice President, Samsung Economic Research Institute (Director of Economic Policy), Advisory Role • Distinguished Professor, Sejong University	Economy	• Director Nomination Committee • Auditing Committee • Risk Management Committee
	Kang Ju-Young	Female	Mar. 27, 2024 –	• Director (Editor-in-Chief), Korea Bigdata Society • Current) Director (Vice President), Korea Intelligent Information Systems Society • Current) Professor, Department of Business Intelligence, School of Business, Ajou University	Management, IT/Digital	• Compensation Committee • Risk Management Committee • ESG Committee • Internal Control Committee
	Seo Eun-Sook	Female	Mar. 24, 2025 –	• Chairperson, Financial Consumer Protection Subcommittee, Financial Development Review Committee, Financial Services Commission • Current) Member of the Consumer Protection Subcommittee, Financial Oversight Supervisory Committee, Financial Supervisory Service • Current) Professor, Faculty of Economics and Finance, Sangmyung University	Finance, economy	• Director Nomination Committee • Auditing Committee • Risk Management Committee • ESG Committee
	Shin Jhin-Young	Male	Mar. 26, 2026 –	• President, Korea Institute of Corporate Governance and Sustainability •President, Korea Capital Market Institute • Current) Professor, Business Administration at Yonsei University	Finance, economy, sustainability	• Director Nomination Committee • Compensation Committee • Risk Management Committee • Internal Control Committee
	Kim Yi-Bae	Male	Mar. 26, 2026 –	• President, Korea Association for Accounting and Policy • Current) Vice President, Korea Accounting Association • Current) Professor, Accounting, Duksung Women's University	Management, accounting, sustainability	• Auditing Committee • Compensation Committee • ESG Committee • Internal Control Committee
	Ahn Sung-Wook	Male	Jun. 30, 2026 –	• Vice Chairman and Secretary General, Anti-Corruption & Civil Rights Commission • Member, Government Public Official Ethics Committee • Current) Representative Attorney, Sungmun Law Office	Law	–[2]

1) Tenure is based on the date of initial appointment
2) Committee affiliations are scheduled to be finalized through a Board of Directors resolution in July 2026

Responsible Board Governance

Operation of the Board

Board Operations

The Board of Directors convenes regularly on a quarterly basis and may meet more frequently as needed, ensuring the timeliness of its operations. In 2025, the Board held a total of 16 meetings and addressed 91 agenda items, including 56 decision items and 35 reporting items. A broad range of matters — including organizational restructuring, business performance, AGM-related items, and sustainability management updates — are reported to and resolved by the Board. Directors are provided with related materials in advance to ensure full understanding of agenda items and enable substantive deliberation.

Board Operations in 2025

Unit: Cases, %

Category		Activity
Meetings held(meetings)		16
Decision agenda(items)		56
Reporting agenda(items)		35
Attendance(%)	Inside director	100.0
	Outside director	100.0
	Non-executive director	100.0

Competency Enhancement for the Board

Enhancing the competency and expertise of directors is essential for effective management and oversight by the Board. NHIS provides annual training to outside directors, and in 2025 conducted a total of 10 sessions spanning 179 hours across strategy, risk management, ESG, and accounting. Newly appointed outside directors attend outside director programs hosted by the Korea Banking Institute to gain the knowledge needed to fulfill their role, covering the roles and responsibilities of the board, governance, risk management, and supervisory directions of financial authorities. Training formats have been further diversified through the introduction of online delivery.

Outside Director Training Provided in 2025

Category	Topic	Date
Strategy	Business plan presentations by business divisions	Jan. 23, 2025
Management	Outside director program for financial institutions	Apr. 29, 2025
	Amendments to the Commercial Act and NHIS's response	Aug. 28, 2025
	Analysis of causes of the Korea Discount	Sept. 11, 2025
Risk Management	Anti-money laundering	Jun. 30, 2025
		Sept. 15, 2025
		Oct. 30, 2025
	Financial security	Nov. 28, 2025
Sustainability	Climate-related risk management	Dec. 23, 2025
Accounting	Understanding of financial fraud control disclosure and effective operational approach	Sept. 25, 2025

Board Performance Evaluation and Compensation

The Board of Directors and the Compensation Committee play a central role in establishing the executive remuneration system and ensuring its transparent operation. The CEO is evaluated at least once annually by the Compensation Committee based on achievement of management targets and KPIs, with results informing performance bonus payout rates. Outside directors and non-executive directors undergo 360-degree evaluations encompassing self-assessment surveys, peer reviews, employee feedback, and participation in Board activities and training sessions. In April 2025, the evaluation framework for outside and non-executive directors was revised: the rating scale was expanded from four to five tiers; the weighting for self-assessment was reduced from 30 to 20 points; and a new 10-point category for training participation was introduced. Executive performance bonuses are structured such that 50% is paid immediately in cash and the remaining 50% is deferred over three years in the form of phantom stock. For the CEO and recipients of high-value bonuses, 40% is paid in immediate cash and 60% as deferred phantom stock. Where willful misconduct, negligence, or regulatory noncompliance are identified in the course of business conduct, both previously paid and deferred compensation are subject to clawback and cancellation. Directors are assessed annually to verify that they duly fulfill their responsibilities, with results reported to the Board and disclosed through annual corporate governance reports.

Executive Compensation

Unit: KRW million

Category		2023	2024	2025
Total compensation[1]	Registered directors[2]	1,359	6,363	1,998
	Outside directors[3]	70	143	141
	Members of the Audit Committee	482	413	196
Average compensation per person	Registered directors[2]	453	2,121	999
	Outside directors[3]	23	36	28
	Members of the Audit Committee	96	103	65

1) Include compensation paid to executives appointed or resigned during the term
2) Exclude outside directors and members of the Audit Committee
3) Exclude members of the Audit Committee

Responsible Board Governance

Operation of Board Committees

Audit Committee

The Audit Committee comprises outside directors including one accounting/financial specialist maintaining both independence and expertise. Serving as a central oversight body responsible for auditing NHIS's overall accounting and business operations and assessing the adequacy of its internal control system, the Committee convened eight times in 2025 to address 18 decision and nine reporting items, with an attendance rate of 100%, reflecting its diligent fulfillment of oversight and check-and-balance functions over management decision-making.

Director Nomination Committee

The Director Nomination Committee recommends candidates for CEO, outside director, and Audit Committee member positions through fair and transparent procedures. The Committee is tasked with identifying candidates, managing a candidate pool, and nominating candidates. Selection is based on a comprehensive assessment of expertise, professional integrity, ethics, and diversity. In 2025, the Committee met six times to decide on nine agenda items, with an attendance rate of 100%, demonstrating its steadfast fulfillment of responsibilities.

Risk Management Committee

The Risk Management Committee ensures the integrated management of company-wide risks at NHIS. Drawing on its expertise in economics, management, finance, and risk management, the Committee formulates basic principles and strategies for risk management while comprehensively managing risks at all levels, including risk capital management. Regular training is provided to Committee members to ensure they are equipped to proactively address novel types of risk arising amid the shifting business landscape.

ESG Committee

NHIS operates the ESG Committee to respond to the mounting need for Board-level oversight of climate action and sustainable management. The Committee is primarily responsible for establishing ESG management strategies and overseeing their implementation, while receiving regular reports on progress and performance to coordinate ESG direction across all business operations. In 2025, the Committee convened three times to address two decision and six reporting items, with an attendance rate of 100% and all members fulfilling their ESG oversight responsibilities.

Internal Control Committee

The Internal Control Committee, established in March 2025, serves as a specialized oversight body to strengthen NHIS's internal control framework and organizational transparency. The Committee deliberates and decide on the establishment of basic internal control principles and strategies as well as initiatives to foster a corporate culture that values professional ethics and compliance. The Committee reviews the internal control practices of executives subject to accountability mapping requirements and calls for necessary improvements, supporting proactive risk prevention and systemic risk management. The Committee convened five times in 2025 to address six decision and two reporting items, with 100% attendance.

Compensation Committee

The Compensation Committee ensures the objectivity and transparency of NHIS's remuneration framework. The Committee includes one member of the Risk Management Committee to assess whether the compensation structure is appropriately aligned with NHIS's financial position and risk profile. It reviews and determines remuneration-related matters including executive performance target setting and evaluation, compensation systems, and payment methods. In 2025, the Committee met six times in total to address eight decision and one reporting agenda items, with an attendance rate of 100% and all members actively engaged in the decision-making process.

Responsible Board Governance

Operation of Board Committees

2025 Operational Overview of Board Committees

Unit: Cases, %

Category			2023	2024	2025
Director Nomination Committee	Meetings held		6	7	6
	Decision items		8	10	9
	Reporting items		0	1	0
	Attendance	Outside directors	100.0	100.0	100.0
		Non-executive directors	100.0	100.0	100.0
Auditing Committee	Meetings held		7	7	8
	Decision items		14	15	18
	Reporting items		9	6	9
	Attendance	Inside directors	100.0	100.0	N/A[1]
		Outside directors	100.0	100.0	100.0
Compensation Committee	Meetings held		5	6	6
	Decision items		7	8	8
	Reporting items		0	1	1
	Attendance	Outside directors	94.4	95.7	100.0
		Non-executive directors	100.0	N/A[2]	N/A
Risk Management Committee	Meetings held		7	7	10
	Decision items		5	11	11
	Reporting items		11	9	10
	Attendance	Outside directors	95.0	95.2	95.5
		Non-executive directors	100.0	100.0	100.0
ESG Committee	Meetings held		3	3	3
	Decision items		2	1	2
	Reporting items		6	6	6
	Attendance	Outside directors	100.0	88.9	100.0
		Non-executive directors	100.0	100.0	100.0
Internal Control Committee[3]	Meetings held		-	-	5
	Decision items		-	-	6
	Reporting items		-	-	2
	Attendance	Outside directors	-	-	100.0
		Non-executive directors	-	-	100.0

1) Composed exclusively of outside directors to enhance the independence of the Auditing Committee
2) Excluded non-executive directors from the Compensation Committee
3) Established the Internal Control Committee as a new Board committee in 2025

Ethics and Compliance

Implementation of Ethical Management

Ethical Management Framework

To fulfill its economic, legal, and social responsibilities, NHIS has established principles of ethical conduct and remains committed to transparent and accountable management. The NH Financial Group Ethics Charter has been adopted as the foundation for shared value and behavioral standards for all employees, further articulated through the Ethics Charter, the Code of Ethics, and the Code of Conduct for Employees. Since 2024, a company-wide self-assessment using the Code of Conduct for Employees checklist has been conducted annually to assess ethical awareness and embed ethics into day-to-day routine.

Fair Trade Practices

NHIS adheres to transparent and fair procedures in contract signing and execution. Partner selection is based on clearly defined criteria in accordance with internal contract operation rules, and an electronic bidding system is implemented for the entire process from bidding to payment. IT assets and other sensitive intellectual property are handled through the NongHyup-wide integrated IT procurement system operated by the National Agricultural Cooperative Federation. In line with internal contracting rules, companies employing former NHIS employees who left within the last three years are disqualified from bidding. Personnel in charge are also required to sign an anti-corruption pledge when signing contracts, and the Compliance Officer provides annual ethical training for personnel responsible for construction, outsourcing, and procurement contracts, fostering transparent contracting practices.

Ethics Awareness-Raising Training for Employees

Ongoing and scheduled training is offered to raise employees' awareness of ethics and their commitment to legal compliance. Every Thursday, employees receive video-based training on ethics and compliance accompanied by short quizzes, enabling continuous assessment of their ethical thinking in the course of daily work. For mid-career hires, biannual training is delivered on internal regulations governing ethical management and on our broader ethics initiatives.

Ethics Training Provided to Employees

Unit: Sessions

Category		2023	2024	2025
Ethics and compliance training	Regular ethics and compliance training[1]	1	1	1
	Training by external instructors[2]	1	1	1
	On-demand training[3]	29	25	30

1) All CMs and leaders
2) Employees from relevant departments
3) New hires, department requests, etc.

Ethical Management Training Support for Partners

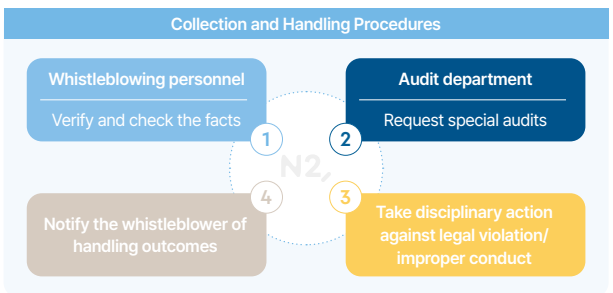
In response to the growing importance of business ethics and data privacy, NHIS promotes a culture of ethical conduct and information security among partners. An annual 'Compliance Officer Letter' outlining the approach to ethical and compliance management is distributed, supporting supply chain-wide risk management on the basis of trust-based relationships with partners.

Whistleblowing Mechanism for Ethical Misconduct

Independent internal and external whistleblowing mechanisms are operated, covering a broad range of concerns from employee misconduct, corruption, and Code of Conduct violations to human rights issues such as sexual harassment, bullying, and discrimination. Both employees and external stakeholders may submit reports through in-person, mail, telephone, or online channels, with full anonymity guaranteed. Submitted reports are investigated under the oversight of the Compliance Officer; where violations are substantiated, appropriate disciplinary actions are taken against those involved and systemic measures are implemented to prevent recurrence. Since 2024, special whistleblowing periods have been designated to lower barriers to reporting and strengthen early detection of and response to ethics and human rights concerns.

Ethical Misconduct Reporting Channels and Procedures





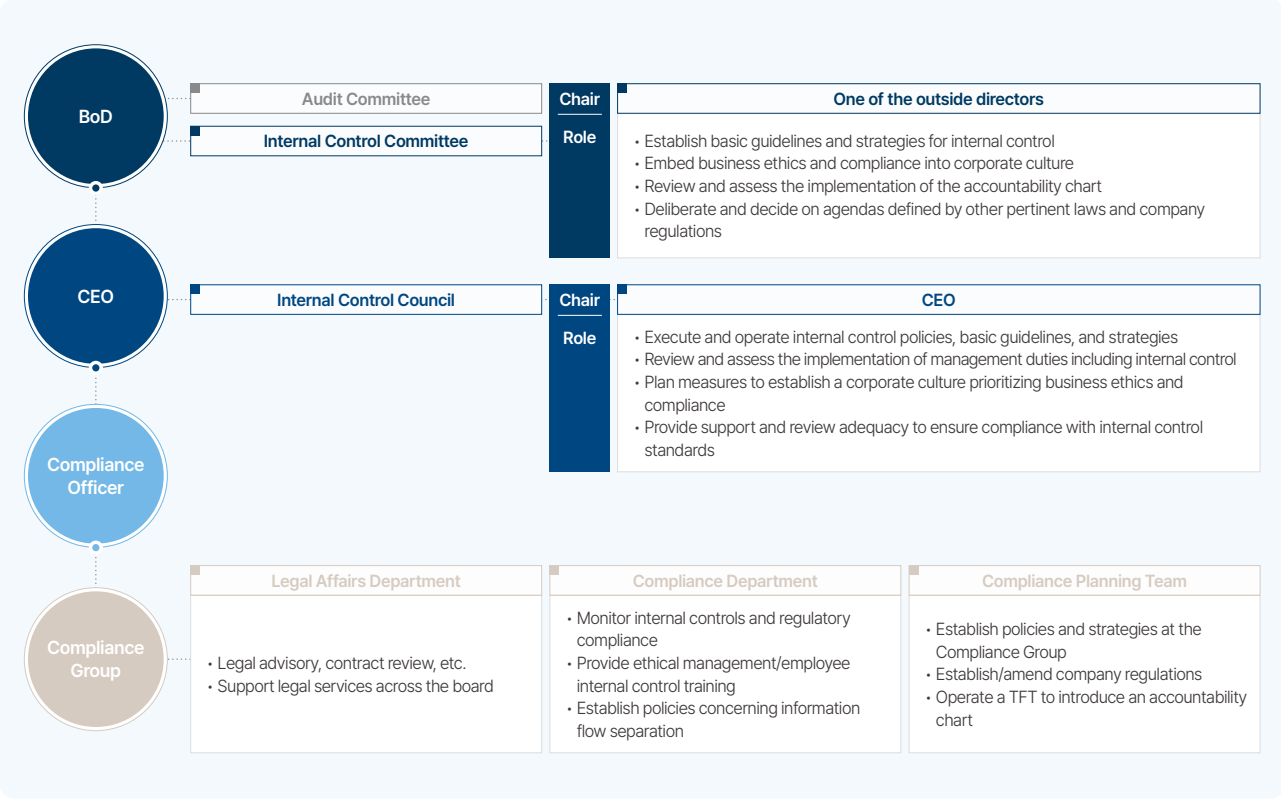
Ethics and Compliance

Strengthening Internal Control and Compliance Capabilities

Internal Control Governance

A dedicated organizational structure with clearly delineated roles is operated to establish an effective internal control framework. The Internal Control Committee sets overarching principles and strategic directions, while the Internal Control Council translates these into operational policies and strategies. Departments responsible for internal control contribute to reducing legal risks and improving ethical practices through compliance monitoring, legal counsel, and internal control training.

Internal Control Governance



Certifying the Internal Control System to External Standards

NHIS aligns its ethical and compliance management with international standards to ensure its systemic implementation. Certifications in both ISO 37301 (compliance management system) and ISO 37001 (anti-corruption management system) have been achieved — both renewed in 2024 — following independent third-party audits encompassing organization-wide legal and regulatory risk assessment, compliance management, anti-corruption, and ethical management. Grounded in these internationally certified ethics and compliance management systems, NHIS continues to prevent corruption risks and earn trust from clients and investors.





→ ISO 37301/37001 certificates

Internal Control Operations

An internal control framework is operated to support employees in complying with relevant laws and regulations and preventing misconduct in the course of their work. Compliance with applicable laws and internal policies is continually monitored to enable early detection of potential violations, while compliance training and consulting are provided to strengthen working-level compliance capabilities. Internal control self-assessments are also conducted for department heads to identify control weaknesses at the department level and define improvement targets and action plans. In 2025, a dedicated internal control personnel system grounded in the accountability chart (BUCO: Business Unit Compliance Officer) was fully rolled out, transferring document and call recording review duties and reinforcing a field-driven autonomous monitoring framework.

Ethics and Compliance

Implementation of Ethical Management

Anti-corruption

Unit: persons, cases, %

Category			2023	2024	2025
Notices and training on anti-corruption policies and procedures	Number of Board members who received notices or training		8	6	7
	Percentage of Board members who received notices or training		100.0	100.0	100.0
	Number of employees who received notices or training		2,881	2,911	2,953
	Percentage of employees who received notices or training		99.3	97.2	99.1
	Number of partners who received notices or training		173	86	176
	Percentage of partners who received notices or training		70.3	69.4	89.8
Confirmed incidents of corruption and actions taken	Number of cases of corruption	Internal whistleblowing reports	2	1	1
		External whistleblowing reports	2	5	0
	Number of cases where employees were dismissed or disciplined	Number of actions taken for internal whistleblowing[1]	0	1	0
		Number of actions taken for external whistleblowing	0	0	0
		Percentage of actions taken for internal whistleblowing	N/A	100.0	N/A
		Percentage of actions taken for external whistleblowing	N/A	N/A	N/A
	Cases of contracts with partners that were terminated or not renewed due to corruption		0	0	0
Special periods operated for internal whistleblowing			2	1	4

1) Whistleblowing reports that were substantiated and for which actions were taken against employees

Legal and Regulatory Compliance

Unit: cases, KRW million

Category		2023	2024	2025
Legal and regulatory non-compliance which occurred during the current reporting period[1]	Total cases of fines imposed	3	4	0
	Amount of fines	1,975.2	64.4	0.0
Legal and regulatory non-compliance which occurred during the previous reporting period[2]	Total cases of fines imposed	4	3	4
	Amount of fines	1,708.2	1,361.8	2,151.5

1) Restated the number of cases and amounts for 2024 to reflect actual amounts paid
2) Restated the number of cases and amounts for 2023 and 2024 to reflect actual amounts paid

Gift Return Center Operation

Unit: cases

Category[1]	2023	2024	2025
Gifts returned	0	1	0
Gifts donated	2	0	2

1) Aggregated results from the gift return center during the holidays of the concerned year

Ethics and Compliance

Strengthening Internal Control and Compliance Capabilities

Introducing an Accountability Chart

In accordance with the revised Act on Corporate Governance of Financial Companies (effective July 2024), NHIS has introduced an accountability chart. Following Board approval in June 2025, the accountability chart was submitted to regulatory authorities in July of that year. During the implementation process, NHIS participated in a pilot project led by the Financial Supervisory Service for financial investment businesses to validate its effectiveness. The Compliance Planning Team, comprising six internal control specialists, was launched to systematically navigate the evolving regulatory landscape. Under the guidance of legal experts, the Team currently manages the accountability chart, reviews the establishment and amendment of company regulations, conducts pre-screening of Board agenda items, and supports the operation of the Internal Control Council and Committee. In August 2025, an accountability management system was launched to align a series of processes ranging from setting executive responsibilities to conducting internal control reviews. Since its launch, monthly reviews have been performed in line with the accountability chart, raising employees' internal control awareness and reinforcing financial incident prevention capabilities.

Conducting Internal Audits

An internal control system has been established to uphold compliance and conduct regular internal audits to assess its effectiveness. Head office departments, overseas and domestic subsidiaries, and standard centers are subject to comprehensive audits every two years while super-large centers undergo annual audits. Sector-specific audits, including cash audits and account book audits, are carried out one to two times per year. Audit findings and material violations are shared via the internal bulletin board to strengthen employee awareness of internal controls and prevent the recurrence of similar issues. In 2025, internal audits were conducted across 131 sites, including 108 comprehensive audits and 23 sectoral audits — continuing an expansion in audit scope from 112 in 2023 and 109 in 2024.

Internal Audits Conducted

Unit: Occasions

Category	2023	2024	2025
Comprehensive audits	95	85	108
Sectional audits	17	24	23
Total	**112**	**109**	**131**

Anti-Money Laundering Activities

Leveraging the Customer Due Diligence (CDD) system, NHIS verifies client identities, confirms transaction purposes, and identifies beneficial owners, preventing the misuse of its financial products and services for money laundering. For high-risk or suspicious clients, Enhanced Due Diligence (EDD) is further applied. Abnormal transactions are monitored on an ongoing basis through big data analytics tracking emerging crime patterns including investment scams and voice phishing. Upon identification of a suspicious account, transactions are immediately restricted to manage money laundering risks across the entire organization. The effectiveness of this anti-money laundering framework was recognized through an 'Excellent' rating for operational risk indicators in the Korea Financial Intelligence Unit's 2025 anti-money laundering assessment.

Financial Incident Prevention Training

As public attention to financial incidents has grown, so too has the demand placed on financial institutions to strengthen their internal control capabilities. In response, NHIS develops and implements an internal control training program for all employees, covering the root causes of financial incidents, the importance of internal controls, and specific preventive measures. Previously limited to select employees, the program has been expanded to include the entire workforce and formalized into a six-session annual curriculum, enhancing both its structure and accessibility. Following each training session, effectiveness reviews are conducted to drive continuous improvement and support the development of internal control specialists.

Risk Management

Risk Management Governance

Risk Management Framework

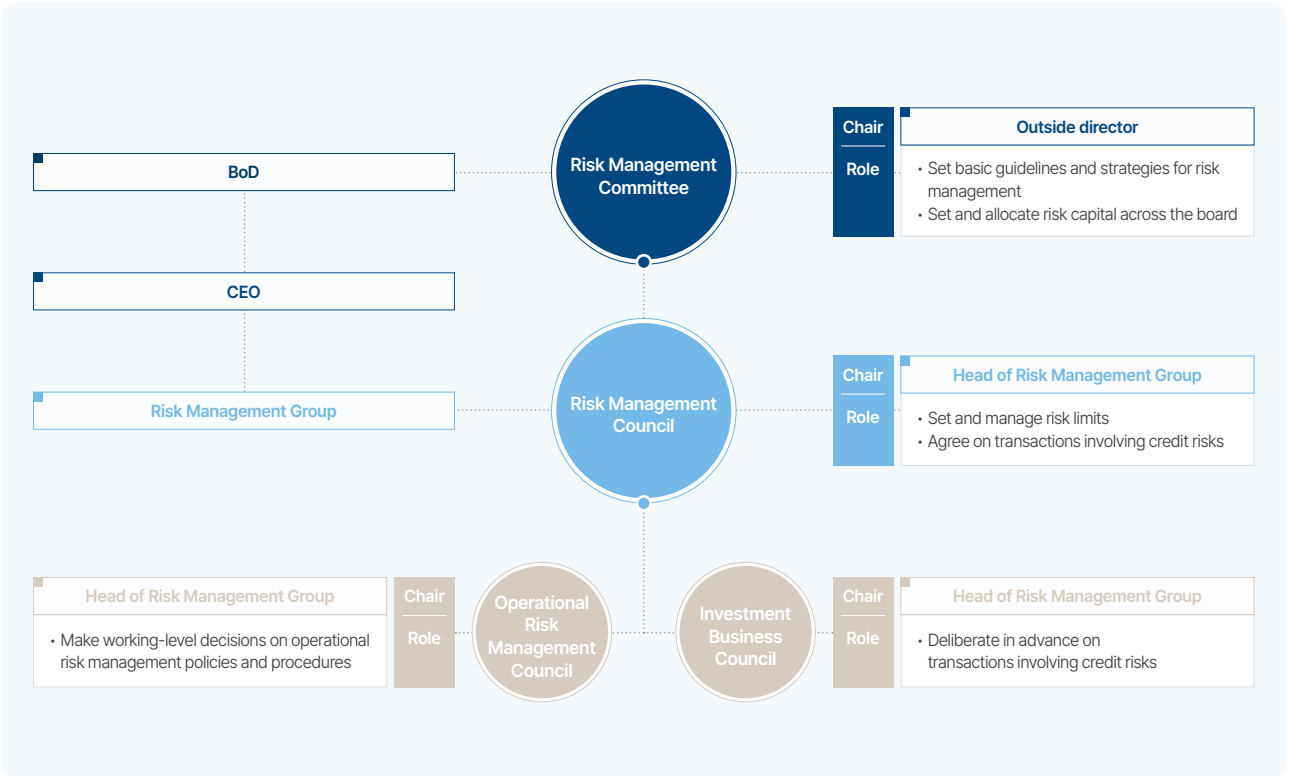
The Risk Management Group operates under the direct leadership of the CEO with dedicated responsibility for all risk management functions, including planning, limit management, regulatory ratio management, screening, and surveillance. Risk exposures arising in the course of business operations are regularly reported to the Risk Management Committee and senior management by risk type, ensuring systematic oversight and mitigation.

Risk Prevention Activities

Implementing Business Continuity Plans (BCP)

A Business Continuity Plan (BCP) is maintained to ensure the continuity of critical services in the event of emergencies such as IT system failures, infectious disease outbreaks, fires, and earthquakes. In 2025, the existing BCP was overhauled into an execution-driven framework designed to function effectively under real-world crisis conditions. This involved identifying departments performing critical tasks company-wide, setting recovery priorities and designating essential personnel based on task-specific Recovery Time Objectives (RTO), and verifying operational readiness through the development and assessment of alternate work sites and BCP simulation exercises. In the IT sector, the BCP Operation Committee is activated in line with emergency manuals, and an emergency response system is operated to prepare for potential loss of key personnel and surges in non-face-to-face transactions.

Risk Management Committee Structure



Risk Management

Risk Prevention Activities

Risk Factors

Risk 01

Launching a new IMA (Investment Management Account) business

- Growing complexity of investment portfolio structures and risk profiles driven by increased venture capital investments of productive finance (SMEs, mid-sized businesses)
- Quality risks arising from venture capital screening

Risk 02

Increased volatility in domestic and global financial markets

- Concerns over heightened financial market volatility amid international trade uncertainties and geopolitical risks
- Increasing importance of market and credit risk management across bonds, equities, and alternative assets

Risk 03

Strengthened internal control for risk management

- Need for risk management with closer alignment with regulatory requirements
- Stronger focus on client asset management beyond proprietary assets

Risk Management Process

STEP 1. Advancing the IMA business risk management framework

- Establish IMA business governance
- Develop venture capital screening procedures
- Strengthen post-investment management of venture capital

STEP 2. Strengthening high-risk exposure management

- Identify and screen high-risk exposures by business line with a focus on concentration risk, sell-down, and post-investment management
- Ensure effective risk response through ongoing reviews
- Strengthen risk management for high-risk financial products sold to clients

STEP 3. Upgrading risk management infrastructure

- Implement a next-generation risk management system development project
- Enhance risk management regulations
- Strengthen the internal control framework for risk management

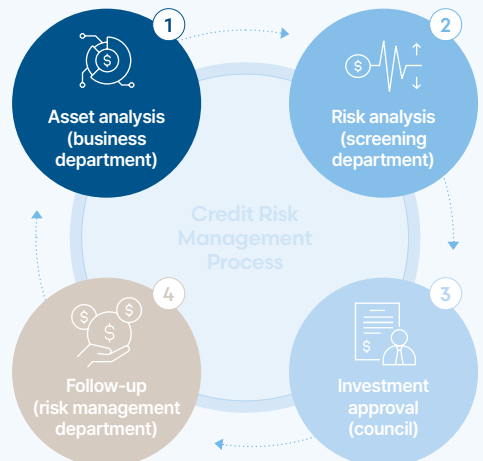
Establishing a large exposure loss control framework for sustainable growth

Risk Management Vehicles

Vehicle	Description
Sensitivity analysis	Measure changes in value according to changing market risk factors such as stock prices, interest rates, exchange rates, and volatility
Stress test	Measure potential losses that may occur in the event of unexpected events such as market crisis
Risk appetite	Ratio of risk capital[1] against available capital: 72.7% in risk appetite in 2025

1) Capital allocated to cover potential losses on assets

Credit Risk Management Process



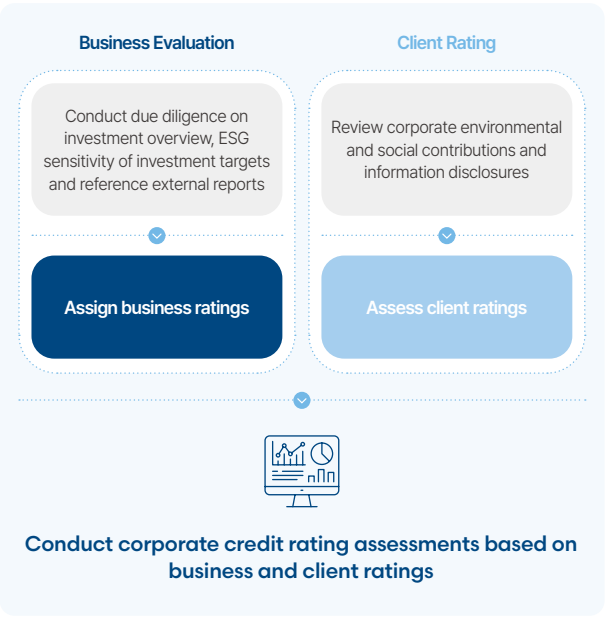
Risk Management

Risk Prevention Activities

Financial and Non-financial Risk Management

Type of Risk	Description	NHIS's Management Approach
Market risk	Losses occur as the value of investment assets declines due to changes in interest rates, stock prices, or exchange rates among others	• Verify the derivative product models used for value assessment and risk measurement on an ongoing basis • Minimize the risk of distortions affecting profit/loss and risk measurements
Credit risk	Risks occur due to counterparty default, credit rating downgrades, or contractual breaches	• Assign differential credit limits according to the credit rating and transactional volume of counterparties • Improve the quality of assets by differentiating the decision-making process by credit rating and transactional volume
Liquidity risk	Issues may occur for external payments due to the shortage of asset liquidity	• Include all assets and liabilities in the scope of risk management to analyze daily positions of assets, liabilities, and off-balance-sheet transactions to measure liquidity and interest rate risks • Finance and risk management departments engage in company-wide liquidity monitoring and control while analyzing and reporting on crisis situations • Categorize liquidity management into three levels to establish a phase-specific response system
Operational risk	Economic losses may occur due to inappropriate or inadequate internal procedures, personnel, systems, or external events during the course of operations	• Establish a company-wide Operating Risk Management System (ORMS) • Organizational risk managers perform regular daily/monthly risk control self-assessments and manage key risk indicators • Perform organizational regular risk level reviews and control potential operational risks
Environmental risk	Financial and non-financial corporate losses may occur due to environmental issues	• Control equity investments or loans for businesses and companies involved in such nonenvironmentally friendly operations as power plants and coal terminals
ESG risk	Risks may arise in the three areas of environment, society, and governance	• Provide training to all employees to elevate their ESG understanding • Establish a series of client business rating assessment procedures in the deal evaluation process, ranging from reviewing ESG-related disclosures to referring to external specialist reports and conducting mandatory due diligence • Design and establish an ESG-conscious evaluation process • Apply ESG factors to the corporate credit rating assessment system and identify improvement plans and non-financial assessment items

ESG-related Corporate Credit Rating System



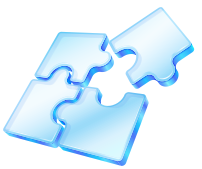
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Materiality Assessment

NHIS conducted a double materiality assessment integrating both the effects of its business activities on the environment and society and the effects of external factors on corporate financial performance. In 2026, Impacts, Risks and Opportunities (IRO) were proactively identified to enhance analytical rigor, and targeted surveys of operational departments responsible for respective issues were conducted to measure substantive impacts. External expert review was performed in parallel to ensure the objectivity of the assessment. This process ultimately yielded 15 material topics, each quantified based on the magnitude of impacts and domain-specific characteristics. The identified material topics were reviewed and approved by the ESG Committee under the Board of Directors. A third-party specialist was also engaged to verify that material issues were identified in a reasonable manner in accordance with the assessment process.

Double Materiality Assessment Process



STEP. 01

Construct an issue pool

Establish a preliminary issue pool based on global disclosure standards and industry characteristics

Issue pool construction

- Align with GRI, SASB, ESRS, and other international disclosure standards
- Industry-specific topics and peer material topics
- Prior year's issue pool

60-Issue longlist(pool)



STEP. 02

Material issue identification

Identify material issues through business environment analysis and benchmarking

Materiality test

- Internal sustainability strategy analysis
- Media analysis
- Domestic and international peer benchmarking
- Analysis of ESG-related standards and evaluation metrics
- Domestic and international legal and regulatory analysis

15 Material issues identified



STEP. 03

Identify impacts and gather stakeholder feedback

Identify potential impacts based on the IRO framework and assess stakeholder-centered impacts

IRO analysis

- Identify environmental, social, and financial impacts across 15 issues, conduct IRO analysis by type

Stakeholder feedback collection by issue

- Conduct targeted surveys of relevant departments with subject-matter expertise based on identified IROs
- Engage external experts for review



STEP. 04

Determine key material issues

Analyze impacts across 15 material issues by type and identify their characteristics

Impact magnitude analysis

- Quantify business relevance and the magnitude of environmental and social impacts to produce assessment outcomes
- Determine key issues through review and approval of the highest decision-making body (ESG Committee)

Impact assessment outcomes for 15 Material issues

Materiality Assessment

The 2025 materiality assessment identified 15 material issues in total, with several material topics adjusted compared to 2024. "Improvement of client satisfaction" was not identified as a separate material topic during the reconstruction of the issue pool. "Inclusive corporate culture and diversity" and "Stakeholder human rights and social value" were derived by subdividing the previous employee human rights and diversity topic. "Carbon emissions from asset portfolios" was newly identified to reflect growing demands for managing financed emissions, and "Mutual growth with agriculture and rural communities and community partnership" was identified as a material topic reflecting NHIS's distinctive role as a member of the cross-NongHyup network. While systematically managing all 15 identified issues, five priority issues closely aligned with business strategy and clearly identified for their impact characteristics — Embedding responsible investment principles, Digital innovation and platform competitiveness, Mutual growth with agriculture and rural communities and community partnership, Information security and client data protection, and Mid-to long-term business performance and corporate value — were prioritized in disclosing detailed progress and performance data. NHIS rigorously captures the factors affecting sustainability and their magnitude through regular materiality assessments, and transparently communicates its performance in managing identified material topics to stakeholders.

2025 Materiality Assessment Results

Domain	Material Issue for Reporting	Page
Environmental	Climate action and low-carbon management	38-57p
	Carbon emissions from asset portfolios	56p
	Green finance and transition finance	31, 58p
Social	Human capital capabilities	82p
	Inclusive corporate culture and diversity	79-80p
	Stakeholder human rights and social value	32, 79p
	Information security and client data protection	75-78p
	Financial consumer protection and their rights and interests	68-71p
	Digital innovation and platform competitiveness	72-74p
	Mutual growth with agriculture and rural communities and community partnership	88-89p
Governance	Mid-to long-term business performance & corporate value	26-28p
	Compliance and internal controls	99-102p
	Integrated risk management framework	103-105p
	Responsible board governance	94-98p
	Embedding responsible investment principles	29-31p

Material Topics: 3-Year Assessment Results

Colored: Issues identified as material for 3 straight years

Domain	2023	2024	2025
	12 Material Topics	10 Material Topics	15 Material Topics
Environmental	Strengthening responsiveness to the threat of climate change	Climate change response	Climate action and low-carbon management
		Green finance business	Green finance and transition finance
			Carbon emissions from asset portfolios
Social	Client information protection	Information security and client data privacy	Information security and client data protection
	Protecting rights and interests of financial consumers	Financial consumer protection	Financial consumer protection and their rights and interests
	Competency development and training	Employee competency enhancement and training	Human capital capabilities
	Leading digital finance and securing platform competitiveness	Digital finance and platform strategy	Digital innovation and platform competitiveness
	Human rights and diversity in the workplace		Inclusive corporate culture and diversity
	Talent recruitment and turnover		
		Improvement of client satisfaction	
			Mutual Growth with Agriculture and Rural Communities and Community Partnership
			Stakeholder human rights and social value
Governance	Ethics and compliance	Compliance	Compliance and internal controls
	Ensuring soundness of governance	Sound governance	Responsible board governance
	Integrated risk management	Integrated risk management	Integrated risk management framework
	Expanding responsible investment		Embedding responsible investment principles
	Creating economic value		Mid-to long-term business performance & corporate value

Materiality Assessment

Impact Magnitude: ●●● High ●● Medium ● Low

Category	Issue	Affected Value Chain Stakeholders	Social and Environmental Impact(Impact)	Description	Impact Materiality				Financial Materiality (Risk/Opportunity)	Description	Financial Materiality		
					Magnitude	Actual/ Potential	Positive/ Negative	Time Horizon			Magnitude	Risk/ Opportunity	Time Horizon
Environmental	Climate action and low-carbon management	Shareholders and investors Government and related agencies	Building a climate disclosure framework to boost climate action and trust	Financial institutions can build stakeholder trust in their climate action through systematic disclosure aligned with climate disclosure frameworks such as TCFD. This enhances the transparency of capital allocation toward the transition of a low-carbon economy while contributing to heightened awareness of climate risk across the financial market.	●●	Actual	Positive	Long-term	Downgrade in ratings resulting in restricted access to foreign investment and increased cost of capital	An inadequate climate disclosure and response framework risks a downgrade in global ESG ratings, potentially leading to exclusion from the investment portfolio of overseas investors. This may increase the cost of capital and negatively affect long-term financial stability.	●●	Risk	Mid-term
	Carbon emissions from asset portfolios	Shareholders and investors Government and related agencies	Inadequate management of financed emissions delaying carbon reduction efforts and undermining the transition to net zero	Failure to systematically manage financed emissions stemming from investment and lending portfolios may delay broader social efforts to reduce carbon emissions. This undermines progress towards net zero goals and weakens climate action capabilities.	●●	Potential	Negative	Long-term	Inadequate management resulting in exposure to stranded assets and investment exclusion due to carbon-intensive portfolios	A high proportion of investments in carbon-intensive industries risks exposure to stranded assets amid tightening carbon regulations. In line with the growing preference for decarbonized portfolios among global investors, such holdings may result in exclusion from investor portfolios.	●●	Risk	Mid-term
	Green finance and transition finance	Clients Shareholders and investors	Channeling capital into green industries and supporting low-carbon transition through renewable energy project financing	Financial institutions can accelerate the flow of capital into green industries through participation in renewable energy project finance and the expansion of green financial products. This supports the low-carbon transition of carbon-intensive industries and substantially contributes to the shift toward a sustainable economic structure.	●●	Potential	Positive	Mid-term	Reinforced market leadership through green bond underwriting and ESG fund expansion	Expanding green bond underwriting and ESG-themed funds provides a foundation for establishing a leadership position in the sustainable financial market. Proactive advancement into transition finance can create new revenue streams and strengthen brand value and market competitiveness over the long term.	●●	Opportunity	Short-term
Social	Human capital capabilities	Employees	Talent drain and insufficient expertise degrading the quality and reliability of financial services	Talent attrition and capability shortfalls among financial professionals may result in degraded quality of core services including investment advisory and risk management. This erodes client trust, comprises the stability of financial services, and adversely impacts the sound operation of capital markets.	●●●	Actual	Negative	Mid-term	Attrition of top-tier talent weakening organizational competitiveness and increasing recruitment/ competency development costs	Attrition of key talent weakens organizational expertise and competitiveness while increasing recruitment costs and investments in training and competency development to secure replacement personnel. Deteriorating human capital management capabilities may lead to reduced profitability and operational efficiency over the medium to long term.	●	Risk	Mid-term
	Inclusive corporate culture and diversity	Employees	Fostering an inclusive corporate culture and diversity policies to provide equitable growth opportunities	Financial institutions can provide equitable growth opportunities to all employees by fostering an inclusive corporate culture and establishing diversity and equity policies. This addresses workplace discrimination, boosts social inclusion, and contributes to a healthy organizational ecosystem.	●●	Potential	Positive	Mid-term	Strengthening risk identification and capturing new market opportunities through diverse perspectives in decision-making	The participation of employees with diverse backgrounds and perspectives enhances the quality of decision-making and reinforces the capacity to identify potential risks from multiple angles. In so doing, we can capture new market opportunities and enhance long-term earnings competitiveness.	●	Opportunity	Long-term

Materiality Assessment

Impact Magnitude: ●●● High ●● Medium ● Low

Category	Issue	Affected Value Chain Stakeholders	Social and Environmental Impact(Impact)	Description	Impact Materiality				Financial Materiality (Risk/Opportunity)	Description	Financial Materiality		
					Magni-tude	Actual/ Potential	Positive/ Nega-tive	Time Hori-zon			Magni-tude	Risk/ Opportunity	Time Hori-zon
Social	Stakeholder human rights and social value	Employees Shareholders and investors	Inadequate implementation of human rights management frameworks resulting in human rights violations and reputational damage	Inadequate implementation of human rights management frameworks may give rise to human rights violations affecting employees and stakeholders. This undermines trust in the company's commitment to social responsibility and negatively affects corporate reputation and brand awareness.	●	Actual	Negative	Short-term	Human rights controversies resulting in a downgrade in ESG ratings and deterring foreign investors	Human rights controversies risk a downgrade in global ESG ratings, making the company a target for investment exclusion among overseas institutional investors. This may reduce capital-raising opportunities and erode corporate value, resulting in financial losses.	●	Risk	Short-term
	Information security and client data protection	Shareholders and investors Clients	Protecting client financial and personal data through enhanced information security frameworks	Financial institutions can safeguard client financial and personal data by consistently advancing their information security framework. This ensures secure transactions in the digital financial environment and contributes to enhanced trust across the broader financial ecosystem.	●●	Potential	Positive	Short-term	Data breach incidents leading to substantial compensation payouts, regulatory fines, and client attrition	Personal data breach incidents may result in substantial compensation payouts and regulatory fines, as well as revenue losses from client attrition. Information security incidents deal a serious blow to corporate reputation and undermine the long-term business foundation.	●●●	Risk	Short-term
	Financial consumer protection and their rights and interests	Clients Government and related agencies	Operating full-disclosure sales processes to enhance consumer rights and interests and access to financial products	Financial institutions can protect the rights and interests of financial consumers and improve their accessibility through rigorous operation of full-disclosure sales processes and enhanced after-sales management. This supports informed financial decision-making for all clients, including financially underserved groups.	●	Potential	Positive	Short-term	Mis-selling incidents resulting in litigation and regulatory costs as well as losses from reputational damage	Mis-selling incidents incur direct costs from litigation and financial regulatory sanctions, as well as indirect revenue losses from client attrition driven by reputational damage. This may lead to weakened business competitiveness and deteriorating market credibility.	●	Risk	Short-term
	Digital innovation and platform competitiveness	Clients Employees	Expanding AI services and remote channels to improve financial accessibility and client acquisition	Financial institutions can ensure financial accessibility free from time and location constraints by expanding AI-enabled services and remote digital channels. This broadens service access for financially underserved individuals while significantly enhancing client convenience.	●●●	Potential	Positive	Short-term	Reducing center operating costs through digital advancement and expanding revenue through customer growth	Digital platform advancement helps reduce the operating costs of physical centers while expanding the revenue base by attracting new clients through remote channels. Operational efficiency improvements achieved through technological innovation contribute to both operational cost savings and profitability gains.	●●●	Opportunity	Short-term
	Mutual growth with agriculture and rural communities and community partnership	Local communities Government and related agencies	Improving accessibility for financially underserved groups and revitalizing communities through agricultural finance and education	Financial institutions can provide meaningful access to financial services for underserved populations in agriculture and rural areas through agricultural finance support and financial literacy education. This helps revitalize the local economy and narrow the financial divide between urban and rural communities.	●●●	Potential	Positive	Mid-term	Enhancing brand value and creating new business opportunities through social impact initiatives	Shared growth initiatives for local communities enhance corporate brand value and social reputation, strengthening client loyalty in the process. Expanding specialized financial services in the agricultural and rural sector creates new business opportunities and contributes to revenue diversification.	●●	Opportunity	Long-term

Materiality Assessment

Impact Magnitude: ●●● High ●● Medium ● Low

Category	Issue	Affected Value Chain Stakeholders	Social and Environmental Impact(Impact)	Description	Impact Materiality				Financial Materiality (Risk/Opportunity)	Description	Financial Materiality		
					Magni-tude	Actual/ Potential	Positive/ Nega-tive	Time Hori-zon			Magni-tude	Risk/ Opportunity	Time Hori-zon
Gover-nance	**Mid-to long-term business performance & corporate value**	Shareholders and investors Employees	Delivering long-term value to stakeholders through enhanced profitability and shareholder returns	Enhanced profitability and shareholder returns deliver long-term value to stakeholders, while contributing positively to employment retention and local economic development through a company's sustainable growth.	●●	Potential	Positive	Short-term	Enhanced trust in the capital market enabling access to capital on favorable terms and securing growth drivers	Consistently generating mid- to long-term business performance enhances trust across the capital market, laying the basis to access capital on favorable terms. This helps secure funding for strategic investment and establish sustained growth drivers.	●●	Opportunity	Short-term
	Compliance and internal controls	Shareholders and investors Government and related agencies	Preventing regulatory violations and establishing a sound market order through systematic internal controls	Financial institutions can prevent regulatory non-compliance while contributing to a sound financial market order through the systematic operation of internal control systems. This fosters a fair trading environment and strengthens public trust in the financial ecosystem.	●●	Potential	Positive	Short-term	Regulatory violations resulting in direct losses including fines and increased cost of capital	Regulatory non-compliance may give rise to direct financial losses including fines as well as operational restrictions imposed by financial regulatory sanctions.	●	Risk	Short-term
	Integrated risk management framework	Shareholders and investors Clients	Enhancing management transparency and trust through an integrated risk management framework and strengthened communication	Financial institutions can enhance management transparency and market trust by establishing an integrated risk management framework and bolstering stakeholder engagement. This enables the timely sharing of risk information and contributes to a sound financial trading environment.	●	Actual	Positive	Short-term	Inadequate management leading to a credit rating downgrade and potential increases in funding costs	An inadequate risk management framework may result in a downgrade in credit rating in the event of unexpected losses, potentially driving up funding costs. Systematic risk management is a cornerstone of maintaining financial stability.	●●	Risk	Mid-term
	Responsible board governance	Employees, Shareholders and investors	Insufficient board independence and diversity resulting in reduced quality of decision-making and weakened trust	Insufficient board independence, expertise, and diversity risk undermining the quality of management decision-making and eroding stakeholder trust. This compromises the soundness of corporate governance and weakens the oversight function with respect to corporate social responsibility.	●●	Potential	Negative	Mid-term	A governance rating downgrade resulting in restricted investments and weakened strategic execution	A downgrade in governance ratings may result in failure to meet institutional investors' investment criteria, potentially triggering investment restrictions. Weakened board functions lead to diminished strategic execution and heightened management risk, negatively affecting corporate value.	●	Risk	Short-term
	Embedding responsible investment principles	Clients Shareholders and investors	Phasing out support for harmful industries while channeling capital toward ESG-aligned companies in line with responsible investment principles	Financial institutions can reduce financing of harmful industries and accelerate the flow of capital toward top ESG performers by embedding responsible investment principles into the investment process. This contributes to a sustainable industrial ecosystem and social value creation.	●●●	Potential	Positive	Mid-term	Avoiding investment in high-ESG-risk companies leading to stable portfolios and increased capital attraction	Proactively avoiding investment in high-ESG-risk companies enhances portfolio stability. Strengthening responsible investment capabilities broadens the attraction of capital from ESG-conscious investors and contributes to the long-term growth of assets under management.	●●●	Opportunity	Mid-term

Materiality Assessment

Category	Issue	NHIS Approach	NHIS Strategy	Key Performance	UN SDGs
Gover-nance	Embedding responsible investment principles	In response to the growing global demand for sustainability investment, NHIS is embedding ESG principles throughout its investment process. In accordance with our Environmental and Social Investment Policy, we conduct pre-investment assessments on environmental and social impacts while establishing and applying ESG screening criteria to strengthen our sustainability-based investment framework.	• Operated negative screening in line with the Environmental and Social Investment Policy and a four-stage investment review process • Expanded green finance and underwrote/invested in ESG bonds • Operated a green credit eligibility management framework	Unit: cases, KRW 100 million Category / 2024 / 2025 Sustainability investment screenings conducted: 128 / 297 ESG bond investment: 9,871 / 15,475	16, 17
	Mid-to long-term business performance & corporate value	In line with the government's Value-up policy initiative, we are reinforcing investor-centric value proposition and actively catering to market expectations for shareholder returns. By strengthening the alignment between mid- to long-term growth goals and financial performance, we pursue sustainable enhancement of corporate value.	• Established and implemented a corporate Value-up Program and made shareholder return disclosures • Introduced electronic voting and established a transparent disclosure framework • Implemented a predictable shareholder return policy and secured sustainable ROE	Unit: %, KRW 100 million Category / 2024 / 2025 ROE: 8.7 / 11.8 Net income: 6,867 / 10,315	8, 16
Social	Digital innovation and platform competitiveness	NHIS is strengthening AI and digital-driven investment intelligence competitiveness and platform enhancement. In expanding subscription-based and generative AI services and forging strategic partnerships with global AI companies, we are broaden-ing our digital financial product lineup and advancing personalized client services.	• Launched AI-powered investment information services including Terminal X, Seeking Alpha, and Benzinga News • Enhanced digital service competitiveness by operating a Squad-based organization and implementing an AI two-track strategy • Operated hybrid pension asset management and IRP robo-advisor services	Unit: 10,000 persons, 10,000 cases Category / 2024 / 2025 Digital financial service users: 524 / 572 AI-powered client service use: 344 / 802	9, 8
	Mutual growth with agriculture and rural communities and community partnership	Drawing on NongHyup' founding identity, we continue to strengthen our role in agricultural finance and balanced regional development. This includes expanding support for financially underserved groups and operating community collaboration programs.	• Operated a lifecycle-based customized financial support system for farmers • Nurtured a future agricultural ecosystem by supporting ag-tech youth startups and raising investment funds • Operated programs to support rural children and adolescents and promote partnerships with rural communities	Unit: KRW 100 million, cases Category / 2024 / 2025 Support for rural children and adolescents: - / 6 Identification of ag-tech startups: 11 / 7	2, 10, 11
	Information security and client data protection	As the growing adoption of AI and tightening regulations have heightened the importance of data protection, we maintain a best-in-class information security framework. This framework is operated directly under the leadership of the CEO, and undergoes regular audits conducted against international certifications.	• Maintained domestic and international certifications including ISMS-P, ISO 27001, ISO 27701, and Global CBPR • Consolidated CISO, CPO, and CIAP functions and convened the Information Security Committee as needed • Established a Zero Trust-based security environment and advanced an autonomous security framework	Unit: cases Category / 2024 / 2025 Security incident response drills: 6 / 8 Noncompliance with data privacy laws and regulations: 0 / 0	9, 16

Materiality Assessment

NHIS defines shareholders and investors, employees, clients, local communities, and government as its key stakeholders, and engages with them through a range of two-way communication channels. Feedback received is actively incorporated into business operations to enhance decision-making transparency and drive meaningful change. Grounded in a foundation of trust with stakeholders, NHIS is committed to growing together with stakeholders while creating sustainable value.

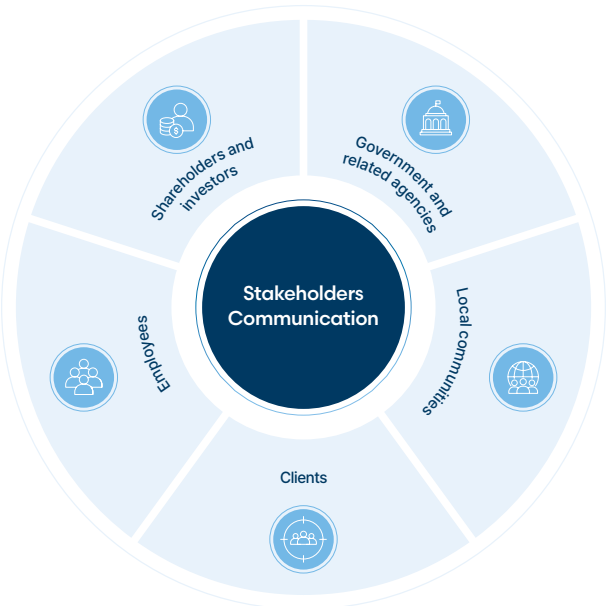
Stakeholders and Main Communication Channels

Shareholders and investors

Communication Channel and Response Activity	Cycle	Key Issue of Interest	Key Performance
Annual general meeting of shareholders	Annual	• Sound governance • Integrated risk management • Ethics and compliance • Economic performance generation	• Introduced the advanced practice of determining dividend amounts first before setting the dividend record date • Implemented electronic voting • Operated the ESG Committee under the Board of Directors
Management disclosure	Quarterly		
Seminars and presentations	As-needed		
IR activities	Year-round		
Website	Year-round		
Phone calls	Year-round		

Employees

Communication Channel and Response Activity	Cycle	Key Issue of Interest	Key Performance
Management strategy meetings	Monthly	• Fair performance assessment and compensation • Recruitment of top talent and competency development • Improving employee welfare and corporate culture • Occupational health and safety for employees • Ensuring human rights and diversity of employees	• Supported job creation for people with disabilities through equity investments • Achieved Family-friendly Business Certification by the Ministry of Gender Equality and Family • Operated an employee mental wellness program
Internal broadcasts	Monthly		
Intranet	Year-round		
Employee satisfaction survey	Annual		
Labor-Management Council	Quarterly		
Industrial Safety and Health Committee	Quarterly		



Government and related agencies

Communication Channel and Response Activity	Cycle	Key Issue of Interest	Key Performance
Press releases	As-needed	• Fair trade • Response to changing government policies and regulations	• Provided ethics training to employees • Provided disclosure-related training to working-level personnel • Fulfilled tax-paying obligations • Participated in an UNGC sustainable finance working group
Public hearings	As-needed		
Seminars and meetings	As-needed		
Financial Supervisory Service	As-needed		

Local communities

Communication Channel and Response Activity	Cycle	Key Issue of Interest	Key Performance
CSR Department	Year-round	• Enhanced financial assistance for the general public and vulnerable populations • Advancing inclusive finance for SMEs and micro enterprises • Community involvement and social impact initiatives	• Provided crowdfunding and live commerce support for farms to increase their income • Supported socially underprivileged groups through the Angel Fund • Provided scholarships to adolescents from low-income families
Website	Year-round		
Measurement of social contribution activity performance	Year-round		

Clients

Communication Channel and Response Activity	Cycle	Communication Channel and Response Activity	Cycle	Key Issue of Interest	Key Performance
VOC, Chatbot Noah	Year-round	Seminars and presentations	As-needed	• Client data protection • Client communication • Protecting the rights and interests of financial consumers • Client relationship and satisfaction management	• Ranked 1st for 3 straight years in the securities firm category of the Korea Brand Recommendation Index published by the Korea Management Association Consultants (KMAC) • Won the Financial Innovation Grand Prize at the Social i-Awards hosted by the Korea Internet Professional Association • Implemented the stock manipulation risk alert system for high-risk stocks
Client satisfaction survey	As-needed	Social media	Year-round		
NHIS centers	Year-round	Mobile applications	Year-round		

Financial Statements

Consolidated Statements of Financial Position

as of December 31, 2025 and 2024

NH Investment & Securities Co., Ltd. and its subsidiaries

(in millions of Korean won)

Notes	December 31, 2025	December 31, 2024
Assets		
Cash and cash equivalents	2,630,830	1,584,469
Financial assets at fair value through profit or loss ("FVTPL")	37,615,585	32,131,588
Financial assets at fair value through other comprehensive income ("FVOCI")	11,259,648	8,228,102
Financial assets at amortized cost, net	30,621,106	19,323,931
Investments in associates and joint ventures	534,007	471,930
Property and equipment, net	114,332	138,608
Investment properties, net	280,214	289,526
Intangible assets, net	62,111	98,625
Right-of-use assets	62,197	82,016
Current tax assets	110,675	7,077
Deferred tax assets	8,706	22,630
Other assets	85,987	48,563
Total assets	83,385,398	62,427,065
Liabilities		
Deposits due to customers	13,001,131	7,971,818
Financial liabilities at fair value through profit or loss (FVTPL)	13,209,597	12,163,479
Borrowings	32,673,430	24,446,513
Debentures	4,707,188	2,850,402
Other financial liabilities	9,714,566	6,179,344
Provisions	54,570	104,799

Financial Statements

Consolidated Statements of Financial Position

as of December 31, 2025 and 2024

NH Investment & Securities Co., Ltd. and its subsidiaries

(in millions of Korean won)

Notes	December 31, 2025	December 31, 2024
Current tax liabilities	19,711	284,366
Deferred tax liabilities	266,820	16,268
Other liabilities	300,281	290,707
Total liabilities	73,947,294	54,307,696
Equity		
Equity attributable to equity holders of the parent	9,433,337	8,114,380
Capital stock	1,943,851	1,782,560
Capital surplus	2,355,019	1,867,180
Other components of equity	539,110	523,792
Retained earnings	4,595,357	3,940,848
Regulatory reserve for credit losses	99,943	118,280
Estimated transfer to (reversal of) regulatory reserve for credit losses	25,536	(18,337)
Non-controlling interests	4,767	4,989
Total equity	9,438,104	8,119,369
Total liabilities and equity	83,385,398	62,427,065

Financial Statements

Consolidated Statements of Comprehensive Income

for each of the two years in the period ended December 31, 2025

NH Investment & Securities Co., Ltd. and its subsidiaries

(in millions of Korean won, except per share amounts)

Notes	2025	2024
Net fee and commission income	1,211,726	954,676
Fee and commission income	1,552,689	1,178,025
Fee and commission expense	340,963	223,349
Net interest income	953,761	801,775
Interest income	1,969,190	1,740,437
Interest income calculated using the effective interest method	1,274,136	1,109,668
Interest income on financial instruments at fair value through profit or loss	695,054	630,769
Interest expense	1,015,429	938,662
Net gain (loss) on financial instruments at fair value through profit or loss	214,139	(148,682)
Net gain on financial assets at fair value through other comprehensive income	15,944	9,326
Net loss on financial assets at amortized cost	(19,484)	(275)
Provision of allowances for credit losses	72,904	87,049
Gain on foreign exchange transaction	67,063	274,620
General and administrative expenses	1,255,627	1,110,899
Other operating revenue	305,962	207,577
Operating income	1,420,580	901,069
Non-operating income	84,297	112,926
Non-operating expenses	157,140	89,138
Profit before income taxes	1,347,737	924,857
Income tax expense	316,236	238,219

Financial Statements

Consolidated Statements of Comprehensive Income

for each of the two years in the period ended December 31, 2025

NH Investment & Securities Co., Ltd. and its subsidiaries

(in millions of Korean won, except per share amounts)

Notes	2025	2024
Profit for the year	1,031,501	686,638
Net profit attributable to the equity holders of the parent	1,031,599	686,659
Adjusted profit after regulatory reserve for credit loss	1,006,062	704,998
Net loss attributable to the non-controlling interests	(98)	(21)
Other comprehensive income, net of tax	15,194	146,537
Items that may be subsequently reclassified to profit or loss	(52,732)	174,408
Gain (loss) on valuation of debt securities at FVOCI	(23,428)	17,919
Gain (loss) on valuation of investments in associates	(508)	330
Gain (loss) on translation of overseas operations	(28,796)	156,159
Items that will not be reclassified to profit or loss	67,926	(27,871)
Gain on valuation of equity securities at FVOCI	100,555	8,571
Adjustment of credit risk of financial liabilities measured at FVTPL	8,712	2,260
Remeasurement of the defined benefit plan	(41,341)	(38,702)
Total comprehensive income	1,046,695	833,175
Comprehensive income attributable to the equity holders of the parent	1,046,916	833,079
Comprehensive income (loss) attributable to the non-controlling interests	(221)	96
Basic earnings per share	2,882(in Korean won)	1,966(in Korean won)
Diluted earnings per share	2,882(in Korean won)	1,966(in Korean won)
Basic earnings per share for preferred stocks	2,932(in Korean won)	2,016(in Korean won)

Financial Statements

Consolidated Statements of Changes in Equity

for each of the two years in the period ended December 31, 2025

NH Investment & Securities Co., Ltd. and its subsidiaries

(in millions of Korean won)

Notes	Capital stock	Capital surplus	Other componentsof equity	Retained earnings	Total equity attributable toequity holders of the parent	Non-controlling interests	Total equity
Balance as of January 1, 2024	1,782,560	1,867,180	377,373	3,584,666	7,611,779	1,649	7,613,428
Transactions with owners:							
Dividend paid	-	-	-	(278,946)	(278,946)	-	(278,946)
Cancellation of treasury shares	-	-	-	(51,532)	(51,532)	-	(51,532)
Changes in the consolidation scope(changes in non-controlling interests)	-	-	-	-	-	3,243	3,243
Total comprehensive income:							
Profit for the year	-	-	-	686,659	686,659	(21)	686,638
Other comprehensive income							
Gain on valuation of debt instruments at FVOCI	-	-	17,919	-	17,919	-	17,919
Gain on valuation of equity instruments at FVOCI	-	-	8,571	-	8,571	-	8,571
Gain on changes in credit risk of financial liabilities at FVTPL	-	-	2,260	-	2,260	-	2,260
Gain on valuation of equity method investments	-	-	330	-	330	-	330
Remeasurement of the defined benefit plan	-	-	(38,702)	-	(38,702)	-	(38,702)
Gain on translation of overseas operations	-	-	156,041	-	156,041	118	156,159
Balance as of December 31, 2024	1,782,560	1,867,180	523,792	3,940,847	8,114,379	4,989	8,119,368

Financial Statements

Consolidated Statements of Changes in Equity

for each of the two years in the period ended December 31, 2025

NH Investment & Securities Co., Ltd. and its subsidiaries

(in millions of Korean won)

Notes	Capital stock	Capital surplus	Other componentsof equity	Retained earnings	Total equity attributable toequity holders of the parent	Non-controlling interests	Total equity
Balance as of January 1, 2025	1,782,560	1,867,180	523,792	3,940,847	8,114,379	4,989	8,119,368
Transactions with owners:							
Dividend paid	-	-	-	(328,342)	(328,342)	-	(328,342)
Paid-in capital increase	161,291	487,839	-	-	649,130	-	649,130
Cancellation of treasury shares	-	-	-	(48,747)	(48,747)	-	(48,747)
Total comprehensive income:							
Profit for the year	-	-	-	1,031,599	1,031,599	(98)	1,031,501
Other comprehensive income							
Loss on valuation of debt instruments at FVOCI	-	-	(23,428)	-	(23,428)	-	(23,428)
Gain on valuation of equity instruments at FVOCI	-	-	100,555	-	100,555	-	100,555
Gain on changes in credit risk of financial liabilities at FVTPL	-	-	8,712	-	8,712	-	8,712
Loss on valuation of equity method investments	-	-	(508)	-	(508)	-	(508)
Remeasurement of the defined benefit plan	-	-	(41,341)	-	(41,341)	-	(41,341)
Loss on translation of overseas operations	-	-	(28,672)	-	(28,672)	(124)	(28,796)
Balance as of December 31, 2025	1,943,851	2,355,019	539,110	4,595,357	9,433,337	4,767	9,438,104

Financial Statements

Consolidated Statements of Cash Flows

for each of the two years in the period ended December 31, 2025

NH Investment & Securities Co., Ltd. and its subsidiaries

(in millions of Korean won)

Notes	2025	2024
Cash flows from operating activities	(5,421,616)	(4,196,698)
Profit for the year	1,031,501	686,638
Other adjustments to reconcile net income to net cash used in operating activities	(1,531,864)	(836,075)
Changes in operating assets and liabilities	(5,811,430)	(5,171,090)
Interest income received	1,842,698	1,748,291
Interest expense paid	(839,361)	(802,973)
Dividend received	323,875	282,257
Income taxes paid	(437,035)	(103,746)
Cash flows from investing activities	(3,035,950)	(1,258,129)
Acquisition of financial assets at FVOCI	(11,586,190)	(5,027,701)
Disposal of financial assets at FVOCI	8,604,559	3,816,230
Acquisition of investments in associates	(137,388)	(97,027)
Disposal of investments in associates	65,819	113,069
Acquisition of investment properties	-	(2,935)
Disposal of investment properties	-	1,322
Acquisition of property and equipment	(11,252)	(32,136)
Disposal of property and equipment	980	667
Acquisition of intangible assets	(16,548)	(7,138)
Disposal of intangible assets	3,397	-
Increase in deposits	(1,314)	(1,347)
Decrease in deposits	1,533	12,372

Financial Statements

Consolidated Statements of Cash Flows

for each of the two years in the period ended December 31, 2025

NH Investment & Securities Co., Ltd. and its subsidiaries

(in millions of Korean won)

Notes	2025	2024
Net cash inflows due to changes in consolidation scope	40,454	-
Net cash outflows due to changes in consolidation scope	-	(33,505)
Cash flows from financing activities	9,482,144	4,762,540
Net increase in borrowings	7,578,333	5,446,364
Increase in debentures	2,781,295	4,066,549
Decrease in debentures	(955,000)	(4,190,000)
Decrease in lease liabilities	(34,776)	(35,262)
Increase in deposits received	304	1,245
Decrease in deposits received	(1,052)	(350)
Decrease in non-controlling liabilities	(159,001)	(198,771)
Issuance of shares	649,130	-
Dividend paid	(328,342)	(278,946)
Increase in non-controlling interests	-	3,243
Acquisition of treasury shares	(48,747)	(51,532)
Net increase (decrease) in cash and cash equivalents	1,024,578	(692,287)
Effect of exchange rate changes on cash and cash equivalents	21,783	101,276
Cash and cash equivalents at the beginning of the year	1,584,469	2,175,480
Cash and cash equivalents at the end of the year	2,630,830	1,584,469

GRI CONTENT INDEX

Statement of use NH Investment & Securities has reported its sustainability management activities and data for the period between January 1 to December 31, 2024 in accordance with the GRI Standards.
GRI 1 used GRI 1: Foundation 2021
Applicable GRI Sector Standards: N/A

GRI Standard		Disclosure	Location
GRI 2: General Disclosures 2021			
The organization and its reporting practices	2-1	Organizational details	2, 13-19p
	2-2	Entities included in the organization's sustainability reporting	2p
	2-3	Reporting period, frequency and contact point	2p
	2-4	Restatements of information	16, 71, 85, 101p
	2-5	External assurance	130-131p
Activities and workers	2-6	Activities, value chain, and other business relationships	13-20p
	2-7	Employees	80p
	2-8	Workers who are not employees	80p
Governance	2-9	Governance structure and composition	94-95p
	2-10	Nomination and selection of the highest governance body	94, 97p
	2-11	Chair of the highest governance body	95p
	2-12	Role of the highest governance body in overseeing the management of impacts	23, 95p
	2-13	Delegation of responsibility for managing impacts	23, 94, 95p
	2-14	Role of the highest governance body in sustainability reporting	23p
	2-15	Conflicts of interest	94, 96, 97p
	2-16	Communication of critical concerns	96, 98p
	2-17	Collective knowledge of the highest governance body	96p
	2-18	Evaluation of the performance of the highest governance body	96p, Annual Report on Corporate Governance and Remuneration System 27, 28, 32, 81, 82p
	2-19	Remuneration policies	96p, Annual Report on Corporate Governance and Remuneration System 83-89, 125-146p
	2-20	Process to determine remuneration	96, 97p
	2-21	Annual total compensation ratio	81p
Strategy, policies, and practices	2-22	Statement on sustainable development strategy	4-5p
	2-23	Policy commitments	30, 68, 78, 80, 82, 85p
	2-24	Embedding policy commitments	23, 59, 64, 68, 72, 75, 79, 85, 90, 99p
	2-25	Processes to remediate negative impacts	64, 71, 78, 79, 99p
	2-26	Mechanisms for seeking advice and raising concerns	64, 99, 101p
	2-27	Compliance with laws and regulations	101p
	2-28	Membership associations	133p
Stakeholder engagement	2-29	Approach to stakeholder engagement	113p
	2-30	Collective bargaining agreements	79p

GRI CONTENT INDEX

GRI Standard		Disclosure	Location
Material Topics			
GRI 3: Material Topics (2021)	3-1	Process to determine material topics	107p
	3-2	List of material topics	108p
Economic Performance			
GRI 201: Economic Performance (2016)	201-1	Direct economic value generated and distributed(EVG&D)	13, 16p
	201-2	Financial implications and other risks and opportunities due to climate change	38-57p
Indirect Economic Impacts			
GRI 203: Indirect Economic Impacts (2016)	203-1	Infrastructure investments and services supported	85-91p
	203-2	Significant indirect economic impacts	32p
Anti-corruption			
GRI 205: Anti-corruption (2016)	205-2	Communication and training about anti-corruption policies and procedures	101p
	205-3	Confirmed incidents of corruption and actions taken	101p, 59th Annual Business Report 756-759p

GRI CONTENT INDEX

GRI Standard		Disclosure	Location
Material Topic: Embedding responsible investment principles			
GRI 3: Material Topics (2021)	3-3	Management of material topics	111p
Organization-specific indicators	-	ESG Investment(Green Finance, Sustainable Bonds)	31p
Material Topic: Digital innovation and platform competitiveness			
GRI 3: Material Topics (2021)	3-3	Management of material topics	110p
Organization-specific indicators	-	Digital financial services used	73p
Material Topic: Mutual growth with agriculture and rural communities and community partnership			
GRI 3: Material Topics (2021)	3-3	Management of material topics	112p
GRI 203: Indirect Economic Impacts (2016)	203-1	Infrastructure investments and services supported	88-89p
GRI 203: Indirect Economic Impacts (2016)	203-2	Significant indirect economic impacts	32p
Material Topic: Information security and client data protection			
GRI 3: Material Topics (2021)	3-3	Management of material topics	112p
GRI 418 : GRI 418: Customer Privacy 2016(2016)	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	78p
Material Topic: Mid-to long-term business performance & corporate value			
GRI 3: Material Topics (2021)	3-3	Management of material topics	111p
Organization-specific indicators	-	ROE Current status and targets	28p

SASB INDEX

<table>
<tr><th>Topic</th><th>Code</th><th>Accounting Metric</th><th>Unit of Measure</th><th colspan="12">NHIS' Response</th></tr>
<tr><td>Employee Diversity & Inclusion</td><td>FN-IB-330a.1</td><td>Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) professionals, and (d) all other employees</td><td>%</td><td colspan="12">80, 81, 94, 95p</td></tr>
<tr><td rowspan="3">Incorporation of ESG Factors in Investment Banking & Brokerage Activities</td><td>FN-IB-410a.1</td><td>Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions incorporating integration of ESG factors, by industry</td><td>Number of products, KRW million</td><td colspan="12"><table>
<tr><th colspan="2">Category</th><th>Number of Products</th><th>Amount</th></tr>
<tr><td rowspan="2">Underwriting and arrangement</td><td>GHG emissions reduction</td><td>9</td><td>1,180,100</td></tr>
<tr><td>Resource circularity</td><td>-</td><td>-</td></tr>
<tr><td rowspan="5">ESG fund sales</td><td>New Deal</td><td>11</td><td>115,900</td></tr>
<tr><td>ESG</td><td>23</td><td>395,473</td></tr>
<tr><td>SRI</td><td>4</td><td>1,464</td></tr>
<tr><td>Overseas ESG</td><td>11</td><td>5,568</td></tr>
<tr><td>Private equity ESG</td><td>2</td><td>12,840</td></tr>
</table></td></tr>
<tr><td>FN-IB-410a.2</td><td>(1) Number and (2) total value of investments and loans incorporating integration of ESG factors, by industry</td><td>Number of products, KRW million</td><td colspan="12"><table>
<tr><th colspan="2" rowspan="2">Category</th><th colspan="2">Total</th><th colspan="2">Corporate Credit Facilities</th><th colspan="2">Bonds</th><th colspan="2">Collective Investment Securities</th><th colspan="2">ETF</th></tr>
<tr><th>Number of Products</th><th>Amount</th><th>Number of Products</th><th>Amount</th><th>Number of Products</th><th>Amount</th><th>Number of Products</th><th>Amount</th><th>Number of Products</th><th>Amount</th></tr>
<tr><td rowspan="5">Green Finance</td><td>GHG emissions reduction</td><td>98</td><td>1,392,485</td><td>29</td><td>888,824</td><td>7</td><td>120,395</td><td>22</td><td>352,353</td><td>40</td><td>30,913</td></tr>
<tr><td>Resource circularity</td><td>9</td><td>109,549</td><td>5</td><td>89,689</td><td>-</td><td>-</td><td>4</td><td>19,860</td><td>-</td><td>-</td></tr>
<tr><td>Biodiversity conservation</td><td>2</td><td>7,742</td><td>2</td><td>7,742</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Pollution prevention and control</td><td>1</td><td>9,904</td><td>-</td><td>-</td><td>1</td><td>9,904</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Sustainable water resources</td><td>1</td><td>0.2</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>1</td><td>0.2</td></tr>
<tr><td rowspan="3">CSR</td><td>Public services, including healthcare and education</td><td>56</td><td>473,780</td><td>14</td><td>391,371</td><td>-</td><td>-</td><td>25</td><td>71,989</td><td>17</td><td>10,419</td></tr>
<tr><td>Public infrastructure</td><td>6</td><td>25,295</td><td>1</td><td>2,020</td><td>-</td><td>-</td><td>3</td><td>22,989</td><td>2</td><td>285.63</td></tr>
<tr><td>Excellent ESG companies</td><td>27</td><td>27,123</td><td>-</td><td>-</td><td>-</td><td>-</td><td>3</td><td>9,978</td><td>24</td><td>17,145</td></tr>
</table></td></tr>
<tr><td>FN-IB-410a.3</td><td>Description of approach to incorporation of ESG factors in investment banking and brokerage activities</td><td>N/A</td><td colspan="12">29p</td></tr>
<tr><td>Business Ethics</td><td>FN-IB-510a.1</td><td>Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anticompetitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations</td><td>KRW</td><td colspan="12">101p</td></tr>
<tr><td></td><td>FN-IB-510a.2</td><td>Description of whistleblower policies and procedures</td><td>N/A</td><td colspan="12">99p</td></tr>
<tr><td>Professional Integrity</td><td>FN-IB-510b.4</td><td>Description of approach to ensuring professional integrity, including duty of care</td><td>N/A</td><td colspan="12">99p</td></tr>
</table>

SASB INDEX

Topic	Code	Accounting Metric	Unit of Measure	NHIS' Response
Systemic Risk Management	FN-IB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Basispoints(bps)	N/A
	FN-IB-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	N/A	NHIS conducts an integrated crisis analysis on a semi-annual basis, following a five-steps process: scenario setting, risk estimation, profit and loss analysis, capital ratio analysis, and reporting and utilization. The analysis results are reported to the Risk Management Committee and applied to business, capital, fund, and risk management plans.
Employee Incentives & Risk-taking	FN-IB-550b.1	Percentage of total remuneration that is variable for Material Risk Takers (MRTs)	%	To decouple the performance-based compensation of executives responsible for risk operations from the company's business performance, a deferred portion (50~60%) is paid in cash[1].
	FN-IB-550b.2	Percentage of variable remuneration of Material Risk Takers (MRTs) to which malus or clawback provisions were applied	%	NHIS has established regulations governing performance-based compensation measures applicable to all executives (there is no separate ratio exclusive to MRTs), and in the event that deductions or clawback measures are necessary, they are implemented through the resolution of the Compensation Committee.
	FN-IB-550b.3	Discussion of policies around supervision, control, and validation of traders' pricing of Level 3 assets and liabilities[2]	N/A	NHIS sets evaluation criteria for financial products and applies them to risk assessment and estimation to manage risks related to retained financial products and trading positions[3]. The division in charge of evaluation selects input variables, evaluation models, and other information used for evaluation through consultations with trading divisions and updates them on a regular basis. The fair value hierarchy level may be adjusted at the discretion of evaluation division depending on changes in the market where market information is traded or the degree of significance to fair value. For previously-issued products, such adjustment may be made following consultations with the finance division on reasonableness.
Activity Metric	FN-IB-000.A	Number and value of transactions(classification by underwriting·advisory·securitization transactions)	Number of cases, KRW 100 million	

Category	Number of Cases	Value
IPO underwriting	15	6,010
Lead underwriting of corporate bonds	182	129,026
Rights issue underwriting	11	36,719
Financial advisory on corporate acquisition/sale	1	614

1) General executives are compensated in alignment with the company's stock price
2) Level 3 assets and liabilities: Assets and liabilities for which valuation is determined based on the company's subjective judgement due to their very low liquidity or the absence of an active market
3) Trading position: Financial instrument positions held with trading intent or to hedge other trading positions

UNGC Principles

UN Global Compact Implementation in 2025

NHIS joined the UN Global Compact (UNGC) in September 2011, and has since been committed to endorsing its 10 principles across four areas: human rights, labour, environment, and anti-corruption. Activities aligned with each of these principles are disclosed through its integrated reports, with the table below providing the corresponding page references.

Area	Principle	Page
Human Rights	Principle 1. Businesses should support and respect the protection of internationally proclaimed human rights; and	79, 80p
	Principle 2. make sure that they are not complicit in human rights abuses.	79p
Labour	Principle 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	79p
	Principle 4. the elimination of all forms of forced and compulsory labour;	79p
	Principle 5. the effective abolition of child labour; and	79p
	Principle 6. the elimination of discrimination in respect of employment and occupation.	80, 81p
Environment	Principle 7. Businesses should support a precautionary approach to environmental challenges;	29, 59-61p
	Principle 8. undertake initiatives to promote greater environmental responsibility; and	59-61p
	Principle 9. encourage the development and diffusion of environmentally friendly technologies.	31, 55, 58p
Anti-Corruption	Principle 10. Businesses should work against corruption in all its forms, including extortion and bribery.	99-101p

UN SDGs Alignment

UN SDGs Implementation in 2025

NHIS conducts its business activities in consideration of the UN Sustainable Development Goals (SDGs).
Of the 17 UN SDGs, NHIS focuses on goals that closely align with its business in disclosing its activities and achievements, contributing to the sustainable development of the global community.

Category	Principle	NHIS Activities	Page
Goal 1 	End poverty in all its forms everywhere	• Operated the CSR Department • Disaster recovery and emergency support	85-86p
Goal 2 	End hunger, achieve food security and promote sustainable agriculture	• CSR activities for rural areas • Supported small/mid-sized farms with crowdfunding and live commerce • Rice donation program	85-86p
Goal 3 	Ensure healthy lives and promote well-being for all at all ages	• Implemented family-friendly programs • Established a health and safety framework and operated mental health programs for employees	83-84p
Goal 4 	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	• Cultivated digital convergence talent and education system • Operated retirement planning educational content • Provided financial education programs for youth	82, 84, 87p
Goal 5 	Achieve gender equality and empower all women and girls	• Pursued increased employee diversity • Ensured fair recruitment and evaluation	80-81p
Goal 7 	Ensure access to affordable, reliable, sustainable and modern energy for all	• GHG emissions reduction through resource circularity • RE100 Implementation strategies and transition targets	55, 60p
Goal 8 	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	• Ensured employment security and talent acquisition • Provided a range of employee welfare and benefits programs	80-84p

UN SDGs Alignment

UN SDGs Implementation in 2025

Category	Principle	NHIS Activities	Page
Goal 9 	Build resilient foundation, promote inclusive and sustainable industrialization and foster innovation	• Supported the cultivation of future farmers • Created an agri-food startup ecosystem • Provided digital investment information services	73, 89p
Goal 10 	Reduce inequalities within and among countries	• Mid- to long-term framework for supporting agriculture and rural communities • Operated the Hope Tree Scholarship Program	88-89p
Goal 12 	Ensure sustainable consumption and production patterns	• Embedded responsible investment principles and expanded ESG bonds and green finance • Environmental management(ISO14001), Resource circularity campaigns	29-31, 59-60p
Goal 13 	Take urgent action to combat climate change and its impacts	• ESG Negative screening for investment • Investment based on environmental and social investment policy	29p
Goal 16 	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	• Internal control activities • Anti-money laundering activities	99-102p
Goal 17 	Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development	• Expanded global carbon market cooperation • Expanded climate finance through international cooperation • Joined the UN Global Compact(UNGC)	58, 127p

Third-party Assurance Statement

DNV Business Assurance Korea, Ltd. ('DNV', 'we', or 'us') has been commissioned by NH Investment & Securities Co., Ltd. (hereafter referred to as 'NH Investment & Securities' or 'the Company') to undertake an independent limited assurance on the NH Investment & Securities 2026 Integrated Report (hereafter referred as 'the Report') for the calendar year ending 31 December 2025. The intended users of this assurance statement are the management and stakeholders of NH Investment & Securities.

Standards of Assurance

This assurance engagement has been carried out in Type 2 limited assurance in accordance with AccountAbility's AA1000 Assurance Standard v3 and DNV's VeriSustain protocol V6.0, which is based on our professional experience and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. DNV has reviewed the Report's adherence to the four principles of AA1000 AccountAbility Principles Standard (2018) and the accuracy, completeness, and neutrality principles of VeriSustain. In addition, DNV has reviewed the 'reliability of specified sustainability performance information' as described in 'Scope of Assurance'.

DNV's Verisustain protocol requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited or/and reasonable assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less detailed than, those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on NH Investment & Securities website for the current reporting period.

Scope of Assurance

We have carried out an independent limited assurance on the Report and an independent verification for selected performance indicators for the year ending 31 December 2025, which include the following:

- We have reviewed the GRI Topic Disclosures relevant to the Material Topics which have been identified as material through the materiality assessment undertaken by NH Investment & Securities.
- Regarding the reliability of the specified sustainability performance information, we reviewed the quality and reliability of the following disclosures: Indirect Economic Impacts (203-1, 203-2), Customer Privacy (418-1), as well as the non-GRI disclosures on Digital Finance and Platform Enhancement and the internalization of Responsible Investment Principles.

Opinion, observations and recommendations

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not adhere to the four principles of AA1000 APS and the accuracy, completeness, and neutrality principles of VeriSustain described below. In terms of the reliability of specified sustainability performance information, nothing has come to our attention to suggest that the data have not been properly collated from information reported at the operational level, nor that the assumptions used were inappropriate. Furthermore, nothing has come to our attention to cause us to believe that NH Investment & Securities' Report has not been prepared, in all material respects, in accordance with the GRI Standards.

Without affecting our assurance opinion, we provide the following observations against the principles of AA1000 APS and VeriSustain applicable to the relevant information described in the 'Scope of Assurance':

Inclusivity: Stakeholder participation and opinion

NH Investment & Securities identifies key stakeholders such as customers, shareholders and investors, employees, local communities, and government authorities, and collects feedback through communication channels tailored to each group. The Company reflects such feedback in its double materiality assessment by linking internal surveys with stakeholder input to identify material issues, and systematically manages the process to ensure that the results are incorporated into business decision-making. Further enhancement of stakeholder engagement practices and more detailed disclosure on the effectiveness of responses to stakeholder feedback are expected to strengthen the Company's capabilities in managing risks and opportunities.

Materiality: Identifying and reporting on material sustainability topics

NH Investment & Securities derives key issues requiring priority management from both financial and environmental and social impact perspectives through its double materiality assessment. To enhance the robustness of the analysis, the Company proactively identifies Impacts, Risks, and Opportunities (IRO) and conducts targeted surveys with relevant operational departments to assess the magnitude of actual impacts. Based on this analysis, 15 material issues have been identified, among which five key issues are prioritized for focused management and disclosed as material topics in terms of their environmental, social, and financial impacts.

Responsiveness: Transparent response to critical sustainability topics and related impacts

NH Investment & Securities identifies ESG-related issues and monitors and improves ESG performance through the ESG Committee and the Sustainability Council. The Company regularly reviews its sustainability strategy and direction, as well as performance in relation to material issues. In addition, it manages key sustainability impacts and performance using not only GRI Topic Standards–based indicators linked to material issues but also its own proprietary indicators aimed at enhancing corporate value.

Impact: Monitoring, measuring and accounting for the impact of organizational activities on the organization and its stakeholders

NH Investment & Securities establishes and monitors strategies and targets for the management of material issues and reports on related progress and key performance. The Company provides detailed disclosure on the management approach for five priority issues, including Embedding responsible investment principles, Digital innovation and platform competitiveness, Mutual growth with agriculture and rural communities and community partnership, Information security and client data protection, Mid- to long-term business performance and corporate value, by categorizing governance, strategy, risk management, and metrics and targets.

Third-party Assurance Statement

Reliability: Accuracy and comparability of information presented in the report and the quality of underlying data management systems

The data collection and processing procedures, supporting documents, and records were verified through sampling techniques. Based on the results, no intentional errors or misstatements were found in the sustainability performance information described in the Report. NH Investment & Securities is able to explain the source and meaning of its sustainability performance using reliable methods and data, and any errors or unclear expressions identified during the verification process were corrected prior to the publication of the Report.

Completeness: How much of all the information that has been identified as material to the organization and its stakeholders is reported

NH Investment & Securities reports on the Company's key non-financial disclosures based on its performance related to material topics during the reporting period of 2025 using appropriate GRI Topic Standard disclosures, for the identified boundaries of operations.

Neutrality: Extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone

NH Investment & Securities discloses the Company's performance, challenges, and stakeholder concerns during the reporting period in a neutral, consistent, and balanced manner.

Our competence, independence and quality control

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 – Conformity assessment, whose general principles are requirements for validation and verification bodies. Accordingly, DNV maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV verified NH Investment & Securities' greenhouse gas emissions in 2025, which we consider does not affect our independence or impartiality in assuring this Report.

Our multi-disciplinary team consisted of professionals with a combination of sustainability assurance experiences.

Limitations

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected.

The engagement excludes the sustainability management, performance, and reporting practices of the Company's suppliers, contractors, subsidiaries, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement.

We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement. The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Responsibilities of the Directors of NH Investment & Securities and of the assurance providers

The Company's management has sole responsibility for the integrity of the Report and this responsibility includes designing, implementing, and maintaining internal controls over collection, analysis, aggregation and preparation of data, fair presentation of the information and ensuring that data is free from material misstatement.

DNV's responsibility is to plan and perform the work to obtain assurance about whether the relevant information described in the 'Scope of Assurance' has been prepared in accordance with the reporting requirements and to report to NH Investment & Securities in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.

Our statement represents our independent opinion and is intended to inform the management and stakeholders of NH Investment & Securities. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

Basis of our Opinion

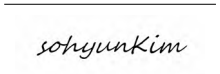
As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of NH Investment & Securities. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. Our limited assurance procedures included, but were not limited to, the following activities:

- Peer and media review to identify relevant sustainability issues for NH Investment & Securities during the reporting period.
- Review of the disclosures according to reporting requirements with a focus on the process and the result of materiality assessment, Topic Standards Disclosures, and relevant management processes.
- Understanding and evaluation of the key systems, processes, and controls for consolidating, managing, and reporting the information and KPIs included in the Report.
- Review of documentary evidence supporting adherence to the reporting principles and requirements.
- Conduct interviews with representatives from the ESG team and relevant departments with overall responsibility for monitoring, data consolidation, and reporting of sustainability-related information.
- On-site visit at the NH Investment & Securities Head Office in Seoul, Republic of Korea to review the processes and systems for preparing site-level sustainability data and implementation of the sustainability strategy, and to carry out a sample-based assessment of site-specific data disclosures.

DNV

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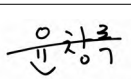
For and on behalf of DNV Business Assurance Korea Ltd.
Seoul, Republic of Korea
23 June 2026



So Hyun Kim Lead Verifier



Sang Rye Chang Verifier



Chang Rok Yun Reviewer

GHG Assurance Statement

Introduction

DNV Business Assurance Korea Ltd. ("DNV") was commissioned by NH INVESTMENT & SECURITIES CO., LTD.("Company") to perform third party verification for the Company's Greenhouse Gas Statement. The Company is responsible for the preparation of the GHG statement on the basis set out within 'WRI/WBCSD GHG Protocol: A Corporate Accounting and Reporting Standard', 'The Corporate Value Chain (Scope 3) Accounting and Reporting Standard', '2019 Refinement to the 2006 IPCC Guidelines'. The Company has full responsibility of the GHG statement. According to terms of contract, DNV expressly disclaims any liability or co-responsibility for any decisions a 3rd party may make based on the verification opinion.

Objective and Scope of Verification

The objective of the verification is to present an independent verification opinion on the company's GHG statement, and the scope of verification is as follows;

- Organizational Boundary : NH INVESTMENT & SECURITIES CO., LTD. headquarters and branches (incl. IDC center, HR Institute and company daycare center)
- Reporting Boundary : Scope 1 (Direct emissions), Scope 2 (Indirect emissions), Scope 3 (Other Indirect emissions – Category 1, 5, 6)
- Reporting Period : 2025.01.01 ~ 2025.12.31

Verification Approach

The verification has been conducted in accordance with the verification principles and tasks outlined in the 'ISO 14064-3:2019', based upon a Limited Level of assurance. DNV planned and conducted the verification to obtain all necessary information and explanations, ensuring sufficient evidence to support a verification opinion at a 5% materiality level. As part of the verification process, we have reviewed as follows;

- Adequacy of GHG data control, collection and emission calculation and report process
- The GHG inventory is based on measurements and has inherent limitations that may arise from the process of calculating, estimating, and finalizing the reported data.

Conclusions

Based on the verification, there is no evidence that the GHG statement is not materially correct and is not a fair representation of GHG data and information.

- DNV represents "unmodified" opinion on Greenhouse Gas Emissions.

(Unit: ton CO_2 equivalent)

Methods[1]	Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Other indirect emissions (Scope 3)	Total emissions
Location-based[2]	859	5,316	828	7,003
Market-based[3]		4,980		6,667

1) The latest GWP values from IPCC Sixth Assessment Report (AR6) has been used to determine ton CO2 equivalent emissions.
2) The location-based method reflects Scope 2 GHG emissions associated with electricity consumption from the national grid, using the latest approved national electricity emission factor.
3) The market-based method is applied in accordance with the GHG Protocol, incorporating the company's Scope 2 GHG emissions based on renewable electricity purchased (RECs). Due to the absence of a government-published residual mix emission factor as defined by the GHG Protocol, the latest approved national electricity emission factor has been used.

※ Total emissions may differ from the sum of direct and indirect emissions due to decimal rounding.

NH INVESTMENT & SECURITIES CO., LTD.'s Scope 1&2 emissions for Year 2025

(Unit: ton CO_2 equivalent)

No.	Business sites	GHG Emissions(tCO_2-eq)		
		Direct emissions(Scope 1)	Indirect emissions(Scope 2)	Total
1	Headquarter	582	1,859	2,440
2	Branch	277	3,457	3,735
Total(Location-based)		859	5,316	6,175
Total(Market-based)		859	4,980	5,839

※ Total emissions may differ from the sum of direct and indirect emissions due to decimal rounding.
Emissions of IDC center, Human Resource Institute and company daycare center are included in Branch emissions.

NH INVESTMENT & SECURITIES CO., LTD.'s Scope 3 emissions for Year 2025

(Unit: ton CO_2 equivalent)

		Categories	Headquarter	Branch	Total
Upstream	1	Purchased Goods and Services	79	6	85
	5	Waste Generated in Operations	141	-	141
	6	Business Travel	545	57	602
Total			765	63	828

※ Total emissions may differ from the sum of direct and indirect emissions due to decimal rounding.
Emissions of IDC center, Human Resource Institute and company daycare center are included in Branch emissions.



2026. 4. 09

DNV Business Assurance Korea Ltd.

Country Representative **Lee, Jang Sup**

Awards and Memberships

Membership Associations

Date of Award	Host	Award Category
2026.03.19	Ministry of Economy and Finance	2025 Second Half Excellent PD Commendation – Institutional Award (NH Investment & Securities)
2026.02.26	The Bell	Korea Wealth Management Awards 2026 – Best PBS of the Year
2026.02.23	Money Today	23rd Korea IB Awards – Grand Prize in ECM
2026.01.29	Yonhap Infomax	15th Yonhap Infomax Finance Awards – Best Deal in IB
2026.01.29	Yonhap Infomax	15th Yonhap Infomax Finance Awards – Research Insight Award
2026.01.29	Chosun Ilbo, FnGuide	2025 Excellent Securities Firms and Best Analysts in Research – Excellence in Research and Client Service Innovation
2026.01.27	The Bell	League Table Awards – Best Equity Deal
2026.01.27	The Bell	League Table Awards – Best Financial Bond House
2026.01.27	The Bell	League Table Awards – Best Rights Offering House
2026.01.27	The Bell	League Table Awards – Best Equity House
2026.01.27	The Bell	League Table Awards – Best Bond Deal
2026.01.27	The Bell	League Table Awards – Best Rights Offering
2026.01.27	The Bell	League Table Awards – Best M&A Financing Arranger
2026.01.27	The Bell	League Table Awards – Best IPO
2026.01.22	Dealsite	4th IB Awards – Best House in Acquisition Finance
2026.01.22	Dealsite	4th IB Awards – Best House in Rights Offering
2026.01.13	Hankyung Business	2025 Second Half Best Securities Firm – Excellence Award
2025.12.23	Aju Business Daily	2025 Aju Business Finance and Securities Awards – Grand Prize in Financial Consumer Innovation
2025.12.18	Korea Housing Finance Corporation	Outstanding Underwriter for General Bond Issuance
2025.12.05	Ministry of Economy and Finance	2025 First Half Excellent PD Commendation – Institutional Award (NH Investment & Securities)
2025.12.04	Asia Economy	2025 Asia Capital Investment Awards – Grand Prize in Digital
2025.12.03	eToday	15th Market Leader of the Year Awards – Overseas Equities
2025.12.01	Ministry of Employment and Labor	2025 Retirement Pension Provider Evaluation – Outstanding Overall Performance
2025.12.01	Ministry of Employment and Labor	2025 Retirement Pension Provider Evaluation – Outstanding Performance by Financial Sector
2025.11.24	Seoul Economic Daily	2025 Korea Securities Awards – Grand Prize in the Global category
2025.11.12	Money Today	2025 IR Awards – Grand Prize in Financial Investment (Overall)
2025.11.07	Herald Economy	Best Retirement Pension Awards – Best Investment Portfolio

Date of Award	Host	Award Category
2025.10.29	Herald Economy	2025 Herald Investment Awards – Best IB Award
2025.10.28	Money Today	13th Best MTS Awards – Grand Prize
2025.10.24	Asia Economy	2025 Asia Smart Finance Awards – Grand Prize in Technology
2025.09.26	Asia Today	2025 Asia Today Finance Awards – Grand Prize in Retail Leadership in the Capital Markets category
2025.09.09	WIN (Women in Innovation)	2025 WIN Awards – Diversity Excellence Company
2025.07.15	Hankyung Business	2025 First Half Best Securities Firm – Grand Prize
2025.06.26	Korea Management Association Consulting (KMAC)	2025 Most Recommended Brand by Consumers – Securities Company category
2025.06.26	The Fact	2025 The Fact ESG Management Awards – Excellence in Social (S)
2025.06.13	MTN Money Today Broadcasting	15th Korea Analyst Awards – Overall Grand Prize
2025.05.28	Ministry of Economy and Finance	2024 Second Half Excellent PD Commendation – Institutional Award (NH Investment & Securities)
2025.05.15	Newspim	13th Capital Market Awards – Best IB
2025.05.14	Herald Economy	2025 Herald Capital Market Awards – Grand Prize in Wealth Management
2025.05.07	Maeil Business Newspaper	2025 Korea Retirement Pension Awards – Special Award
2025.04.30	Daehan Finance Times	2025 Sustainable Finance Education Awards – Korea Financial Investment Association Chairman's Award
2025.04.23	Edaily	2025 Edaily Finance and Investment Awards – Grand Prize in Financial Investment (Wealth Management)
2025.04.03	Maeil Business Newspaper	2025 Maeil Business Newspaper Securities Awards – Gold Prize (wealth management)
2025.02.26	Korea Economy Newspaper	2025 Korea Economy Newspaper IB Awards – Grand Prize
2025.02.25	Asia Economy	16th Asia Fund Awards – Best Distributor
2025.02.18	Money Today	22nd Korea IB Awards – Excellence Award in Real Estate Finance
2025.02.18	Korea Economic Daily	16th Korea IB Awards – Bond Issuance
2025.01.23	Chosun Ilbo, FnGuide	2024 Excellent Securities Firms and Best Analysts in Research – Excellence in Overseas Research
2025.01.23	Dealsite	3rd IB Awards – Lead Manager in ESG Bonds
2025.01.22	The Bell	2025 Korea Capital Markets thebell League Table Awards – Best Bond Deal (SB)
2025.01.22	The Bell	2025 Korea Capital Markets thebell League Table Awards – Best Financial Bond House
2025.01.22	The Bell	2025 Korea Capital Markets thebell League Table Awards – Best Right Offering
2025.01.22	Maekyung Economy, Maeil Business Newspaper	2024 Best Analyst Rankings – 3rd place
2025.01.14	Hankyung Business	2024 Best Securities Firm (2nd Half) – Excellence Award

Awards and Memberships

Membership Associations

American Chamber of Commerce in Korea	Association of Compliance Officers	Retirement Pension Development Council	Korea Securities Law Association
Federation of Middle Market Enterprises of Korea	Company Audit Association	Seoul IB Forum	Institute of Internal Auditors
Korean Pensioni Association	Korea Developer Association	Korea Bigdata Society	Seoul Finance Forum
Korea Forex Club	UN Global Compact	Audit Manager of Securities	Global Finance Society
Insolvency Law Institute of Korea	KRX ETS	Korea Enterprises Federation	Seoul FX Market Operation Council
Korea Capital Market Institute	Korea Emissions Market Association	Baby Bond Members Council	Korea PEF Association
Korea Investor Relations Service	Korea Society of Management Information Systems	Securities Friday Group	Korea Exchange (annual installment payment)
Seoul Economist Club	GHG International Reduction Industry Association	Korea Listed Companies Association	Korea Venture Capital Association
Korea Association of Real Estate Investment Trusts	Federation of Korean Industries	Farmers Newspaper	Association for Supporting the SDGs for the UN
Korea Retirement Pension Institute (institutional member)	Korea CFO Association	Securities Firms' Money Market Council	Nextrade
Korea Financial Investment Association			

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

1. General Information

1.1 Parent Company Information

NH Investment & Securities Co., Ltd. (the "Parent Company" or the "Company") was incorporated on January 16, 1969 to engage in financial investment business. The Parent Company listed its shares on the Korea Exchange in accordance with Financial Investment Services and Capital Markets Act. The Parent Company operates 54 domestic branches, including its head office, two domestic offices and one overseas office.

The Parent Company merged with LG Merchant Bank Co., Ltd. on October 1, 1999, and changed its name to LG Investment and Securities Co., Ltd. from LG Securities Co., Ltd., the Company's original company name. On March 31, 2005, the Parent Company merged with Woori Securities Co., Ltd. and changed its name again to Woori Investment & Securities Co., Ltd. on April 1, 2005. On December 30, 2014, the Parent Company merged with Nonghyup Investment & Securities Co., Ltd. and finally changed its name to NH Investment & Securities Co., Ltd..

The Parent Company's capital stock as of December 31, 2025 consists of ₩ 1,844,496 million of common share and ₩ 99,355 million of preferred share. Major shareholders as of December 31, 2025 are as follows:

	Number of shares		Percentage of ownership (%)	
	Common share	Preferred stock	Common share	Preferred stock
Nonghyup Financial Group Inc.	220,710,599	-	61.94	-
Others	135,633,770	18,870,968	38.06	100.00
	356,344,369	18,870,968	100.00	100.00

1.2 Consolidated Subsidiaries

The consolidated financial statements as of December 31, 2025 and 2024 include the following subsidiaries:

Subsidiaries	Main business	Location	Financial statements prepared as of	2025 Percentage of ownership (%)	2024 Percentage of ownership (%)
NH Investment & Futures Co., Ltd.	Securities investments	Korea	2025-12-31	100.0	100.0
NH Investment & Securities Trust [1]	Trust business	Korea	2025-11-30	-	-
NH Investment & Securities(H.K.) Ltd.	Securities business	China	2025-12-31	100.0	100.0
NH Absolute Global Opportunity Fund	Securities investments	Cayman	2025-11-30	100.0	100.0
NH Absolute Return Investment Strategies Fund	Securities investments	Cayman	2025-11-30	100.0	100.0
NH Securities Vietnam Co., Ltd.	Securities business	Vietnam	2025-12-31	100.0	100.0
NH Investment & Securities America, Inc.	Securities investments	USA	2025-12-31	100.0	100.0
NH Absolute Return Partners Pte. Ltd.	Securities investments	Singapore	2025-12-31	100.0	100.0
PT. NH Korindo Sekuritas Indonesia	Securities investments	Indonesia	2025-12-31	92.7	92.7
NH Investment Advisory Co. Ltd. (Beijing)	Securities investments	China	2025-12-31	100.0	100.0
NH Investment & Securities Europe Ltd	Securities investments	United Kingdom	2025-12-31	100.0	100.0
NH Absolute Return General Private Placement Investment Trust No.1 [4,7]	Hedge fund	Korea	2025-12-31	58.8	45.6
NH New Growth Private Equity Fund [2]	Other financial business	Korea	2025-12-31	18.2	18.2
GnM Holdings Co., Ltd. [8]	Other financial business	Korea	2025-12-31	78.2	78.2
GnM Performance Co., Ltd. [5,8]	Advertising agency	Korea	-	-	100.0
Granmonster Co., Ltd. [8]	Advertising agency	Korea	2025-11-30	100.0	100.0
NH Hedge Asset Management Co., Ltd.	Trust and collective investment business	Korea	2025-12-31	100.0	100.0
EIP Investment Infrastructure No.1 PEF	Other financial business	Korea	2025-12-31	99.6	99.6
NH Sea I Fund [4]	Beneficiary certificates	Singapore	2025-09-30	66.5	66.5
Tiger Private Fund No.61 [4]	Beneficiary certificates	Korea	2025-12-31	99.4	99.4
NH Korea Hedge Fund VCC - NH Absolute Return I [4]	Beneficiary certificates	Singapore	2025-11-30	100.0	100.0
NH ABSOLUTE Venture Secondary Private Investment [4]	Beneficiary certificates	Korea	2025-12-31	15.0	15.0
NH Global Venture Fund [4,9]	Beneficiary certificates	Singapore	2025-12-31	100.0	-
ARA Korea Private Real Estate Fund No.10 [4]	Beneficiary certificates	Korea	2025-12-31	99.0	99.0
NH-Amundi Global Infra Fund No. 6 [4]	Beneficiary certificates	Korea	2025-12-31	99.9	99.9
PIA Infrastructure Private Equity Fund No. 4 [4,5]	Beneficiary certificates	Korea	-	-	99.9
Tiger Genesis 543 general private fund [4,5]	Beneficiary certificates	Korea	-	-	50.0
NH Absolute Mezzanine General Private Placement Investment Trust No.2 [4,5]	Beneficiary certificates	Korea	-	-	33.3
NH Absolute KOSDAQ Venture Mezzanine Alpha General Private Placement Investment Trust No.1 [4,5]	Beneficiary certificates	Korea	-	-	33.3
Eugene Avitation Private Equity Fund No. 9 [4,5]	Beneficiary certificates	Korea	-	-	100.0
IGIS Gyeongsan Logistics General Private Real Estate Investment Trust No. 1-1 Class 1 [4,9]	Beneficiary certificates	Korea	2025-12-31	99.5	-
Vogo Energy Transition Infrastructure Private Placement Special Asset Trust No.2 [4,9]	Beneficiary certificates	Korea	2025-12-31	99.9	-
NH Absolute Equity Multi General Private Placement Investment Trust No.1 [5,8]	Beneficiary certificates	Korea	-	-	78.7
NH Absolute Equity Multi General Private Placement Investment Trust No.2 [5,8]	Beneficiary certificates	Korea	-	-	23.8
NH KOREA HEDGE FUND VCC [8]	Other financial business	Singapore	2025-12-31	100.0	100.0
NH Hedge Equity Prime Private Investment Trust No.1 [8,9]	Beneficiary certificates	Korea	2025-12-31	98.0	-
NH Hedge Multi Prime Private Investment Trust No.1 [8,9]	Beneficiary certificates	Korea	2025-12-31	98.0	-
NH Absolute Project On Plus General Private Placement Investment Trust [5,8]	Beneficiary certificates	Korea	-	-	85.0
EIP Solar One [5,8]	Other financial business	Cayman	-	-	100.0
Suimei LP [5,8]	Other financial business	Canada	-	-	99.6

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

Subsidiaries	Main business	Location	Financial statements prepared as of	2025	2024
				Percentage of ownership (%)	Percentage of ownership (%)
FIP Acquisition GK [5,8]	Other financial business	Japan	-	-	100.0
TAI TCI DIME REIT LLC [8]	Other financial business	USA	2025-09-30	100.0	100.0
TAI TCI DIME JV LLC [8]	Other financial business	USA	2025-09-30	64.5	64.5
TAI TCI DIME Owner LLC [8]	Other financial business	USA	2025-09-30	100.0	100.0
Song Am Park 2nd [3,5]	Other financial business	Korea	-	-	-
Newstartsecond Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
Mimi Day 2nd Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
CheongJu Express D-Two Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
New World Myeongji Tres Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
SMART KAMSAM 2ND Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
PV Landscape Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
YRD 1st Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
Pinemilkthree Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
Uncas The Second [3,5]	Asset securitization	Korea	-	-	-
Uncas The First [3,5]	Asset securitization	Korea	-	-	-
Industry Kimhae 1st Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
Industry Kimhae 2nd Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
PLN 5th Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
MJ Hangdong 5th Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
MJ Hangdong 4th Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
MJ Hangdong 3rd Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
Blue Sea Jinhae [3]	Asset securitization	Korea	2025-12-31	-	-
RA2nd [3]	Asset securitization	Korea	2025-12-31	-	-
The Sharp Gwangyang Ma-dong.inc [3,5]	Asset securitization	Korea	-	-	-
ModernBeta Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
RA4th [3]	Asset securitization	Korea	2025-12-31	-	-
NewworldGeol-dong 1st Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
NewworldGeol-dong 2nd Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
Newforest 2nd Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
Newforest 3rd Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
GyeongsanLogis 3rd Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
GoyangLogis 1st Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
RASupyo 1st Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
NewWorld Jeonbang 4th [3]	Asset securitization	Korea	2025-12-31	-	-
Gangreung Mono 1st [3]	Asset securitization	Korea	2025-12-31	-	-

Subsidiaries	Main business	Location	Financial statements prepared as of	2025	2024
				Percentage of ownership (%)	Percentage of ownership (%)
NewWorld Echo 3rd [3,5]	Asset securitization	Korea	-	-	-
Mir One 9th Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
Wood Rose First Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
CUBE INTHE CO.,LTD. [3]	Asset securitization	Korea	2025-12-31	-	-
Newworld IP 6th [3,5]	Asset securitization	Korea	-	-	-
YonginSeocheonNH [3,5]	Asset securitization	Korea	-	-	-
cubesp Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
NHHunin 3rd Co., Ltd. [3,5]	Asset securitization	Korea	-	-	-
NH CENTERM 1ST Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
Cube H Solution Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
LANDMARK SONGPABIZ 1ST Co., Ltd. [3]	Asset securitization	Korea	2025-12-31	-	-
SMARTANSAN1ST [3,5]	Asset securitization	Korea	-	-	-
MKdaeduck 1st [3]	Asset securitization	Korea	2025-12-31	-	-
Kiensendaeduck 2nd [3]	Asset securitization	Korea	2025-12-31	-	-
Namcheonlandmark 1st [3,5]	Asset securitization	Korea	-	-	-
Seunsamisam 2nd [3,5]	Asset securitization	Korea	-	-	-
Cubepni Co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-
MK Ansan the First Co., LTD [3,5,9]	Asset securitization	Korea	-	-	-
J-On Clover Co., Ltd [3,9]	Asset securitization	Korea	2025-12-31	-	-
FEO the First Co., LTD [3,9]	Asset securitization	Korea	2025-12-31	-	-
NewWorld Supyo 1st Co., LTD [3,9]	Asset securitization	Korea	2025-12-31	-	-
TriatzGunpoNA1 [3,5,9]	Asset securitization	Korea	-	-	-
JANGSUNGNH1 [3,9]	Asset securitization	Korea	2025-12-31	-	-
Liteblue the First Co., LTD [3,5,9]	Asset securitization	Korea	-	-	-
NHGUNPO the First Co., LTD [3,5,9]	Asset securitization	Korea	-	-	-
RA Cheongna First Co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-
RA Cheongna Second Co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-
NHM Yeouido First Co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-
NH silver the First co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-
Cube Special Co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-
UBH First Co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-
Shindae NH First Co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-
Daechi Mixed-Use Development Bridge First Co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-
NH Ara Second Co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-
NH Ara First Co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

Subsidiaries	Main business	Location	Financial statements prepared as of	2025 Percentage of ownership (%)	2024 Percentage of ownership (%)
NH Doan First Co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-
NH Doan Second Co., Ltd. [3,9]	Asset securitization	Korea	2025-12-31	-	-
Money Market Trust ("MMT") [6]	Securities investments	Korea	2025-12-31	-	-

1. Classified as a trust under Financial Investment Services and Capital Markets Act and included in the consolidation scope. Though the Parent Company is not a majority shareholder, the Parent Company 1) has the power over the investee; 2) is exposed, or has rights, to variable returns from its involvement with the investee and 3) has the ability to use its power to affect its returns.
2. Included in the consolidation scope, as the Parent Company, as a general partner, exercises majority of voting rights in decision making and participates in decision making related to the investee's operating policies.
3. Classified as a structured entity for the purpose of asset securitization and included in the consolidation scope though the Parent Company is not a majority shareholder, since the Parent Company 1) has the power over the investee; 2) is exposed, or has rights, to variable returns from its involvement with the investee and 3) has the ability to use its power to affect its returns.
4. Classified as a structured entity for the purpose of securities investments and included in the consolidation scope, considering the Parent Company 1) has the power over the investee; 2) is exposed, or has rights, to variable returns from its involvement with the investee and 3) has the ability to use its power to affect its return.
5. Excluded from the consolidation scope for the year ended December 31, 2025 due to decrease in ownership and expiration and others.
6. Included in the consolidation scope as the Parent Company is exposed to variable returns from its involvement with the investee ("MMT") and has the ability to use its power to affect its returns.
7. Percentage of ownership changed due to additional investment and disposal (repurchase) for the year ended December 31, 2025.
8. Controlled by a subsidiary of the Parent Company.
9. Included in the consolidation scope for the year ended December 31, 2025 due to acquisition and credit enhancement.

The summarized financial information of subsidiaries whose financial information is included in the consolidated financial statements as of December 31, 2025 and 2024 is as follows:

(in millions of Korean won)

Subsidiaries	As of and for the year ended December 31, 2025 [1]				
	Assets	Liabilities	Operating revenue	Profit (loss) for the year	Comprehensive income (loss)
NH Investment & Futures Co., Ltd.	₩ 899,590	₩ ₩685,593	₩ ₩61,199	₩ ₩10,010	₩ ₩13,910
NH Investment & Securities Trust	72,933	72,403	3,289	-	-
NH Investment & Securities(H.K.) Ltd.	1,266,386	277,944	160,920	43,220	20,503
NH Absolute Global Opportunity Fund	10,925	110	928	509	261
NH Absolute Return Investment Strategies Fund	53,323	279	2,689	(912)	(2,240)
NH Securities Vietnam Co., Ltd.	332,670	186,273	15,104	689	(4,078)
NH Investment & Securities America, Inc.	122,175	4,314	68,830	43,946	42,550
NH Absolute Return Partners Pte. Ltd.	5,363	482	2,411	(104)	(227)
PT. NH Korindo Sekuritas Indonesia	112,265	69,716	14,155	(1,512)	(4,413)
NH Investment Advisory Co. Ltd. (Beijing)	9,214	194	999	(300)	(346)
NH Investment & Securities Europe Ltd	40,954	874	5,814	762	(192)
NH Absolute Return General Private Placement Investment Trust No.1	486,480	4,468	213,662	87,377	87,377
NH New Growth Private Equity Fund	190,098	2,776	-	(23,967)	(23,967)
GnM Holdings Co., Ltd.	30,232	12,068	-	(32,724)	(32,724)
Granmonster Co., Ltd.	16,247	18,692	9,899	(2,582)	(2,582)
NH Hedge Asset Management Co., Ltd.	96,987	13,294	32,377	15,134	15,134
EIP Investment Infrastructure No.1 PEF	5,793	32	656	(20,669)	(4,674)
NH Sea I Fund	11,740	257	13	(460)	(756)
Tiger Private Fund No.61	59,682	8,970	2,618	241	241
NH Korea Hedge Fund VCC - NH Absolute Return I	110,949	11,941	11,772	6,917	4,439
NH ABSOLUTE Venture Secondary Private Investment	29,421	123	2,794	1,814	1,814
NH Global Venture Fund	10,039	12	-	(17)	244
ARA Korea Private Real Estate Fund No.10	125,364	21,289	9,068	12	12
NH-Amundi Global Infra Fund No. 6	16	98	2,908	(2,294)	(2,294)
IGIS Gyeongsan Logistics General Private Real Estate Investment Trust No. 1-1 Class 1	27,254	-	9,216	9,154	9,154
Vogo Energy Transition Infrastructure Private Placement Special Asset Trust No.2	49,064	3,194	4,901	927	927
NH KOREA HEDGE FUND VCC	1,227	18	5	(924)	(989)
NH Hedge Equity Prime Private Investment Trust No.1	11,883	31	2,497	1,852	1,852
NH Hedge Multi Prime Private Investment Trust No.1	10,227	10	556	217	217
TAI TCI DIME REIT LLC	50,174	36	2,497	(644)	(2,010)
TAI TCI DIME JV LLC	88,423	41	4,405	4,151	2,023
TAI TCI DIME Owner LLC	225,638	147,055	13,552	1,113	(1,007)
Mimi Day 2nd Co., Ltd.	4,082	13,087	-	(6,160)	(6,160)
CheongJu Express D-Two Co., Ltd.	21,688	22,306	1,811	58	58
SMART KAMSAM 2ND Co., Ltd.	27,870	23,517	6,452	6,452	6,452

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December 31, 2025 and 2024

Subsidiaries	As of and for the year ended December 31, 2025 [1]				
	Assets	Liabilities	Operating revenue	Profit (loss) for the year	Comprehensive income (loss)
PV Landscape Co., Ltd.	6,159	4,169	782	678	678
YRD 1st Co., Ltd.	27,574	28,424	2,421	370	370
Blue Sea Jinhae	548	12,428	1	-	-
RA2nd	25,775	26,119	1,424	(143)	(143)
ModernBeta Co., Ltd.	1,847	10,620	-	(4,824)	(4,824)
RA4th	17,691	18,547	1,433	170	170
NewworldGeol-dong 2nd Co., Ltd.	1,152	1,029	371	130	130
Newforest 2nd Co., Ltd.	9,605	12,000	785	(63)	(63)
Newforest 3rd Co., Ltd.	99	7,000	568	(5,573)	(5,573)
RASupyo 1st Co., Ltd.	30,411	30,818	2,413	81	81
NewWorld Jeonbang 4th	50,205	50,618	8,847	2,268	2,268
Gangreung Mono 1st	9,263	9,737	752	113	113
Mir One 9th Co., Ltd.	52,541	50,404	3,019	211	250
Wood Rose First Co., Ltd.	52,056	50,801	3,428	(970)	(970)
CUBE INTHE CO.,LTD.	31,408	30,200	2,281	(550)	(550)
cubesp Co., Ltd.	82,852	80,410	21,492	16,284	16,284
NH CENTERM 1ST Co., Ltd.	18,264	18,859	2,458	773	773
Cube H Solution Co., Ltd.	51,031	50,600	2,975	(244)	(244)
LANDMARK SONGPABIZ 1ST Co., Ltd.	2,892	3,067	53	(175)	(175)
MKdaeduck 1st	25,203	25,203	1,750	-	-
Kiensendaeduck 2nd	26,226	27,494	2,885	207	207
Cubepni Co.,Ltd.	253,380	259,314	90,653	(5,933)	(5,933)
J-On Clover Co., Ltd	26,921	27,345	1,752	(425)	(425)
FEO the First Co., LTD	12,161	14,356	3,478	(2,195)	(2,195)
NewWorld Supyo 1st Co.,LTD	19,751	20,560	830	(809)	(809)
JANGSUNGNH1	119,057	123,895	5,859	(4,838)	(4,838)
RA Cheongna First Co., Ltd.	32,132	33,674	2,111	(1,541)	(1,541)
RA Cheongna Second Co., Ltd.	27,240	28,488	2,929	(1,248)	(1,248)
NHM Yeouido First Co., Ltd.	44,343	45,912	2,556	(1,569)	(1,569)
NH silver the First co., Ltd.	26,502	26,814	1,152	(312)	(312)
Cube Special Co., Ltd.	33,172	34,054	6,361	(882)	(882)
UBH First Co., Ltd.	29,600	30,134	270	(534)	(534)
Shindae NH First Co., Ltd.	24,953	25,679	386	(726)	(726)
Daechi Mixed-Use Development Bridge First Co., Ltd.	9,798	10,368	114	(569)	(569)
NH Ara Second Co., Ltd.	15,002	15,692	69	(690)	(690)
NH Ara First Co., Ltd.	62,077	65,100	97	(3,023)	(3,023)
NH Doan First Co., Ltd.	19,489	20,212	321	(723)	(723)
NH Doan Second Co., Ltd.	78,462	81,341	1,286	(2,879)	(2,879)
Money Market Trust ("MMT")	1,000,000	-	-	-	-
	₩ 6,973,218	₩ 3,012,982	₩ 848,359	₩ 121,133	₩ 98,395

1. The summarized financial information of subsidiaries whose application of the consolidation has been discontinued due to disposal, etc. as of December 31, 2025 is excluded.

(in millions of Korean won)

Subsidiaries	As of and for the year ended December 31, 2024[1]				
	Assets	Liabilities	Operating revenue	Profit (loss) for the year	Comprehensive income (loss)
NH Investment & Futures Co., Ltd.	₩ 728,555	₩ 528,468	₩ 56,877	₩ 136	₩ (168)
NH Investment & Securities Trust	78,192	77,662	3,991	-	-
NH Investment & Securities(H.K.) Ltd.	1,108,790	140,851	139,020	58,783	174,523
NH Absolute Global Opportunity Fund	10,634	80	1,068	(197)	1,110
NH Absolute Return Investment Strategies Fund	55,529	245	2,239	(4,160)	2,857
NH Securities Vietnam Co., Ltd.	177,953	99,593	12,366	550	6,694
NH Investment & Securities America, Inc.	79,741	4,430	32,609	18,650	26,894
NH Absolute Return Partners Pte. Ltd.	5,741	633	2,185	204	821
PT. NH Korindo Sekuritas Indonesia	113,051	66,089	13,147	(1,512)	2,141
NH Investment Advisory Co. Ltd. (Beijing)	9,696	330	679	(463)	584
NH Investment & Securities Europe Ltd	41,148	876	3,453	(1,499)	3,530
NH Absolute Return General Private Placement Investment Trust No.1	616,625	26,967	163,748	(47,310)	(47,310)
NH New Growth Private Equity Fund	211,289	-	-	14,440	14,440
GnM Holdings Co., Ltd.	65,798	15,921	-	(1,095)	(1,095)
GnM Performance Co., Ltd. (formerly, Makulike)	11,411	15,666	8,215	(7,201)	(7,201)
Granmonster Co., Ltd.	31,878	31,741	19,365	(1,171)	(1,171)
NH Hedge Asset Management Co., Ltd.	97,023	28,631	27,825	9,270	9,270
EIP Investment Infrastructure No.1 PEF	60,474	382	24	(51)	(51)
NH Sea I Fund	12,427	188	180	(309)	1,212
Tiger Private Fund No.61	61,191	8,863	9,848	1,438	1,438
NH Korea Hedge Fund VCC - NH Absolute Return I	106,491	42	66	(6,455)	3,688
NH ABSOLUTE Venture Secondary Private Investment	15,609	125	357	(515)	(515)
ARA Korea Private Real Estate Fund No.10	117,780	13,718	15,016	3,392	3,392
NH-Amundi Global Infra Fund No. 6	1,510	451	2,537	(2,624)	(2,624)
PIA Infrastructure Private Equity Fund No. 4	80,210	4,179	19,640	5,759	5,759
Tiger Genesis 543 general private fund	2,172	193	386	(21)	(21)
NH Absolute Mezzanine General Private Placement Investment Trust No.2	2,801	127	2,940	2,318	2,318
NH Absolute KOSDAQ Venture Mezzanine Alpha General Private Placement Investment Trust No.1	8,276	179	27,766	1,536	1,536
Eugene Avitation Private Equity Fund No. 9	17,740	1,505	3,560	681	681
NH Absolute Equity Multi General Private Placement Investment Trust No.1	3,670	8	1,774	(244)	(244)
NH Absolute Equity Multi General Private Placement Investment Trust No.2	8,531	18	3,001	(66)	(66)
NH KOREA HEDGE FUND VCC	2,198	-	17	(1,111)	(981)
NH Hedge KOSDAQ Venture SPAC Private Placement Investment Trust	-	-	-	-	-
NH Absolute Project On Plus General Private Placement Investment Trust	47,448	27	3,559	(2,299)	(2,299)
EIP Solar One	45,084	-	-	(8)	1,173

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

Subsidiaries	As of and for the year ended December 31, 2024[1]				
	Assets	Liabilities	Operating revenue	Profit (loss) for the year	Comprehensive income (loss)
Suimei LP	66,595	37,282	-	(2,295)	(1,558)
FIP Acquisition GK	66,155	67,577	-	(1,109)	(1,160)
TAI TCI DIME REIT LLC	54,582	12	1,671	(569)	6,309
TAI TCI DIME JV LLC	90,593	147	2,967	2,614	13,723
TAI TCI DIME Owner LLC	234,722	150,813	12,119	496	10,940
Song Am Park 2nd	9,730	9,861	837	81	81
Newstartsecond Co., Ltd.	18,408	20,549	2,551	597	597
Mimi Day 2nd Co., Ltd.	10,242	13,087	156	(1,860)	(1,860)
CheongJu Express D-Two Co., Ltd.	21,585	22,261	2,012	(44)	(44)
New World Myeongji Tres Co., Ltd.	9,594	10,105	992	37	37
SMART KAMSAM 2ND Co., Ltd.	21,418	23,517	1,638	(376)	(376)
PV Landscape Co., Ltd.	5,376	4,064	97	(82)	(82)
YRD 1st Co., Ltd.	28,490	29,710	2,219	420	420
Pinemilkthree Co., Ltd.	6,117	9,175	1,934	(2,513)	(2,513)
Uncas The Second	24,473	25,289	2,122	(37)	(37)
Uncas The First	23,927	24,650	1,710	(35)	(35)
Industry Kimhae 1st Co., Ltd.	3,774	3,912	253	(18)	(18)
Industry Kimhae 2nd Co., Ltd.	9,816	10,150	934	(25)	(25)
PLN 5th Co, Ltd.	10,050	10,643	1,052	153	153
MJ Hangdong 5th Co., Ltd.	6,976	7,332	474	(60)	(60)
MJ Hangdong 4th Co., Ltd.	10,011	10,457	914	185	185
MJ Hangdong 3rd Co., Ltd.	15,049	15,721	954	296	296
Blue Sea Jinhae	547	12,427	220	-	-
RA2nd	13,054	13,256	932	(62)	(62)
The Sharp Gwangyang Ma-dong.inc	24,920	26,417	1,664	304	304
ModernBeta Co., Ltd.	6,672	10,620	-	-	-
RA4th	18,443	19,470	1,609	343	343
NewworldGeol-dong 1st Co., Ltd.	3,059	3,095	260	12	12
NewworldGeol-dong 2nd Co., Ltd.	3,090	3,097	320	43	43
Newforest 2nd Co., Ltd.	9,777	12,110	1,097	(713)	(713)
Newforest 3rd Co., Ltd.	5,752	7,081	781	(381)	(381)
GyeongsanLogis 3rd Co., Ltd.	9,723	10,151	1,061	(134)	(134)
GoyangLogis 1st Co., Ltd.	12,779	13,251	1,194	(13)	(13)
RASupyo 1st Co., Ltd.	30,250	30,738	2,606	(16)	(16)
NewWorld Jeonbang 4th	47,935	50,616	4,759	(2,506)	(2,506)
Gangreung Mono 1st	9,526	10,112	861	196	196
NewWorld Echo 3rd	1,979	2,506	188	55	55
Mir One 9th Co., Ltd.	51,992	50,104	3,983	1,037	1,448
Wood Rose First Co., Ltd.	53,126	50,901	3,721	546	546
CUBE INTHE CO.,LTD.	32,158	30,400	2,673	502	502
Newworld IP 6th	8,040	8,087	725	128	128
YonginSeocheonNH	15,211	19,019	4,075	1,540	1,540
cubesp Co., Ltd.	67,382	81,224	517	(9,632)	(9,632)
NHHunin 3rd Co., Ltd.	22,794	22,424	10,439	3,151	3,151
NH CENTERM 1ST Co., Ltd.	18,145	19,513	1,267	(1,368)	(1,368)
Cube H Solution Co., Ltd.	51,274	50,600	1,835	674	674
SMARTANSAN1ST	6,916	7,038	488	(122)	(122)
MKdaeduck 1st	25,134	25,134	866	-	-
Kiensendaeduck 2nd	26,085	27,561	795	(1,476)	(1,476)
Namcheonlandmark 1st	43,827	45,748	56	(1,920)	(1,920)
Seunsamisam 2nd	108,350	111,959	88	(3,610)	(3,610)
Money Market Trust ("MMT")	299,999	-	-	-	-
	₩ 5,812,288	₩ 2,349,161	₩ 664,144	₩ 21,280	₩ 212,277

1. The summarized financial information of subsidiaries whose application of the consolidation has been discontinued due to disposal, etc. as of December 31, 2024 is excluded.

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Subsidiaries included in and excluded from the consolidation scope for the year ended December 31, 2025 are as follows:

Subsidiaries included in the consolidation scope for the year ended December 31, 2025 are as follows:

Name of Subsidiary	Reason
Cubepni Co.,Ltd.	Investment trusts, partnerships and structured entities newly acquired for the year ended December 31, 2025 were included in the scope of consolidation as the Company concluded that it has control over those entities after comprehensively considering its power over the relevant activities, exposure to variable returns, and the ability to use its power to affect those returns.
MK Ansan the First Co., LTD	
J-On Clover Co., Ltd	
FEO the First Co., LTD	
NewWorld Supyo 1st Co.,LTD	
TriatzGunpoNA1	
JANGSUNGNH1	
Liteblue the First Co., LTD	
NHGUNPO the First Co., LTD	
NH Global Venture Fund	
IGIS Gyeongsan Logistics General Private Real Estate Investment Trust No. 1-1 Class 1	
NH Hedge Equity Prime Private Investment Trust No.1	
RA Cheongna First Co., Ltd.	
RA Cheongna Second Co., Ltd.	
NHM Yeouido First Co., Ltd.	
NH silver the First co., Ltd.	
Cube Special Co., Ltd.	
Vogo Energy Transition Infrastructure Private Placement Special Asset Trust No.2	
NH Hedge Multi Prime Private Investment Trust No.1	
UBH First Co., Ltd.	
Shindae NH First Co., Ltd.	
Daechi Mixed-Use Development Bridge First Co., Ltd.	
NH Ara Second Co., Ltd.	
NH Ara First Co., Ltd.	
NH Doan First Co., Ltd.	
NH Doan Second Co., Ltd.	

Subsidiaries excluded from the consolidation scope for the year ended December 31, 2025 are as follows:

Name of Subsidiary	Reason
GnM Performance Co., Ltd.	Entities were excluded from the scope of consolidation for the year ended December 31, 2025 as the Company lost control due to the expiration of credit support obligations, repayment of loans, disposal of equity interests, and liquidation.
Tiger Genesis 543 general private fund	
PLN 5th Co, Ltd.	
YonginSeocheonNH	
SMARTANSAN1ST	
Namcheonlandmark 1st	
EIP Solar One	
FIP Acquisition GK	
Suimei LP	
GyeongsanLogis 3rd Co., Ltd.	
GoyangLogis 1st Co., Ltd.	
Newworld IP 6th	
NHHunin 3rd Co., Ltd.	
MJ Hangdong 4th Co., Ltd.	
MJ Hangdong 3rd Co., Ltd.	
MJ Hangdong 5th Co., Ltd.	
Seunsamisam 2nd	
NH Absolute KOSDAQ Venture Mezzanine Alpha General Private Placement Investment Trust No.1	
PIA Infrastructure Private Equity Fund No. 4	
NH Absolute Mezzanine General Private Placement Investment Trust No.2	
Eugene Avitation Private Equity Fund No. 9	
NH Absolute Equity Multi General Private Placement Investment Trust No.1	
NH Absolute Project On Plus General Private Placement Investment Trust	
Newstartsecond Co., Ltd.	
New World Myeongji Tres Co., Ltd.	
Pinemilkthree Co., Ltd.	
Industry Kimhae 1st Co., Ltd.	
Industry Kimhae 2nd Co., Ltd.	
NewworldGeol-dong 1st Co., Ltd.	
MK Ansan the First Co., LTD	
TriatzGunpoNA1	
NHGUNPO the First Co., LTD	
NH Absolute Equity Multi General Private Placement Investment Trust No.2	
Song Am Park 2nd	
Uncas The Second	
Uncas The First	
The Sharp Gwangyang Ma-dong.inc	
NewWorld Echo 3rd	
Liteblue the First Co., LTD	

Notes to the Consolidated Financial Statements

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The non-controlling interests related to the subsidiaries which account for significant portions in the Parent Company as of December 31, 2025 and 2024 are as follows:

Accumulated non-controlling interests as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

Subsidiaries	2025	2024
PT. NH Korindo Securities Indonesia	₩ 4,768	₩ 4,989

Net loss attributable to non-controlling interests for each of the two years in the period ended December 31, 2025 is as follows:

(in millions of Korean won)

Subsidiaries	2025	2024
PT. NH Korindo Securities Indonesia	₩ (97)	₩ (21)

The financial support provided to the consolidated structured entities:

As of December 31, 2025, the nature and intent of the contractual agreements including the Parent Company's financial support with consolidated structured entities are as follows:

	Contractual arrangements for provision of financial support	Intentions of providing financial or other support
NH Investment & Securities Trust	The Parent Company provides principal and interest payment agreements and principal preservation agreements to certain products in trust products. As a result of the operation of trust products, NH Investment & Securities Co., Ltd requires the Group to maintain the deficit in case of insufficient principal or principal.	Credit enhancement for money management of trust account
CheongJu Express D-Two Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by CheongJu Express D-Two Co., Ltd. (limited to ₩22,000 million).	Enhance the credit through securitization plan
YRD 1st Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by YRD 1st Co., Ltd. (limited to ₩27,180 million).	Enhance the credit through securitization plan
RA4th	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by RA4th (limited to ₩17,500 million).	Enhance the credit through securitization plan
NewworldGeol-dong 2nd Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by NewworldGeol-dong 2nd Co., Ltd. (limited to ₩1,000 million).	Enhance the credit through securitization plan
RASupyo 1st Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by RASupyo 1st Co., Ltd. (limited to ₩30,000 million).	Enhance the credit through securitization plan
NewWorld Jeonbang 4th	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by NewWorld Jeonbang 4th (limited to ₩50,000 million).	Enhance the credit through securitization plan
RA2nd	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by RA2nd (limited to ₩32,000 million).	Enhance the credit through securitization plan
NH CENTERM 1ST Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by NH CENTERM 1ST Co., Ltd. (limited to ₩19,148 million).	Enhance the credit through securitization plan
LANDMARK SONGPABIZ 1ST Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by LANDMARK SONGPABIZ 1ST Co., Ltd. (limited to ₩33,000 million).	Enhance the credit through securitization plan
J-On Clover Co., Ltd	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by J-On Clover Co., Ltd (limited to ₩30,000 million).	Enhance the credit through securitization plan
FEO the First Co., LTD	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by FEO the First Co., LTD (limited to ₩15,000 million).	Enhance the credit through securitization plan
NewWorld Supyo 1st Co., LTD	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by NewWorld Supyo 1st Co., LTD (limited to ₩20,000 million).	Enhance the credit through securitization plan
JANGSUNGNH1	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by JANGSUNGNH1 (limited to ₩123,000 million).	Enhance the credit through securitization plan
RA Cheongna First Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by RA Cheongna First Co., Ltd. (limited to ₩31,500 million).	Enhance the credit through securitization plan
RA Cheongna Second Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by RA Cheongna Second Co., Ltd. (limited to ₩25,500 million).	Enhance the credit through securitization plan
NHM Yeouido First Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by NHM Yeouido First Co., Ltd. (limited to ₩45,000 million).	Enhance the credit through securitization plan
NH silver the First co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by NH silver the First Co., Ltd. (limited to ₩24,700 million).	Enhance the credit through securitization plan
UBH First Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by UBH First Co., Ltd. (limited to ₩10,000 million).	Enhance the credit through securitization plan
Shindae NH First Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by Shindae NH First Co., Ltd. (limited to ₩25,000 million).	Enhance the credit through securitization plan
Daechi Mixed-Use Development Bridge First Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by Daechi Mixed-Use Development Bridge First Co., Ltd. (limited to ₩10,000 million).	Enhance the credit through securitization plan

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	Contractual arrangements for provision of financial support	Intentions of providing financial or other support
NH Ara Second Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by NH Ara Second Co., Ltd. (limited to ₩15,000 million).	Enhance the credit through securitization plan
NH Ara First Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by NH Ara First Co., Ltd. (limited to ₩62,500 million).	Enhance the credit through securitization plan
NH Doan First Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by NH Doan First Co., Ltd. (limited to ₩30,000 million).	Enhance the credit through securitization plan
NH Doan Second Co., Ltd.	The Parent Company has provided a commitment to take over private placed bonds to be issued to finance any shortfall in repayment resources at the maturity date of asset backed securities issued by NH Doan Second Co., Ltd. (limited to ₩120,000 million).	Enhance the credit through securitization plan

Interests in the unconsolidated structured entities

The nature and purpose of the Group's unconsolidated structure entities are as follows:

	The nature and the purpose
Asset securitization	The unconsolidated structured entities issue asset backed securities (ABS) and redeem the principal and interest or distribute dividends on ABS with profits made from collection of cash flows or sale of securitized assets. The Group, as a secondary guarantor, provides purchase commitments for its ABS or guarantees to such asset securitization and recognizes commission revenue or interest revenue related to the commitment or guarantees. Therefore, the Group would be exposed to risks of purchasing or paying back ABS issued by the unconsolidated structured entities when a primary guarantor fails to provide the financing asset securitization vehicles.
Structured finance	Structured finance includes investments in project financing on real estates, social overhead capital (SOC), infrastructure and shipping (aircraft) finance. They are formed as special-purpose entities by funding through equity investments and loans from various investors. Investment decisions are made by the Group based on business outlook of such projects. In relation to such investments, the Group recognizes interest revenue on loans, gains or losses on valuation of equity investments or dividend revenue. The structured finance is secured by additional funding agreements, guarantees or credit facilities. However, the structured financing project would fail to return the capital of equity investments or the principal of loans to the Group if it is discontinued or did not achieve business goal.
Investment funds	Investment funds include trusts and private equity funds. The trust is operated by a manager engaged for the trust and distributes proceeds from sales of investments to the investors. A private equity fund is established in order to acquire ownership interests to implement financial and operational restructuring of the Group and the generated proceeds are distributed to the investors. The Group recognizes gains or losses on valuation of equity investment and dividend revenue in proportion of its ownership. The Group would be exposed to risks of loss when the value of the principal decreases.

The total assets of the unconsolidated structured entities, the carrying value of the related items recorded, the maximum exposure to risks and the loss recognized as of December 31, 2025 and 2024 and for each of the two years in the two-year period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025		
	Asset securitization	Structured finance	Investment funds
Total assets of the unconsolidated structured entities	₩ 9,691,390	₩ 75,622,162	₩ 131,116,055
Assets recognized in the consolidated financial statements related to the unconsolidated structured entities	1,843,706	5,212,006	3,998,879
Financial assets at FVTPL	1,342,606	1,985,037	3,637,835
Financial assets at FVOCI	501,100	-	-
Associates	-	-	361,044
Financial assets at amortized cost	-	3,226,969	-
Liabilities recognized in the consolidated financial statements related to the unconsolidated structured entities	186,130	9,094	-
Maximum exposure to risks:	1,843,706	6,738,498	4,698,407
Investments	1,843,706	5,212,006	3,998,879
Purchase agreements	-	952,891	699,528
Credit facilities	-	573,601	-
Loss recognized in unconsolidated structured entities	30,042	74,730	136,409

(in millions of Korean won)

	2024		
	Asset securitization	Structured finance	Investment funds
Total assets of the unconsolidated structured entities	₩ 5,768,638	₩ 77,972,539	₩ 142,978,852
Assets recognized in the consolidated financial statements related to the unconsolidated structured entities	1,596,300	4,093,428	4,044,394
Financial assets at FVTPL	1,214,353	411,984	3,582,096
Financial assets at FVOCI	381,947	-	-
Associates	-	-	461,200
Financial assets at amortized cost	-	3,681,444	1,098
Liabilities recognized in the consolidated financial statements related to the unconsolidated structured entities	120,299	12,281	3
Maximum exposure to risks:	1,596,301	5,634,062	4,850,648
Investments	1,596,301	4,093,428	4,044,394
Purchase agreements	-	281,482	803,354
Credit facilities	-	1,259,152	2,900
Loss recognized in unconsolidated structured entities	3,765	71,708	171,160

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

2. Basis of Preparation and Material Accounting Policies

2.1 Basis of Consolidated Financial Statements Preparation

The Group maintains its accounting records in Korean won and prepares statutory financial statements in the Korean language (Hangul) in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (KIFRS). The accompanying consolidated financial statements have been condensed, restructured and translated into English from the Korean language financial statements.

Certain information attached to the Korean language financial statements, but not required for a fair presentation of the Group's financial position, financial performance or cash flows, is not presented in the accompanying consolidated financial statements. In the event of any differences in interpreting the financial statements or the independent auditor's report thereon, Korean version, which is used for regulatory reporting purposes, shall prevail.

The consolidated financial statements of the Group have been prepared in accordance with KIFRS. These are the standards, subsequent amendments and related interpretations issued by the International Accounting Standards Board (IASB) that have been adopted by the Republic of Korea in accordance with the Act on External Audit of Stock Companies.

2.2 Material Accounting Policies

2.2.1 Changes in Accounting Policies and Disclosures

2.2.1.1 New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing on or after January 1, 2025.

Amendments to KIFRS 1021 The Effects of Changes in Foreign Exchange Rates - Lack of exchangeability

The amendments to KIFRS 1021 The Effects of Changes in Foreign Exchange Rates – Lack of exchangeability specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its separate financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments have no material impact on the consolidated financial statements.

Amendments to KIFRS 1117 – Insurance Contracts: Disclosure of estimation techniques for inputs used in measuring insurance contracts

The amendments to KIFRS 1117 Insurance Contracts – Disclosure of estimation techniques for inputs used in measuring insurance contracts will be effective for annual reporting periods ending on or after December 31, 2025. In situations where an entity has insufficient historical data or experience available for insurance products, estimation techniques required by insurance-related regulations may be required to be applied. In such cases, the amendments require disclosure of information about the estimation techniques used for inputs in measuring insurance contracts when the estimation techniques applied by the entity differ from the estimation techniques required by the relevant regulations, if such differences are considered relevant and material to users of the financial statements.

The amendments require disclosure of the following:

- the estimation techniques for inputs used based on significant judgments made by the entity and the basis for those judgments, and the details of differences from the estimation techniques required by the regulations
- the effects on estimates of future cash flows, contractual service margin, insurance revenue, and insurance service expenses if the estimation techniques required by the regulations had been applied

The amendments will remain effective until the annual reporting period that includes December 31, 2029. The amendments do not have a material impact on the consolidated statements.

Amendments to KIFRS 1012 – International Tax Reform: Pillar Two Model Rules

The Group has applied KIFRS 1012 Income Taxes to account for income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the OECD (the "Global Minimum Taxes"). The amendments to KIFRS 1012 include mandatory temporary exceptions for recognizing deferred taxes related to the Global Minimum Taxes, along with requirements for additional disclosures regarding the impact on current income taxes and related effects. The amendments are applicable to fiscal years beginning on or after January 1, 2024. Accordingly, the Group has applied the exceptions concerning the recognition and disclosure of deferred taxes under the Pillar Two Tax Rules.

Notes to the Consolidated Financial Statements

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2.2.1.2 New standards and interpretations not yet adopted by the Group

The following new accounting standards and interpretations that have been published but are not mandatory for the reporting period commencing on or after January 1, 2025 have not been early adopted by the Group.

Amendments to KIFRS 1109 and KIFRS 1107 – Classification and Measurement of Financial Instruments

Amendments to KIFRS 1109 Financial Instruments and KIFRS 1107 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments include the following:

- clarifying that a financial liability is derecognized on the settlement date and introducing an accounting policy choice to derecognize financial liabilities that are settled by using electronic payment system before the settlement date (if specific criteria are met);
- providing additional guidance as to how to assess contractual cash flows of financial assets that include environmental, social and governance (ESG)-linked features and similar features;
- clarifying what constitutes non-recourse features and the characteristics of contractually linked financial instruments; and
- introducing new disclosures for financial instruments with contingent features and adding a disclosure requirement for equity instruments measured at fair value through other comprehensive income.

The amendments will be effective for annual periods beginning on or after January 1, 2026. Earlier adoption is permitted, and only the amendments related to the classification of financial assets and associated disclosure requirements may be early adopted. The Group does not plan to early apply the amendments.

Annual Improvements to KIFRS - Volume 11

Annual Improvements to KIFRS - Volume 11 have been announced for the purpose of improving consistency of requirements set out in each standard, enhancing clarity, and providing better understanding of the amendments.

- Amendments to KIFRS 1101 First-time adoption of KIFRS: Hedge accounting by a first-time adopter
- Amendments to KIFRS 1107 Financial Instruments: Disclosures: Gain or loss on derecognition, Guidance for application of amendments in practice
- Amendments to KIFRS 1109 Financial Instruments: Accounting for derecognition of lease liabilities and definition of transaction prices
- Amendments to KIFRS 1110 Consolidated Financial Statements: Determination of a 'de facto agent'
- Amendments to KIFRS 1007 Statement of Cash Flows: Cost Method

The amendments will be effective for annual periods beginning on or after January 1, 2026. Earlier adoption is permitted, but will need to be disclosed. The Group expects these amendments to have no material impact on its consolidated financial statements.

Amendments to KIFRS 1109 Financial Instruments and KIFRS 1107 Financial Instruments: Disclosures – Contracts related to nature-dependent electricity

Amendments to KIFRS 1109 Financial Instruments and KIFRS 1107 Financial Instruments: Disclosures relating to contracts associated with nature-dependent electricity have been issued, and the main contents are as follows:

- clarification of the application of the "own-use" requirements for in-scope contracts;
- amendments to the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts; and
- addition of new disclosure requirements to enable investors to understand the effect of these contracts on an entity's financial performance and cash flows.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2026. Early adoption is permitted, but will need to be disclosed. The amendments relating to the "own-use" exception shall be applied retrospectively, and the amendments related to hedge accounting shall be applied prospectively to new hedge relationships designated on or after the date of initial application. In addition, the disclosure amendments to KIFRS 1107 shall be applied together with the amendments to KIFRS 1109, and if comparative information is not restated, comparative information for the disclosures is not required to be presented. The Group expects these amendments to have no material impact on its separate financial statements.

Amendments to KIFRS 1118 – Presentation and Disclosure in Financial Statements

KIFRS 1118 Presentation and Disclosure in Financial Statements, which replaces KIFRS 1001 Presentation of Financial Statements, has been issued. KIFRS 1118 introduces new requirements for the presentation of the statement of profit or loss, including specified totals and subtotals. In addition, an entity is required to classify all income and expenses in the statement of profit or loss into one of five categories: operating, investing, financing, income taxes, and discontinued operations, of which the first three are newly introduced categories. KIFRS 1118 also requires disclosure of newly defined management-defined performance measures and subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on identified 'roles' of the primary financial statements and the notes.

In addition, as a result of the issuance of this standard, narrow-scope amendments have been made to KIFRS 1007 Statement of Cash Flows. For example, the starting point for determining cash flows from operating activities under the indirect method has been changed from profit for the year to operating profit or loss, and the option to classify cash flows arising from dividends and interest has been removed. Consequential amendments have also been made to several other standards.

KIFRS 1118 and the amendments to other standards will be effective for reporting periods beginning on or after January 1, 2027. Early adoption is permitted, but will need to be disclosed. In addition, KIFRS 1118 shall be applied retrospectively upon initial application. The Group is currently assessing the impact of the amendments on the primary financial statements and the notes to the financial statements.

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

2.2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and entities (including structured entities) controlled by the Parent Company (and its subsidiaries). Control is achieved where the Parent Company 1) has the power over the investee 2) is exposed, or has rights, to variable returns from its involvement with the investee and 3) has the ability to use its power to affect its returns. The Parent Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Parent Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Parent Company considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Parent Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Parent Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Parent Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statements of comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group transactions and related assets and liabilities, income and expenses are eliminated in full during the consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Parent Company.

When the Parent Company loses control of a subsidiary, a gain or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognized in other comprehensive income and accumulated in equity, the amounts previously recognized in other comprehensive income and accumulated in equity are accounted for as if the Parent Company had directly disposed of the relevant assets (i.e., reclassified to profit or loss or transferred directly to retained earnings). The fair value of any investment retained in the former subsidiary at the date when control is lost is recognized as the fair value on initial recognition for subsequent accounting under KIFRS 1109 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2.2.3 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with KIFRS 1012 Income Taxes and KIFRS 1019 Employee Benefits, respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with KIFRS 1102 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with KIFRS Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of: a) the consideration transferred, b) the amount of any non- controlling interests in the acquiree and c) the fair value of the acquirer's previously held equity interest in the acquiree (if any); over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of: a) the consideration transferred; b) the amount of any non-controlling interests in the acquiree and c) the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non- controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non- controlling interests are measured at fair value or, when applicable, on the basis specified in another KIFRS.

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When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement-period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement-period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement-period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with KIFRS 1109 Financial Instruments as appropriate, with the corresponding gain or loss being recognized in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

2.2.4 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed-upon sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with KIFRS 1105 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognized in the consolidated statements of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate or a joint venture recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

Upon disposal of an associate or a joint venture that results in the Group losing significant influence over that associate or joint venture, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with KIFRS 1109 Financial Instruments. The difference between the previous carrying amount of the associate or joint venture attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate or joint venture on the same basis we would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as reclassification adjustment) when it loses significant influence over that associate or joint venture.

When the Group reduces its ownership interest in an associate or a joint venture, but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities. In addition, the Group applies KIFRS 1105 to a portion of investment in an associate or a joint venture that meets the criteria to be classified as held for sale.

If there is an objective evidence of impairment for the investment in an associate or a joint venture, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with KIFRS 1036 Impairment of Assets by comparing its recoverable amount (higher of value in use and fair value, less costs to sell) with its carrying amount, any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with KIFRS 1036 to the extent that the recoverable amount of the investment subsequently increases.

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The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognized in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

2.2.5 Goodwill

Goodwill resulting from an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. The Group's policy for goodwill resulting from the acquisition of an associate is described at Note 2.2.4.

2.2.6 Accounting for foreign currencies translations

The individual financial statements of each entity in the consolidation scope of the Group are presented in the currency of the primary economic environment in which the entity operates (i.e., its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity of the Group are expressed in Korean won, which are the functional currency of the Group and the presentation currency for the consolidated financial statements.

In preparing the consolidated financial statements of the entities in the consolidation scope, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise, except for:

- foreign exchange differences arising from transactions for hedging certain foreign currency risks (See Note 2.2.8 for accounting policies on hedge.); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore, forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in Korean won using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e., a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognized, but they are not reclassified to profit or loss.

In the case of a partial disposal (i.e., no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests in equity and are not recognized in profit or loss. For all other partial disposals (i.e., partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets and liabilities arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate. Exchange differences arising are recognized in equity.

2.2.7 Cash and cash equivalents

Cash and short-term deposits in the statements of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

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2.2.8 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognized at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case, the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Group designates certain derivatives as either hedges of recognized assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges), or hedges of net investments in foreign operations (net investment hedges).

A derivative with a positive fair value is recognized as a financial asset; a derivative with a negative fair value is recognized as a financial liability.

2.2.8.1 Embedded derivatives

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

2.2.8.2 Hedge accounting

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non- derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items.

2.2.8.3 Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The changes in the fair value of the hedging instrument and the changes in the hedged item attributable to the hedged risk are recognized in the line of the consolidated statements of comprehensive income relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortized to profit or loss from that date.

2.2.8.4 Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item is recognized in profit or loss, in the same line of the income statement as the recognized hedged item. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or it no longer qualifies for hedge accounting. Any gain or loss accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

2.2.8.5 Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income and accumulated in the foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss in the same way as exchange differences relating to the foreign operation.

2.2.9 Property and equipment

Property and equipment are stated at cost, less subsequent accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment is directly attributable to their purchase or construction, which includes any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are recognized in the carrying amount of an asset or as an asset if it is probable that future economic benefits associated with the assets will flow into the Group and the cost of an asset can be measured reliably. Routine maintenance and repairs are expensed as incurred.

Depreciation expense is computed using the straight-line method based on the estimated useful lives of the assets as follows:

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	Estimated useful lives
Buildings and structures	40 years
Delivery equipment or vehicles	4 years
Equipment	4 years

If each part of an item of property and equipment has a cost that is significant in relation to the total cost of the item, it is depreciated separately.

The Group reviews the depreciation method, the estimated useful lives and residual values of property and equipment at the end of each annual reporting period. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property and equipment is derecognized.

2.2.10 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are recognized in the carrying amount of an asset or as an asset if it is probable that future economic benefits associated with the assets will flow into the Group and the cost of an asset can be measured reliably. And the parts transferred due to the subsequent costs Routine maintenance and repairs are expensed as incurred.

Amongst the investment properties, land is not depreciated. However, investment properties other than land are depreciated over 40~53 years of their useful lives using the straight-line method.

The depreciation method, residual value and useful lives of investment properties are reassessed or reviewed at the end of each annual reporting period, and any changes from them are treated as change in accounting estimates.

An investment property is derecognized on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from derecognition of an investment property are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the property is derecognized.

2.2.11 Lease

2.2.11.1 Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:
- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable; variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as 'other financial liabilities' in the consolidated statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:
- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under KIFRS 1037. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statements of financial position.

The Group applies KIFRS 1036 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the accounting policies for 'Impairment of property and equipment and intangible assets other than goodwill' (Note 2.2.13).

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in profit or loss.

As a practical expedient, KIFRS 1116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

2.2.11.2 Group as a lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Subsequent to initial recognition, the Group regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of KIFRS 1109, recognizing an allowance for expected credit losses on the lease receivables.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest income is calculated with reference to their amortized cost (i.e. after a deduction of the loss allowance).

When a contract includes both lease and non-lease components, the Group applies KIFRS 1115 to allocate the consideration under the contract to each component.

2.2.12 Intangible assets

2.2.12.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost, less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost, less accumulated impairment losses.

2.2.12.2 Intangible assets acquired in a business combination

Intangible assets that are acquired in a business combination are recognized separately from goodwill and are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost, less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.2.12.3 Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

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2.2.13 Impairment of property and equipment and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value, less costs to sell and value in use. If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount and the reduced amount is recognized in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or the cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

2.2.14 Bonds under resale or repurchase agreements

Bonds purchased under resale agreements are recorded as loans and bonds sold under repurchase agreements are recorded as borrowings when the Group purchases or sells securities under resale or repurchase agreements.

Interests incurred on resale or repurchase agreements are reported as interest income or expense.

2.2.15 Securities held for trading

The Group has short-selling transactions. When the Group borrows securities, the Group recognizes borrowed securities and when the Group sells the securities, the securities are recognized as securities in short position. The difference between the selling price and the buying price when buying and redeeming is recognized as gain or loss on disposals of financial liabilities held for trading. Also, the difference between the fair value and the carrying value of the securities in short position is recognized as gain or loss on valuation of securities in short position.

2.2.16 Employee benefits

2.2.16.1 Short-term employee benefits

The Group recognizes the undiscounted amount of short-term employee benefits expecting payment in exchange for the services, when employee renders services. Also, the Group recognizes expenses and liabilities in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences. Though the Group may have no legal obligation to pay a bonus, considering some cases, the Group has a practice of paying bonuses. In such cases, the Group has a constructive obligation, and thus the Group recognizes expenses and liabilities when the employees render service.

2.2.16.2 Other long-term employee benefits

The Group's net obligation in respect of other long-term employee benefits that are not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

2.2.16.3 Retirement benefits

The Group operates various types of retirement benefit plans. The Group generally provides retirement benefits by making payments, regularly computed using actuarial calculation, to the fund managed by trustee or insurance company.

For defined benefit retirement plans, the retirement benefit obligation recognized in the statements of financial position represents the present value of the defined benefit obligation, less fair value of plan assets and adjustment for unrecognized past service cost.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statements of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are composed of service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements), net interest expense (income), and remeasurement.

The Group presents the service cost and net interest expense (income) components in profit or loss, and the remeasurement component in other comprehensive income. Curtailment gains and losses are accounted for as past service costs.

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The retirement benefit obligation recognized in the consolidated statements of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is up to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

2.2.16.4 Termination benefits

Termination benefits are paid at the earlier of an involuntary termination by the Group before the nominal retirement date or the acceptance of retirement by an employee in exchange for benefits.

2.2.17 Share-based payments

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period that the employees unconditionally become entitled to payment. The fair value of liability is remeasured annually until the liability is settled. Any changes in the fair value of the liability are recognized as employee benefits in profit or loss.

2.2.18 Current tax payable and deferred tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.2.18.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.2.18.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if, and only if the Group has a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

For the purpose of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale.

2.2.18.3 Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.2.18.4 Global minimum taxes

The Global Minimum Tax is a regime under which, when the effective tax rate of constituent entities of a multinational group whose consolidated revenue exceeds EUR 750 million in at least two of the four preceding fiscal years falls below 15%, the top-up tax shall be paid to the tax authority of the jurisdiction of the parent entity that meets certain conditions. Constituent entities include subsidiaries included in the consolidated financial statements, permanent establishments, and equity-accounted investees that meet specified requirements.

The Republic of Korea enacted tax legislation related to the Global Minimum Tax in 2023, and the rules are applicable to fiscal years beginning on or after January 1, 2024.

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The Group is subject to the Global Minimum Tax as a partially-owned intermediate parent entity and has a tax obligation for the additional top-up taxes arising from its lower-tier constituent entities. Accordingly, the Group has performed an analysis of the income tax effects for the constituent entities that are subject to the Global Minimum Tax.

However, certain jurisdictions in which the Group's foreign subsidiaries and permanent establishments are located have introduced a Qualified Domestic Minimum Top-up Tax ("QDMTT"). Under the QDMTT, when the effective tax rate in the jurisdiction of the foreign subsidiary falls below 15% and a top-up tax arises, the additional tax is primarily collected by the local tax authority of that jurisdiction.

Accordingly, to the extent that the additional tax has been paid or is expected to be paid in the local jurisdiction under the QDMTT, no additional top-up tax is expected to be payable by the Group in Korea. As of the end of the reporting period, the jurisdictions in which the Group's foreign subsidiaries and permanent establishments operate that have adopted such rules include Vietnam, the United Kingdom, Canada, Hong Kong, Indonesia, and Singapore. Therefore, no additional top-up tax is expected to arise in Korea in relation to the foreign subsidiaries and permanent establishments located in these jurisdictions.

The Group applies the mandatory temporary exception from the recognition of deferred taxes related to the Global Minimum Tax and recognizes such taxes as current income tax expenses in the period in which the tax obligation arises.

2.2.19 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material). The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage is recognized in profit or loss as borrowing cost.

At the end of each reporting period, the remaining provision balance is reviewed and assessed to determine if the current best estimate is being recognized. If the existence of an obligation to transfer economic benefit is no longer probable, the related provision is reversed during the period.

2.2.20 Recognition of interest income and expenses

The Group recognizes interest income and expenses from financial instruments measured at amortized cost on an accrual basis using the effective interest method. Effective interest method is the method of calculating the amortized cost of financial assets or liabilities and allocating the interest income or expense over the relevant period. The effective interest rate reconciles the expected future cash in and out through the expected life of financial instruments or shorter period if appropriate, and net carrying value of financial assets or liabilities.

2.2.21 Earnings per share (EPS)

Basic EPS is calculated by earnings subtracting the dividends paid to holders of preferred stock and hybrid securities from the net income attributable to ordinary shareholders from the statements of comprehensive income and dividing by the weighted-average number of common shares outstanding. Diluted EPS is calculated by adjusting the earnings and number of shares for the effects of all dilutive potential common shares.

2.2.22 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

2.2.22.1 Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election / designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see 2.2.22.1.3 below); and
- the Group may irrevocably designate a debt investment that meets the amortized cost or FVOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see 2.2.22.1.4 below).

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2.2.22.1.1 Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. Except for financial assets that are credit-impaired at the time of acquisition, effective interest rate is the rate at which the present value of the expected future cash receipts, including the fees and points paid or received (if appropriate) and the principal component of the effective interest rate, transaction costs and other premiums or discounts is exactly the same as the gross carrying amount at initial recognition, without taking into account ECLs.

For financial assets that are credit-impaired at the time of acquisition, the credit-adjusted effective interest rate is calculated by discounting the present value of expected cash flows taking into account ECLs to amortized cost at initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments that are subsequently measured at amortized cost and fair value through other comprehensive income. Except financial assets that are impaired from acquisition, interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset (except financial assets that are impaired after acquisition).

For financial asset that are impaired after acquisition, interest income is recognized using the effective interest rate at the amortized cost of the financial asset.

If the credit risk of the credit-impaired financial instrument improves in subsequent reporting periods and the financial asset is no longer impaired, interest revenue is recognized by applying the effective interest rate to the total carrying amount of the financial asset.

For financial assets that are impaired from acquisition, interest income is recognized from initial recognition by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset. Even though the financial asset is no longer impaired due to the improved credit risk of the financial asset, subsequently, the calculation of interest revenue is not changed to the gross carrying amount.

Interest income is recognized in profit or loss and is included in the "interest income applied at effective interest rate" line item (see Note 30).

2.2.22.1.2 Debt instruments classified as at FVOCI

Fair value is determined by the method described in Note 10. At initial recognition, the debt instrument is measured by adding transaction costs to its fair value. Subsequent changes in the carrying amount of the debt instrument are recognized in profit or loss as a result of foreign currency translation gains and losses (returns) and interest income calculated under the effective interest method. The amount recognized in profit or loss is the same amount that would have been recognized in profit or loss if the debt instrument had been measured at amortized cost. Except this, all changes in the carrying amount of the debt instrument are recognized in other comprehensive income and are accumulated in accumulated valuation gains and losses. When a debt instrument is derecognized, the cumulative gain or loss recognized in other comprehensive income is reclassified to profit or loss.

2.2.22.1.3 Equity instruments designated as at FVOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVOCI. Designation at FVOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss in accordance with KIFRS 1109, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'other operating revenue' line item (see Note 33) in profit or loss.

The Group designated all investments in equity instruments that are not held for trading as at FVOCI on initial recognition (see Note 6). The Group classifies equity instruments, not held for trading with the objective of generating a profit through investment, as financial assets at FVOCI (see Note 6).

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2.2.22.1.4 Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVOCI on initial recognition (see 2.2.22.1.3 above).
- Debt instruments that do not meet the amortized cost criteria or the FVOCI criteria (see 2.2.22.1.1 and 2.2.22.1.2 above) are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). Dividends obtained from financial assets at FVTPL are included in the other operating revenue line item (see Note 33), and interest income is recognized in profit or loss (Note 30). Fair value is determined in the manner described in Note 10.

2.2.22.2 Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically;

- for financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss in the 'other gains and losses' line item;
- for debt instruments measured at FVOCI that are not part of a designated hedging relationship, exchange differences on the amortized cost of the debt instrument are recognized in profit or loss in the 'other gains and losses' line item. As the foreign currency element recognized in profit or loss is the same as if it was measured at amortized cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognized in other comprehensive income in the investments revaluation reserve;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss in the 'other gains and losses' line item as part of the fair value gain or loss (see Note 29); and
- for equity instruments measured at FVOCI, exchange differences are recognized in other comprehensive income in the investments revaluation reserve.

2.2.22.3 Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognizes lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

The Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

2.2.22.3.1 Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortized cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

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- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:
(1) the financial instrument has a low risk of default,
(2) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and
(3) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

2.2.22.3.2 Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2.2.22.3.3 Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:
(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event (see 2.2.22.3.2 above);
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

2.2.22.3.4 Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty, such as bankruptcy, compulsory execution, dissolution, business closure, and it is not possible to recovery due to the debtor's death, disappearance, or unknown whereabouts, or there is no realistic prospect of recovery even by the legal procedures or any other ways to recover. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate.

2.2.22.3.5 Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as of the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with KIFRS 1116 Leases.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

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If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statements of financial position.

2.2.22.4 Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

2.2.23 Financial liabilities and equity instruments

2.2.23.1 Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of financial liability and an equity instrument.

2.2.23.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

2.2.23.3 Compound instruments

The component parts of compound instruments (convertible bonds) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible loan note, the balance recognized in equity will be transferred to other equity. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible notes using the effective interest method.

2.2.23.4 Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

2.2.23.5 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

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A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and KIFRS 1109 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognized in profit or loss to the extent that they are not part of a designated hedging relationship (see Hedge accounting policy). The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'gains and losses on financial instruments at FVTPL' line item (Note 29) in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Group that are designated by the Group as at FVTPL are recognized in profit or loss.

Fair value is determined in the manner described in Note 10.

2.2.23.6 Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

2.2.23.7 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instruments.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of an asset, are measured subsequently at the higher of:

- the amount of the loss allowance determined in accordance with KIFRS 1109 (see financial assets above); and
- the amount recognized initially less, where appropriate, cumulative amortization recognized in accordance with KIFRS 1115 the revenue recognition policies set out above.

2.2.23.8 Foreign exchange gains and losses

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in 'gain or loss on foreign exchange transaction' line item in profit or loss. They are deferred in other comprehensive income if they relate to qualifying cash flow hedges and qualifying effective portion of net investment hedges, or are attributable to monetary part of the net investment in a foreign operation.

2.2.23.9 Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognized in profit or loss as the modification gain or loss within other non-operating income and expenses.

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2.2.24 Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of KIFRS 1102 Share-based Payment, leasing transactions that are within the scope of KIFRS 1116 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in KIFRS 1002 Inventories or value in use in KIFRS 1036 Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorized into Levels 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 : inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 : inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 : inputs are unobservable inputs for the asset or liability.

2.2.25 Business transfer under the corporate governance of the same ultimate parent company

The companies accounted for a business transfer under the corporate governance of the same ultimate parent company on a book value basis. As of the date of the business transfer, the assets and liabilities of an acquired company were recognized at book value, and a difference between a transfer price and an acquired interest was reflected in equity.

2.2.26 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed Asset-related grants are recognized as a deduction from assets and are recognized in profit or loss in a manner that reduces depreciation over the useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments. When loans or similar assistance are provided by the government or related institutions, with an interest rate below the current applicable market rate, the effect of this preferential interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

3. Critical Accounting Judgments and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may be different from those estimates.

The estimates and underlying assumptions are continuously reviewed. The changes in accounting estimates are recognized in the period in which the estimate is changed if the change affects only that period, or in the period of change and future periods if the change affects both current and future periods.

3.1 Impairment of goodwill

The Group performs impairment test of goodwill annually or more frequently when there is indication that a CGU may be impaired. Determining whether goodwill is impaired requires an estimation of the value in use of the CGU to which goodwill has been allocated. The value in use calculation requires the Group's management to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value.

3.2 Fair value of financial instruments

As described in Note 10, the Group recognizes an impairment loss on financial instruments by using valuation technique with observable inputs not based on market information. Note 10 provides details of major assumptions used to determine fair value of financial instruments and related sensitivity analysis. The management believes that valuation technique and assumptions used to determine the fair value of financial instruments are adequate.

3.3 Impairment loss on financial assets

The Group assesses whether objective evidence of impairment exists individually for the financial assets or collectively evaluates the impairment for the set of financial assets with similar characters. Impairment of financial assets are calculated by discounting the expected future cash flows and comparing the resultant present value with the carrying amount of financial assets. The estimation of future cash flows requires management judgment.

3.4 Defined benefit plan

The Group's defined benefit obligation is determined based on the actuarial valuation carried out at the end of each annual reporting period. Actuarial assumptions are the Group's best estimates of the variables in determining the cost of providing retirement benefits such as discount rates, rates of expected future salary increases and mortality rates. Significant estimation uncertainty is likely to persist in making such assumptions due to the long-term nature of retirement benefit plan.

3.5 Income tax

The Group recognizes current tax and deferred tax through the best estimating for tax effects expected to be incurred in the future as a result of operating activities until the end of the reporting period. However, the final tax outcome may not equal to the relevant assets and liabilities recognized, and such differences may have impacts on the current tax and deferred tax assets/liabilities at the time in which the final tax effects are determined.

Notes to the Consolidated Financial Statements

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4. Financial Assets at Fair Value through Profit or Loss ("FVTPL")

Details of financial assets at FVTPL as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Securities at FVTPL:		
Equity securities	₩ 3,236,816	₩ 1,703,611
Debt securities	14,762,237	13,653,294
Beneficiary certificates	5,567,771	5,054,295
Derivatives-linked securities	117,013	116,520
Repurchase of bonds under repurchase agreements	2,273,162	2,904,882
Reserve for claims of customers' deposits (trust)	5,592,577	3,584,167
Commercial paper securities	1,519,443	1,895,708
Other securities in foreign currency	40,715	10,324
Other	854,756	814,460
	33,964,490	29,737,261
Loan receivables	2,374,862	1,337,334
Joint compensation fund	21,396	-
Derivative assets held for trading [1]	1,254,837	1,056,993
	₩ 37,615,585	₩ 32,131,588

1. See Note 5.

Securities at FVTPL (excluding derivative assets held for trading) as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Equity securities:		
Marketable securities	₩ 2,393,749	₩ 681,023
Non-marketable securities	294,354	395,972
Equity securities in foreign currency	149,320	182,559
Loaned securities	33,917	-
Other equity securities	365,476	444,057
	3,236,816	1,703,611
Debt securities:		
Government bonds	2,658,935	2,219,007
Financial bonds	1,319,452	1,904,646
Corporate bonds	9,088,018	7,715,858
Debt securities in foreign currency	1,436,612	1,774,157
Loaned securities	259,220	39,626
	14,762,237	13,653,294
Beneficiary certificates:		
Beneficiary certificates unsold	169	37
Beneficiary certificates (ETF)	2,335,719	1,905,177
Beneficiary certificates (equity-type)	134,713	122,815
Beneficiary certificates (others)	2,395,447	2,414,164
Beneficiary certificates in foreign currency	701,723	600,241
Loaned securities	-	11,861
	5,567,771	5,054,295
Derivatives-linked securities:		
Equity-linked securities	69,549	67,326
Other derivatives-linked securities	46,387	45,295
Exchange Traded Notes	1,077	3,899
	117,013	116,520
Other securities:		
Repurchase of bonds under repurchase agreements	2,273,162	2,904,882
Reserve for claims of customers' deposits (trust)	5,592,577	3,584,167
Commercial paper securities	1,519,443	1,895,708
Other securities in foreign currency	40,715	10,324
Others	854,756	814,460
	10,280,653	9,209,541
Loan receivables:		
Loan receivables	2,374,862	1,337,334
Joint compensation fund:		
Joint compensation fund	21,396	-
	₩ 36,360,748	₩ 31,074,596

The Group does not own any financial assets designated at FVTPL as of December 31, 2025 and 2024.

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5. Derivatives

Details of derivative assets and derivative liabilities as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025				
	Nominal amount	Assets		Liabilities	
		For hedging	For trading	For hedging	For trading
Interest rate:					
Forwards	₩ 11,022,257	₩ -	₩ 314,825	₩ -	₩ 276,150
Swaps	86,449,605	-	111,929	-	688,500
Futures	5,115,001	-	809	-	340
Long options	90,000	-	67	-	-
Short options	290,000	-	-	-	15,348
	102,966,863	-	427,630	-	980,338
Currency:					
Forwards	33,027,793	-	530,701	-	517,180
Swaps	1,846,790	-	45,716	-	123,850
Futures	796,199	-	-	-	47
	35,670,782	-	576,417	-	641,077
Equity:					
Forwards	157,950	-	-	-	5,149
Long options	1,247,671	-	20,383	-	-
Short options	5,611,193	-	-	-	154,161
Swaps	5,491,218	-	93,210	-	335,262
Futures	1,763,125	-	1,172	-	521
	14,271,157	-	114,765	-	495,093
Credit:					
Swaps	4,914,305	-	37,695	-	6,286
Commodity:					
Swaps	2,920,074	-	3,300	-	8,060
Futures	3,839	-	21	-	174
	2,923,913	-	3,321	-	8,234
Adjustment of valuation of derivatives:					
Adjustment of valuation of credit risk	-	-	(5,274)	-	145
Adjustment of valuation of day 1 profits and losses	-	-	100,283	-	(103,342)
			95,009		(103,197)
	₩ 160,747,020	₩ -	₩ 1,254,837	₩ -	₩ 2,027,831

(in millions of Korean won)

	2024				
	Nominal amount	Assets		Liabilities	
		For hedging	For trading	For hedging	For trading
Interest rate:					
Forwards	₩ 9,992,717	₩ -	₩ 262,944	₩ -	₩ 313,768
Swaps	148,213,768	-	159,560	-	797,724
Futures	3,273,345	-	544	-	2,235
Long options	20,000	-	336	-	-
Short options	200,000	-	-	-	11,405
	161,699,830	-	423,384	-	1,125,132
Currency:					
Forwards	14,409,212	-	310,158	-	305,990
Swaps	1,057,852	-	24,891	-	101,922
Futures	734,194	-	-	-	318
	16,201,258	-	335,049	-	408,230
Equity:					
Long options	934,853	-	12,312	-	-
Short options	3,447,979	-	-	-	39,992
Swaps	3,082,695	-	150,004	-	108,531
Futures	514,017	-	953	-	3,270
	7,979,544	-	163,269	-	151,793
Credit:					
Swaps	4,452,126	-	33,383	-	5,180
Commodity:					
Short options	6,326	-	-	-	564
Swaps	2,228,516	-	6,562	-	9,117
Futures	42,066	-	2,078	-	178
	2,276,908	-	8,640	-	9,859
Adjustment of valuation of derivatives:					
Adjustment of valuation of credit risk	-	-	(4,933)	-	(29)
Adjustment of valuation of day 1 profits and losses	-	-	98,201	-	(71,724)
	-	-	93,268	-	(71,753)
	₩ 192,609,666	₩ -	₩ 1,056,993	₩ -	₩ 1,628,441

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

6. Financial Assets at Fair Value through Other Comprehensive Income ("FVOCI")

Details of financial assets at FVOCI as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025		
	Book amount	Gross unrealized gain (loss)[1]	Allowances for losses[1]
Equity securities:			
Non-marketable securities	₩ 698,523	₩ 607,919	₩ -
Other equity securities	1,061,759	(1,947)	-
	1,760,282	605,972	-
Debt securities:			
Government bonds	116,247	(2,047)	-
Financial bonds	4,732,124	(11,999)	1,225
Corporate bonds	2,798,061	(12,032)	3,218
Debt securities in foreign currency	1,285,774	13,375	620
Other debt securities	567,160	(2,737)	-
Discounts	-	12,818	-
	9,499,366	(2,622)	5,063
	₩ 11,259,648	₩ 603,350	₩ 5,063

1. Presenting the amounts before reflecting the effect of deferred tax from unrealized gains or losses.

(in millions of Korean won)

	2024		
	Book amount	Gross unrealized gain (loss)[1]	Allowances for losses[1]
Equity securities:			
Non-marketable securities	₩ 552,931	₩ 447,982	₩ -
Other equity securities	927,468	14,401	-
	1,480,399	462,383	-
Debt securities:			
Government bonds	317,135	(3,893)	-
Financial bonds	1,695,793	3,037	426
Corporate bonds	3,585,844	5,763	1,636
Debt securities in foreign currency	1,078,712	10,104	652
Other debt securities	70,219	(601)	-
Discounts	-	1,893	-
	6,747,703	16,303	2,714
	₩ 8,228,102	₩ 478,686	₩ 2,714

1. Presenting the amounts before reflecting the effect of deferred tax from unrealized gains or losses.

Details of financial assets designated at FVOCI as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025		
	Book amount	Fair value	Dividends[1]
Equity securities:			
Non-marketable securities	₩ 698,523	₩ 698,523	₩ 19,365
Other equity securities	1,061,759	1,061,759	52,697
	₩ 1,760,282	₩ 1,760,282	₩ 72,062

1. Dividends arising from the equity securities that were derecognized due to disposal and others amount to ₩ 4,514 million for the year ended December 31, 2025.

(in millions of Korean won)

	2024		
	Book amount	Fair value	Dividends[1]
Equity securities:			
Non-marketable securities	₩ 552,931	₩ 552,931	₩ 18,965
Other equity securities	927,468	927,468	32,239
	₩ 1,480,399	₩ 1,480,399	₩ 51,204

1. Dividends arising from the equity securities that were derecognized due to disposal and others amount to ₩ 11,350 million for the year ended December 31, 2024.

The Group designates investments as financial assets at FVOCI if the Group holds the investment for strategic purpose and not capital gains through investment, and otherwise classifies the investment as financial assets at FVTPL.

The Group has disposed of equity instruments at FVOCI amounting to ₩ 150,748 million due to the early redemption for the year ended December 31, 2025 (2024: ₩ 140,204 million). The cumulative gain on the equity instruments is ₩ 1,168 million (2024: loss of ₩ 1 million), at the disposal date. In addition, equity instruments at FVOCI amounting to ₩ 133,895 million were reclassified to investments in associates for the year ended December 31, 2024 upon obtaining significant influence over an entity, and the accumulated profit (loss) on these equity instruments as of the reclassification date amounts to ₩ 40,480 million. Regarding the accumulated gain (loss) on the early redemption and classification of equity instruments, no other comprehensive income has been transferred to retained earnings for each of the two years in the period ended December 31, 2025.

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Details of allowances for losses on debt securities at FVOCI for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025			
	12-month expected credit losses	Lifetime expected credit losses		Total
		Not impaired	Impaired	
Beginning balance	₩ 2,714	₩ -	₩ -	₩ 2,714
Transfer to 12-month expected credit losses	-	-	-	-
Transfer to lifetime expected credit losses	-	-	-	-
Transfer to lifetime expected credit losses	-	-	-	-
Provision of allowance	2,352	-	-	2,352
Others	(3)	-	-	(3)
Ending balance	₩ 5,063	₩ -	₩ -	₩ 5,063

(in millions of Korean won)

	2024			
	12-month expected credit losses	Lifetime expected credit losses		Total
		Not impaired	Impaired	
Beginning balance	₩ 2,586	₩ -	₩ -	₩ 2,586
Transfer to 12-month expected credit losses	-	-	-	-
Transfer to lifetime expected credit losses	-	-	-	-
Transfer to lifetime expected credit losses	-	-	-	-
Provision of allowance	56	-	-	56
Others	72	-	-	72
Ending balance	₩ 2,714	₩ -	₩ -	₩ 2,714

Changes in the amount of total book amount of debt securities at FVOCI for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025			
	12-month expected credit losses	Lifetime expected credit losses		Total
		Not impaired	Impaired	
Beginning balance	₩ 6,747,703	₩ -	₩ -	₩ 6,747,703
Transfer to 12-month expected credit losses	-	-	-	-
Transfer to lifetime expected credit losses	-	-	-	-
Transfer to credit-impaired financial assets	-	-	-	-
Purchase, disposal and redemption	2,838,150	-	-	2,838,150
Foreign currency translation	(51,112)	-	-	(51,112)
Others	(35,375)	-	-	(35,375)
Ending balance	₩ 9,499,366	₩ -	₩ -	₩ 9,499,366

(in millions of Korean won)

	2024			
	12-month expected credit losses	Lifetime expected credit losses		Total
		Not impaired	Impaired	
Beginning balance	₩ 5,911,822	₩ -	₩ -	₩ 5,911,822
Transfer to 12-month expected credit losses	-	-	-	-
Transfer to lifetime expected credit losses	-	-	-	-
Transfer to credit-impaired financial assets	-		-	-
Purchase, disposal and redemption	721,470	-	-	721,470
Foreign currency translation	98,525	-	-	98,525
Others	15,886	-	-	15,886
Ending balance	₩ 6,747,703	₩ -	₩ -	₩ 6,747,703

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Changes in unrealized gains or losses on financial assets at FVOCI for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025			
	Beginning balance	Gain (loss) on valuation	Realized gain (loss) on disposal	Ending balance
Equity securities:				
Non-marketable securities	₩ 332,600	₩ 111,397	₩ -	₩ 443,997
Other equity securities	10,598	(10,842)	(1,168)	(1,412)
	343,198	100,555	(1,168)	442,585
Debt securities:				
Government bonds	(2,822)	3,037	(1,694)	(1,479)
Financial bonds	2,255	(10,965)	-	(8,710)
Corporate bonds	4,242	(12,965)	-	(8,723)
Debt securities in foreign currency	7,437	10,609	(8,349)	9,697
Other debt securities	(442)	(25)	(1,517)	(1,984)
Discounts	1,394	7,899	-	9,293
	12,064	(2,410)	(11,560)	(1,906)
	₩ 355,262	₩ 98,145	₩ (12,728)	₩ 440,679

(in millions of Korean won)

	2024			
	Beginning balance	Gain (loss) on valuation	Realized gain (loss) on disposal	Ending balance
Equity securities:				
Non-marketable securities	₩ 381,983	₩ (8,903)	₩ (40,480)	₩ 332,600
Other equity securities	(6,877)	17,474	1	10,598
	375,106	8,571	(40,479)	343,198
Debt securities:				
Government bonds	(7,746)	5,849	(925)	(2,822)
Financial bonds	1,201	1,054	-	2,255
Corporate bonds	(1,242)	5,484	-	4,242
Debt securities in foreign currency	5,042	8,191	(5,796)	7,437
Other debt securities	(222)	(77)	(143)	(442)
Discounts	(2,795)	4,189	-	1,394
	(5,762)	24,690	(6,864)	12,064
	₩ 369,344	₩ 33,261	₩ (47,343)	₩ 355,262

7. Financial Assets at Amortized Cost

Details of financial assets at amortized cost as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Deposits:		
Reserve for claims of customers' deposits	₩ 3,751,082	₩ 2,178,002
Deposits for securities lending and borrowing	381,000	-
Deposits for exchange-traded derivatives transactions	425,316	252,362
Clearing margin for exchange-traded derivatives transactions	401,272	284,597
Guarantee deposits for stock borrowings from KSFC	2,496	-
Guarantee deposits for KSFC trading	473,000	250,000
Deposits for opening of a cheque account	47	47
Others	2,665,111	2,162,780
	8,099,324	5,127,788
Loan receivables:		
Broker's loans	5,807,125	3,327,790
Bonds purchased under resale agreements	1,050,000	602,500
Other loans	36,910	30,276
Loan receivables	6,391,300	4,831,186
Loans purchased	47,911	130,873
Advances for customers on guarantees	1,491	3,181
Privately placed bonds	18,109	14,625
Other securitization loans	816,577	702,366
Discounts	(1,576)	(1,218)
Deferred loan origination fees and costs	(35,154)	(41,044)
	14,132,693	9,600,535
Account receivables:		
Securities receivables	6,778,754	2,790,310
Others	1,195,270	1,564,556
	7,974,024	4,354,866
Accrued income:		
Accrued fees and commissions income	81,817	79,366
Accrued interest income	444,081	336,709
Accrued dividends income	1	20
Accrued distribution income	3,863	161
Others	205	343
	529,967	416,599
Other receivables:		
Deposits	68,394	68,886
Others	249,053	136,446
Discounts	(2,745)	(3,509)
	314,702	201,823
Provisions	(429,604)	(377,680)
	₩ 30,621,106	₩ 19,323,931

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Details of allowances for loss on financial assets at amortized cost as of December 31, 2025 and 2024 consist of the following:

(in millions of Korean won)

	2025	2024
Deposits	₩ 4,425	₩ 3,076
Loan receivables	340,439	289,972
Account receivables	67,183	74,700
Accrued income	17,557	9,932
	₩ 429,604	₩ 377,680

Changes in the allowances for loss on financial assets at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025			
	12-month expected credit losses	Lifetime expected credit losses		Total
		Not impaired	Impaired	
Beginning balance	₩ 81,973	₩ 34,120	₩ 261,587	₩ 377,680
Transfer to 12-month expected credit losses	3,061	(3,061)	-	-
Transfer to lifetime expected credit losses	(1,833)	1,833	-	-
Transfer to credit-impaired financial assets	(245)	(4,328)	4,573	-
Provision of allowances	17,158	34,911	26,190	78,259
Write-off	-	-	(13,717)	(13,717)
Repayment	-	-	9	9
Foreign currency translation and other	(647)	-	(11,980)	(12,627)
Ending balance	₩ 99,467	₩ 63,475	₩ 266,662	₩ 429,604

(in millions of Korean won)

	2024			
	12-month expected credit losses	Lifetime expected credit losses		Total
		Not impaired	Impaired	
Beginning balance	₩ 61,944	₩ 21,868	₩ 239,576	₩ 323,388
Transfer to 12-month expected credit losses	5,563	(4,194)	(1,369)	-
Transfer to lifetime expected credit losses	(3,724)	3,724	-	-
Transfer to credit-impaired financial assets	(692)	(5,826)	6,518	-
Provision of allowances	18,174	18,502	40,968	77,644
Write-off	-	-	(15,295)	(15,295)
Repayment	-	-	181	181
Foreign currency translation and other	708	46	(8,992)	(8,238)
Ending balance	₩ 81,973	₩ 34,120	₩ 261,587	₩ 377,680

Changes in total book amount of financial assets at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025			
	12-month expected credit losses	Lifetime expected credit losses		Total
		Not impaired	Impaired	
Beginning balance	₩ 19,026,583	₩ 324,197	₩ 350,831	₩ 19,701,611
Transfer to 12-month expected credit losses	30,000	(30,000)	-	-
Transfer to lifetime expected credit losses	(59,942)	59,942	-	-
Transfer to credit-impaired financial assets	(4,014)	(29,491)	33,505	-
Purchase, disposal and redemption	11,535,192	(56,433)	(70,767)	11,407,992
Write-off	-	-	(13,717)	(13,717)
Foreign currency translation and other	(45,264)	-	88	(45,176)
Ending balance	₩ 30,482,555	₩ 268,215	₩ 299,940	₩ 31,050,710

(in millions of Korean won)

	2024			
	12-month expected credit losses	Lifetime expected credit losses		Total
		Not impaired	Impaired	
Beginning balance	₩ 18,744,786	₩ 224,394	₩ 489,106	₩ 19,458,286
Transfer to 12-month expected credit losses	83,316	(65,816)	(17,500)	-
Transfer to lifetime expected credit losses	(263,203)	263,203	-	-
Transfer to credit-impaired financial assets	(12,695)	(38,889)	51,584	-
Purchase, disposal and redemption	245,789	(58,690)	(160,684)	26,415
Write-off	-	-	(15,295)	(15,295)
Foreign currency translation and other	228,590	(5)	3,620	232,205
Ending balance	₩ 19,026,583	₩ 324,197	₩ 350,831	₩ 19,701,611

Broker's loans

The Group finances stock acquisition funds for customers in credit transactions and the margin to customers from the transactions is financed by borrowings from Korea Securities Finance Co. and the Group's capital, and the annual interest rate ranges from 5.4% to 9.6% (annual overdue interest rate ranges annual interest rate+3%, maximum from 11.0% to 13.0%). The Group records this transaction as margin to customers.

The Group provides loans secured by securities; the annual interest rate ranges from 5.0% to 9.5% (annual overdue interest rate ranges annual interest rate+3%, maximum from 11.0% to 13.0%) and such rate can be readjusted depending on the market condition.

For margin loans, an amount equivalent to from 140% to 170% of loans in the form of securities or cash is set to be pledged as collateral and the amount is calculated by summing margins to customers and loans. The securities purchased by the customers using such loans are pledged as collateral.

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8. Deposits and Others Restricted in Use

Details of deposits and others restricted in use as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Financial assets at FVTPL:		
Reserve for claims of customers' deposits(trust)[1]	₩ 5,592,577	₩ 3,584,167
Financial assets at amortized cost - Deposits:		
Reserve for claims of customers' deposits(deposits)[1]	3,751,082	2,178,002
Deposits for securities lending and borrowing[1]	381,000	-
Deposits for exchange-traded derivatives transactions	386,853	186,428
Clearing margin for exchange-traded derivatives transactions	401,137	279,187
Guarantee deposits for stock borrowings from KSFC	2,496	-
Guarantee deposits for KSFC trading	473,000	250,000
Deposits for opening of a checking account	47	47
Others (deposits)	1,622,897	839,134
	₩ 7,018,512	₩ 3,732,798
	₩ 12,611,089	₩ 7,316,965

1. Pursuant to the Financial Investment Services and Capital Markets Act, the Group is required to deposit with the Korean Securities Finance Corporation ("KSFC") for the payment of its customers' deposits and those amounts are recalculated daily.

9. Classification of Financial Instruments by Category

Details of classification of financial assets by category as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025			
	Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Total
Cash and cash equivalents	₩ -	₩ -	₩ 2,630,830	₩ 2,630,830
Securities at FVTPL	33,985,886	-	-	33,985,886
Loans at FVTPL	2,374,862	-	-	2,374,862
Derivative assets held for trading	1,254,837	-	-	1,254,837
Financial assets at FVOCI	-	11,259,648	-	11,259,648
Financial assets at amortized cost	-	-	30,621,106	30,621,106
	₩ 37,615,585	₩ 11,259,648	₩ 33,251,936	₩ 82,127,169

(in millions of Korean won)

	2024			
	Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Total
Cash and cash equivalents	₩ -	₩ -	₩ 1,584,469	₩ 1,584,469
Securities at FVTPL	29,737,261	-	-	29,737,261
Loans at FVTPL	1,337,334	-	-	1,337,334
Derivative assets held for trading	1,056,993	-	-	1,056,993
Financial assets at FVOCI	-	8,228,102	-	8,228,102
Financial assets at amortized cost	-	-	19,323,931	19,323,931
	₩ 32,131,588	₩ 8,228,102	₩ 20,908,400	₩ 61,268,090

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December 31, 2025 and 2024

Details of classification of financial liabilities by category as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025		
	Financial liabilities at FVTPL	Financial liabilities at amortized cost	Total
Deposits due to customers	₩ -	₩ 13,001,131	₩ 13,001,131
Financial liabilities at FVTPL	3,225,481	-	3,225,481
Financial liabilities designated at FVTPL	7,956,285	-	7,956,285
Derivative liabilities held for trading	2,027,831	-	2,027,831
Borrowings	-	32,673,430	32,673,430
Debentures	-	4,707,188	4,707,188
Other financial liabilities	-	9,714,566	9,714,566
	₩ 13,209,597	₩ 60,096,315	₩ 73,305,912

(in millions of Korean won)

	2024		
	Financial liabilities at FVTPL	Financial liabilities at amortized cost	Total
Deposits due to customers	₩ -	₩ 7,971,818	₩ 7,971,818
Financial liabilities at FVTPL	2,763,804	-	2,763,804
Financial liabilities designated at FVTPL	7,771,234	-	7,771,234
Derivative liabilities held for trading	1,628,441	-	1,628,441
Borrowings	-	24,446,513	24,446,513
Debentures	-	2,850,402	2,850,402
Other financial liabilities	-	6,179,344	6,179,344
	₩ 12,163,479	₩ 41,448,077	₩ 53,611,556

10. Fair Value of Financial Instruments

The following three levels are used to classify fair value measurements.

1) Level 1

Unadjusted quoted prices in active markets for identical assets or liabilities.

2) Level 2

Inputs other than quoted prices that are observable for the asset or liability either directly (that is, prices) or indirectly (that is, derived from prices).

3) Level 3

Inputs that are not based on observable market data.

If the financial instruments are traded in active markets, best estimate of fair value is the quoted price (Level 1). Quoted prices are easily available on a regular basis through exchanges, seller, broker, group of industry, rating agencies or regulatory agencies, and if that price represents any actual market transaction between independent parties, then it is considered that the price of the financial instrument is presented in an active market. If there is no active market for the financial instrument, the fair value is measured using valuation techniques. The Group maximizes the use of market information and minimizes the use of the Group's internal information when applying the chosen valuation technique.

The valuation techniques include all the elements that participants will consider when determining the price. The Group periodically uses similar financial instrument's observable current market price with same valuation techniques (i.e. not modified or restructured), or reviews the validity based on observable market data.

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10.1 Financial Instruments Measured at Fair Value

The fair value and the related hierarchy of financial instruments measured at fair value as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025				
	Book amount	Fair value	Level 1	Level 2	Level 3
Financial assets:					
Securities at FVTPL[1]	₩ 33,985,886	₩ 33,985,886	₩ 9,455,914	₩ 18,997,901	₩ 5,532,071
Loans at FVTPL	2,374,862	2,374,862	-	-	2,374,862
Derivative assets held for trading	1,254,837	1,254,837	18,614	1,100,238	135,985
Financial assets at FVOCI	11,259,648	11,259,648	204,653	9,294,712	1,760,283
	₩ 48,875,233	₩ 48,875,233	₩ 9,679,181	₩ 29,392,851	₩ 9,803,201
Financial liabilities:					
Financial liabilities at FVTPL	₩ 3,225,481	₩ 3,225,481	₩ 3,225,481	₩ -	₩ -
Financial liabilities designated at FVTPL	7,956,285	7,956,285	197,522	511,582	7,247,181
Derivative liabilities held for trading	2,027,831	2,027,831	22,663	1,328,672	676,496
	₩ 13,209,597	₩ 13,209,597	₩ 3,445,666	₩ 1,840,254	₩ 7,923,677

1. Securities at FVTPL include derivative-linked securities, of which the amount classified as Level 3 is ₩ 114,102 million.

(in millions of Korean won)

	2024				
	Book amount	Fair value	Level 1	Level 2	Level 3
Financial assets:					
Securities at FVTPL[1]	₩ 29,737,261	₩ 29,737,261	₩ 7,188,944	₩ 17,555,176	₩ 4,993,141
Loans at FVTPL	1,337,334	1,337,334	-	-	1,337,334
Derivative assets held for trading	1,056,993	1,056,993	10,750	958,068	88,175
Financial assets at FVOCI	8,228,102	8,228,102	609,919	7,065,252	552,931
	₩ 40,359,690	₩ 40,359,690	₩ 7,809,613	₩ 25,578,496	₩ 6,971,581
Financial liabilities:					
Financial liabilities at FVTPL	₩ 2,763,804	₩ 2,763,804	₩ 2,763,804	₩ -	₩ -
Financial liabilities designated at FVTPL	7,771,234	7,771,234	20,944	911,601	6,838,689
Derivative liabilities held for trading	1,628,441	1,628,441	45,140	1,001,952	581,349
	₩ 12,163,479	₩ 12,163,479	₩ 2,829,888	₩ 1,913,553	₩ 7,420,038

1. Securities at FVTPL include derivative-linked securities, of which the amount classified as Level 3 is ₩ 99,037 million.

Changes in the financial assets and liabilities measured at fair value, classified in Level 3, for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025						
	Beginning balance	Profit or loss	Other comprehensive income	Purchase/ issuance	Settlement	Others[1]	Ending balance
Financial assets:							
Securities at FVTPL	₩ 4,993,141	₩ 297,604	₩ -	₩ 1,755,784	₩ (1,374,378)	₩ (140,080)	₩ 5,532,071
Loans at FVTPL	1,337,334	8,670	-	6,078,708	(5,049,850)	-	2,374,862
Derivative assets held for trading	88,175	53,188	-	9,052	(14,430)	-	135,985
Financial assets at FVOCI	552,931	-	145,418	175	-	1,061,759	1,760,283
	₩ 6,971,581	₩ 359,462	₩ 145,418	₩ 7,843,719	₩ (6,438,658)	₩ 921,679	₩ 9,803,201
Financial liabilities:							
Financial liabilities designated at FVTPL	₩ 6,838,689	₩ 395,194	₩ -	₩ 5,740,743	₩ (5,727,445)	₩ -	₩ 7,247,181
Derivative liabilities held for trading	581,349	99,248	-	38,721	(42,822)	-	676,496
	₩ 7,420,038	₩ 494,442	₩ -	₩ 5,779,464	₩ (5,770,267)	₩ -	₩ 7,923,677

1. The movements between fair value hierarchy levels for the financial instruments occurred due to change in the availability of observable market data.

(in millions of Korean won)

	2024						
	Beginning balance	Profit or loss	Other comprehensive income	Purchase/ issuance	Settlement	Others[1]	Ending balance
Financial assets:							
Securities at FVTPL	₩ 4,683,043	₩ 136,490	₩ -	₩ 2,346,551	₩ (2,095,858)	₩ (77,084)	₩ 4,993,142
Loans at FVTPL	601,866	16,932	-	2,651,778	(1,933,242)	-	1,337,334
Derivative assets held for trading	97,184	49,396	-	367	(58,772)	-	88,175
Financial assets at FVOCI	698,644	-	(11,818)	-	(133,895)	-	552,931
	₩ 6,080,737	₩ 202,818	₩ (11,818)	₩ 4,998,696	₩ (4,221,767)	₩ (77,084)	₩ 6,971,582
Financial liabilities:							
Financial liabilities designated at FVTPL	₩ 6,530,380	₩ 275,287	₩ -	₩ 5,151,009	₩ (5,117,987)	₩ -	₩ 6,838,689
Derivative liabilities held for trading	516,063	219,364	-	11,166	(165,244)	-	581,349
	₩ 7,046,443	₩ 494,651	₩ -	₩ 5,162,175	₩ (5,283,231)	₩ -	₩ 7,420,038

1. The movements between fair value hierarchy levels for the financial instruments occurred due to change in the availability of observable market data

The Group recognizes transfers between levels at the date of an event or a circumstance causing the transfer occurs.

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Changes in significant unobservable input variables are subject to a sensitivity analysis, which measures the impact on the fair value of financial instruments classified as Level 3. The amounts of impact reported as favorable and unfavorable changes for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025				
	Book amount	Profit or loss		Other comprehensive income (loss)	
		Favorable	Unfavorable	Favorable	Unfavorable
Financial assets:					
Securities at FVTPL[1]	₩ 5,532,071	₩ 61,819	₩ (43,552)	₩ -	₩ -
Loans at FVTPL[2]	2,374,862	47,997	(44,275)	-	-
Derivative assets held for trading[3]	135,985	17,171	(22,174)	-	-
Financial assets at FVOCI[4]	1,760,283	-	-	108,651	(99,067)
	₩ 9,803,201	₩ 126,987	₩ (110,001)	₩ 108,651	₩ (99,067)
Financial liabilities:					
Financial liabilities designated at FVTPL[5]	₩ 7,247,181	₩ 32,441	₩ (23,153)	₩ -	₩ -
Derivative liabilities held for trading[3]	676,496	24,629	(29,102)	-	-
	₩ 7,923,677	₩ 57,070	₩ (52,255)	₩ -	₩ -

1. Fair value changes of securities at FVTPL are calculated based on the increase or decrease in the discount rate, the major unobservable input. Fair value changes of derivatives-linked securities are calculated by an increase or decrease in the correlation (Correlation between two or more underlying assets) and variability, the major unobservable inputs, by 10%.
2. Fair value changes of loans at FVTPL are calculated by an increase or decrease in the interest rate and stock price/variability of the major unobservable inputs by 1%p and 10%.
3. Fair value changes of derivatives related to stock, interest rate, credit, currency and commodity are calculated by an increase or decrease in the correlation (Correlation between two or more underlying assets) and variability, the major unobservable inputs, by 10%.
4. Fair value changes of stocks are calculated by the increase or decrease in the growth rate by -1~1%p and discount rate by -1~1%p, the major unobservable inputs.
5. Fair value changes of financial liabilities designated at FVTPL are calculated by the increase or decrease in the correlation (Correlation between two or more underlying assets) and variability, the major unobservable inputs, by 10%.

(in millions of Korean won)

	2024				
	Book amount	Profit or loss		Other comprehensive income (loss)	
		Favorable	Unfavorable	Favorable	Unfavorable
Financial assets:					
Securities at FVTPL[1]	₩ 4,993,141	₩ 67,998	₩ (39,147)	₩ -	₩ -
Loans at FVTPL[2]	1,337,334	24,956	(21,325)	-	-
Derivative assets held for trading[3]	88,175	9,956	(11,014)	-	-
Financial assets at FVOCI[4]	552,931	-	-	31,348	(23,644)
	₩ 6,971,581	₩ 102,910	₩ (71,486)	₩ 31,348	₩ (23,644)
Financial liabilities:					
Financial liabilities designated at FVTPL[5]	₩ 6,838,689	₩ 23,402	₩ (20,235)	₩ -	₩ -
Derivative liabilities held for trading[3]	581,349	15,763	(17,989)	-	-
	₩ 7,420,038	₩ 39,165	₩ (38,224)	₩ -	₩ -

1. Fair value changes of securities at FVTPL are calculated based on the increase or decrease in the discount rate, the major unobservable input. Fair value changes of derivatives-linked securities are calculated by an increase or decrease in the correlation (Correlation between two or more underlying assets) and variability, the major unobservable inputs, by 10%.
2. Fair value changes of loans at FVTPL are calculated by an increase or decrease in the interest rate and stock price/variability of the major unobservable inputs by 1%p and 10%.
3. Fair value changes of derivatives related to stock, interest rate, credit, currency and commodity are calculated by an increase or decrease in the correlation (Correlation between two or more underlying assets) and variability, the major unobservable inputs, by 10%.
4. Fair value changes of stocks are calculated by the increase or decrease in the growth rate by -1~1%p and discount rate by -1~1%p, the major unobservable inputs.
5. Fair value changes of financial liabilities designated at FVTPL are calculated by the increase or decrease in the correlation (Correlation between two or more underlying assets) and variability, the major unobservable inputs, by 10%.

As of December 31, 2025 and 2024, the Group measured the beneficiary certificates whose fair values do not exist in the active market and underlying assets are foreign alternative investments, based on unobservable inputs using the best information available; and used the same valuation techniques in the assessment of derivatives-linked securities (financial liabilities designated at fair value through profit or loss) whose underlying assets are those beneficiary certificates. In addition, as of December 31, 2025, the Group measured the beneficiary certificates related to Optimus Asset Management Funds, whose fair values do not exist in the active market, based on unobservable inputs using the best information available.

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Fair value measurement methods and input variables for each type of financial instruments measured at fair value, classified at Level 2 are as follows:

	Fair value measurement methods	Input variables
Financial assets:		
Securities at FVTPL	DCF, NAV method	Interest rate, discount rate, exchange rate
Derivative assets held for trading	DCF, Closed Form, FDM, Monte Carlo Simulation	Underlying asset price, interest rate, credit spread, exchange rate, dividend rate (yield), volatility of stock price, discount rate
Financial assets at FVOCI	DCF, NAV method	Interest rate, discount rate, exchange rate
Financial liabilities:		
Financial liabilities designated at FVTPL	DCF, Closed Form, FDM, Monte Carlo Simulation	Underlying asset price, interest rate, credit spread, exchange rate, dividend rate (yield), volatility of stock price, discount rate
Derivative liabilities held for trading		

Fair value measurement methods, input variables, and significant unobservable inputs for each type of financial instruments measured at fair value, classified at Level 3 are as follows:

	Valuation technique	Significant unobservable inputs	Range (weighted average)(%)	Sensitivity of the input to fair value
Financial assets:				
Financial assets at FVTPL	DCF, NAV method, Binomial model, Closed Form, FDM, Monte Carlo Simulation, Hull-White model	Discount rate	2.53~28.86	Decrease in the discount rate would result in increase in fair value
		Growth rate	0.00	Increase in the growth rate would result in increase in fair value
		Correlation of interest rate	74.68~93.99	Increase in the correlation of interest rate would result in decrease in fair value
		Historical volatility	2.21~94.95	Increase in the volatility would result in increase or decrease in fair value
		Correlation	-99.58~97.32	Increase in the correlation would result in increase in fair value
		Swaption volatility	0.22~0.87	Increase in the volatility would result in increase or decrease in fair value
Derivative assets held for trading	DCF, Closed Form, FDM, Monte Carlo Simulation	Correlation of interest rate	74.68~93.99	Increase in the correlation of interest rate would result in decrease in fair value
		Historical volatility	3.01~94.95	Increase in the volatility would result in increase or decrease in fair value
		Correlation	-99.58~97.32	Increase in the correlation would result in increase in fair value
		Swaption volatility	0.22~0.87	Increase in the volatility would result in increase or decrease in fair value
Financial assets at FVOCI	DCF, NAV method, Comparable company analysis, Hull-White model	Discount rate	2.90~13.34	Decrease in the discount rate would result in increase in fair value
		Growth rate	0.00~1.00	Increase in the growth rate would result in increase in fair value
Financial liabilities:				
Financial liabilities designated at FVTPL	DCF, NAV method, Closed Form, FDM, Monte Carlo Simulation	Correlation of interest rate	74.68~93.99	Increase in the correlation of interest rate would result in decrease in fair value
		Historical volatility	3.01~94.95	Increase in the volatility would result in increase or decrease in fair value
Derivative liabilities held for trading		Correlation	-99.58~97.32	Increase in the correlation would result in increase in fair value
		Swaption volatility	0.22~0.87	Increase in the volatility would result in increase or decrease in fair value

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10.2 Financial Instruments Not Measured at Fair Value for which Fair Value is Disclosed

Fair value hierarchy of financial instruments of which fair value is not recognized but disclosed as of December 31, 2025 and 2024 is as follows:

(in millions of Korean won)

	2025				
	Carrying value	Fair value	Level 1	Level 2	Level 3
Financial assets:					
Financial assets at amortized cost	₩ 30,621,106	₩ 29,864,871	₩ -	₩ 10,035,595	₩ 19,829,276
Financial liabilities:					
Deposits due to customers[1]	13,001,131	13,001,131	-	-	13,001,131
Borrowings	32,673,430	32,671,205	-	14,543,791	18,127,414
Debentures	4,707,188	14,356,835	-	14,356,835	-
Other financial liabilities[2]	9,714,566	9,714,566	-	-	9,714,566
	₩ 60,096,315	₩ 69,743,737	₩ -	₩ 28,900,626	₩ 40,843,111

1. As most deposits have maturity of less than a year, the book amount was used as proxy of fair value.
2. As accrued expenses and accounts payables are short-term debt, book amount was used as reasonable proxy of fair value.

(in millions of Korean won)

	2024				
	Carrying value	Fair value	Level 1	Level 2	Level 3
Financial assets:					
Financial assets at amortized cost	₩ 19,323,931	₩ 18,951,780	₩ -	₩ 6,477,085	₩ 12,474,695
Financial liabilities:					
Deposits due to customers[1]	7,971,818	7,971,818	-	-	7,971,818
Borrowings	24,446,513	24,446,130	-	10,107,200	14,338,930
Debentures	2,850,402	2,876,801	-	2,876,801	-
Other financial liabilities[2]	6,179,344	6,179,344	-	-	6,179,344
	₩ 41,448,077	₩ 41,474,093	₩ -	₩ 12,984,001	₩ 28,490,092

1. As most deposits have maturity of less than a year, the book amount was used as proxy of fair value.
2. As accrued expenses and accounts payables are short-term debt. book amount was used as reasonable proxy of fair value.

Fair value measurement methods and input variables for each type of financial instruments recorded at amortized cost and classified in level 2 and 3 are as follows:

	Fair value measurement methods
Financial assets at amortized cost	The fair value is measured by discounting the projected cash flows of loan products by applying the market discount rate that has been applied to a proxy company that has similar credit rating to the debtor. For lines of credit and loans that have a short-term maturity (less than six months), it is assumed that the carrying amounts approximate to their fair value.
Deposits due to customers and borrowings	The fair value is measured by discounting the projected cash flows of debt products by applying the market discount rate that is reflecting credit rating of the Group. However, if the carrying value is not significantly different from the fair value, it assumes that the carrying amounts approximate to the fair value.
Debentures	Borrowings are measured by discounting expected future cash flows using current market rate.
Other financial liabilities	For other financial liabilities that consist of suspense accounts derived from various transactions, and whose maturity is relatively short or indeterminable, the carrying value is considered as fair value.

10.3 Deferred Day 1 Profits and Losses

Changes in deferred day 1 profits and losses for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Beginning balance	₩ 52,655	₩ 62,868
New transactions	58,842	35,392
Amounts recognized in profits or loss	(42,015)	(45,605)
Ending balance	₩ 69,482	₩ 52,655

In the case that the Group measured the fair value of financial instruments with unobservable inputs, the Group recognized the fair value of the instrument at the transaction price if the fair value at initial measurement is different from the transaction price. The difference between the fair value at initial measurement and the transaction price is deferred and amortized using a straight-line method until the maturity of the instrument. However, in the case where inputs of the valuation techniques become observable in markets, the remaining deferred difference is immediately recognized as gain or loss. The table above shows the detailed differences yet to be recognized in gain or loss for each of the two years in the period ended December 31, 2025.

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11. Offsetting Financial Assets and Liabilities

Financial assets and liabilities that are subject to offsetting, enforceable master netting agreements and similar agreements as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025					
	Recognized financial assets	Financial liabilities set off	Net amounts of financial assets presented	Related amounts not set off in the statement of financial position		Net amounts
				Financial instruments	Financial collateral received/pledged	
Derivative assets[1,2]	₩ 1,031,687	₩ -	₩ 1,031,687	₩ 1,187,823	₩ 11,200	₩ 475,056
Receivable spot exchange[3]	642,392	-	642,392			
Bonds purchased under repurchase agreements (loans)[3]	1,050,000	-	1,050,000	1,050,000	-	-
Loaned securities[3]	293,137	-	293,137	293,137	-	-
Account receivable[4]	13,587,771	6,567,513	7,020,258	4,175,940	-	2,844,318
	₩ 16,604,987	₩ 6,567,513	₩ 10,037,474	₩ 6,706,900	₩ 11,200	₩ 3,319,374

1. Including parts of derivatives assets held for trading, derivative assets held for hedging and financial assets at FVTPL.
2. Certain OTC derivatives are traded under ISDA (International Swaps and Derivatives Association) master netting agreements. Based on the agreement, all derivatives contracts between the parties are cancelled provided that credit accident occurs. In that event, net amounts after deducting the related receivables or payables determined at the time of termination are settled.
3. Similar netting agreements are also entered into with the transactions of reverse repurchase, spot, securities and others.
4. Including receivables and payables in accordance with settlement of exchange-traded securities and presented as net amount in the statement of financial position for the transactions in which the Group has an enforceable right to offset and transactions are settled on a net basis.

(in millions of Korean won)

	2024					
	Recognized financial assets	Financial liabilities set off	Net amounts of financial assets presented	Related amounts not set off in the statement of financial position		Net amounts
				Financial instruments	Financial collateral received/pledged	
Derivative assets[1,2]	₩ 963,123	₩ -	₩ 963,123	₩ 979,027	₩ 51,198	₩ 545,386
Receivable spot exchange[3]	612,488	-	612,488			
Bonds purchased under repurchase agreements (loans)[3]	602,500	-	602,500	602,500	-	-
Loaned securities[3]	51,487	-	51,487	51,487	-	-
Account receivable[4]	5,423,435	2,091,883	3,331,552	1,516,131	-	1,815,421
	₩ 7,653,033	₩ 2,091,883	₩ 5,561,150	₩ 3,149,145	₩ 51,198	₩ 2,360,807

1. Including parts of derivatives assets held for trading, derivative assets held for hedging and financial assets at FVTPL.
2. Certain OTC derivatives are traded under ISDA (International Swaps and Derivatives Association) master netting agreements. Based on the agreement, all derivatives contracts between the parties are cancelled provided that credit accident occurs. In that event, net amounts after deducting the related receivables or payables determined at the time of termination are settled.
3. Similar netting agreements are also entered into with the transactions of reverse repurchase, spot, securities and others.
4. Including receivables and payables in accordance with settlement of exchange-traded securities and presented as net amount in the statement of financial position for the transactions in which the Group has an enforceable right to offset and transactions are settled on a net basis.

Financial liabilities that are subject to offsetting, enforceable master netting agreements and similar agreements as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025					
	Recognized financial liabilities	Financial assets set off	Net amounts of financial liabilities presented	Related amounts not set off in the statement of financial position		Net amounts
				Financial instruments	Financial collateral received/pledged	
Derivative liabilities[1,2]	₩ 3,421,819	₩ -	₩ 3,421,819	₩ 2,547,518	₩ 88,873	₩ 1,427,752
Payable spot exchange[3]	642,324	-	642,324			
Bonds sold under repurchase agreements[3]	11,613,663	-	11,613,663	11,613,663	-	-
Borrowed securities[3]	3,225,481	-	3,225,481	3,225,481	-	-
Account payables[4]	13,547,396	6,567,513	6,979,883	4,175,940	-	2,803,943
	₩ 32,450,683	₩ 6,567,513	₩ 25,883,170	₩ 21,562,602	₩ 88,873	₩ 4,231,695

1. Including parts of derivatives liabilities held for trading, derivative liabilities held for hedging and financial liabilities designated at FVTPL.
2. Certain OTC derivatives are traded under ISDA (International Swaps and Derivatives Association) master netting agreements. Based on the agreement, all derivatives contracts between the parties are cancelled provided that credit accident occurs. In that event, net amounts after deducting the related receivables or payables determined at the time of termination are settled.
3. Similar netting agreements are also entered into with the transactions of reverse repurchase, spot, securities and others.
4. Including receivables and payables in accordance with settlement of exchange-traded securities and presented as net amount in the statement of financial position for the transactions in which the Group has an enforceable right to offset and transactions are settled on a net basis.

(in millions of Korean won)

	2024					
	Recognized financial liabilities	Financial assets set off	Net amounts of financial liabilities presented	Related amounts not set off in the statement of financial position		Net amounts
				Financial instruments	Financial collateral received/pledged	
Derivative liabilities[1,2]	₩ 3,698,957	₩ -	₩ 3,698,957	₩ 2,256,416	₩ 416,288	₩ 1,638,822
Payable spot exchange[3]	612,569	-	612,569			
Bonds sold under repurchase agreements[3]	10,073,440	-	10,073,440	10,073,440	-	-
Borrowed securities[3]	2,763,804	-	2,763,804	2,763,804	-	-
Account payables[4]	5,680,179	2,091,884	3,588,295	1,516,131	-	2,072,164
	₩ 22,828,949	₩ 2,091,884	₩ 20,737,065	₩ 16,609,791	₩ 416,288	₩ 3,710,986

1. Including parts of derivatives liabilities held for trading purpose, derivative liabilities held for hedging and financial liabilities designated at FVTPL.
2. Certain OTC derivatives are traded under ISDA (International Swaps and Derivatives Association) master netting agreements. Based on the agreement, all derivatives contracts between the parties are cancelled provided that credit accident occurs. In that event, net amounts after deducting the related receivables or payables determined at the time of termination are settled.
3. Similar netting agreements are also entered into with the transactions of reverse repurchase, spot, securities and others.
4. Including receivables and payables in accordance with settlement of exchange-traded securities and presented as net amount in the statement of financial position for the transactions in which the Group has an enforceable right to offset and transactions are settled on a net basis.

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12. Transfers of Financial Assets

Details of financial instruments in securities sold under repurchase agreement that are disposed of under the condition that the securities held by the Group shall be repurchased at confirmed prices and thus do not meet the criteria for derecognition as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Transferred assets:		
Financial assets at FVTPL	₩ 6,258,174	₩ 6,956,664
Financial assets at FVOCI	6,033,469	3,742,213
	₩ 12,291,643	₩ 10,698,877
Related liabilities:		
Securities sold under repurchase agreements	₩ 11,613,663	₩ 10,073,440

Details of loaned securities as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024	Loaned from
Financial assets at FVTPL			
Equity securities	₩ 33,917	₩ -	KSFC, etc.
Beneficiary certificates	-	11,861	KSFC, etc.
Debt securities	259,220	39,626	KSFC, etc.
	₩ 293,137	₩ 51,487	

In the case of lending securities held by the Group, ownership of the securities is transferred, but the securities are returned when the period expires. As the Group holds most of the risks and rewards of these securities, the Group continues to recognize the entire securities lent.

As of December 31, 2025, the structured entity subject to consolidation issued asset-backed securities using loans and corporate bonds held by the Group, and the Parent Company bears related risks through credit offerings. The carrying amounts of financial assets and related liabilities recognized related to the asset-backed securities as of December 31, 2025 are ₩ 968,097 million (2024: ₩ 731,601 million) and ₩ 1,006,734 million (2024: ₩ 762,812 million), respectively.

13. Pledged Assets and Asset Held by Executing Pledge

Details of pledged assets as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

Collateral provided to	Pledged assets	2025	2024	Reason for collateral
Samsung Asset Management Co., Ltd, etc.	Financial assets at FVTPL (Equity securities)	₩ 185,675	₩ 134,393	OTC derivatives transaction, etc.
Korea Securities Depository etc.	Financial assets at FVTPL (Equity securities)	2,404,542	701,989	Securities lending and borrowing
Korea Exchange	Financial assets at FVTPL (Equity securities)	18,182	1,305	Margins on exchange traded derivatives, etc.
Korea Securities Depository etc.	Financial assets at FVTPL (Beneficiary certificates)	1,484,927	993,836	Securities lending and borrowing
Samsung Asset Management Co., Ltd, etc.	Financial assets at FVTPL (Beneficiary certificates)	163,331	593,063	OTC derivatives transaction, etc.
Citibank Korea Inc., etc.	Financial assets at FVTPL (Debt securities)	735,775	868,972	CSA agreement collateral, etc.
Korea Securities Finance Corp.	Financial assets at FVTPL (Debt securities)	2,484,610	2,343,206	Securities lending and borrowing
Korea Securities Depository etc.	Financial assets at FVTPL (Debt securities)	787,661	1,356,044	Securities lending and borrowing
Korea Investment & Securities Co., Ltd., etc.	Financial assets at FVTPL (Debt securities)	13,877	4,675	Margins on exchange traded derivatives
Korea Securities Depository etc.	Financial assets at FVTPL (Debt securities)	6,258,174	6,956,664	RP collateral[1]
Korea Exchange	Financial assets at FVTPL (Debt securities)	60,877	57,573	Margins on exchange traded derivatives
Korea Exchange	Financial assets at FVTPL (Debt securities)	574,130	212,278	Guarantee trading deposits for OTC-CCP, etc.
Korea Securities Finance Corp.	Financial assets at FVTPL (Debt securities)	180,798	188,690	Distribution loan guarantee loan, etc.
Korea Securities Finance Corp., etc.	Financial assets at FVTPL (Commercial paper securities)	1,699,024	916,082	Securities lending and borrowing
Korea Securities Finance Corp.	Financial assets at FVOCI (Equity securities)	47,311	41,399	Mortgage arrangement
Korea Securities Depository etc.	Financial assets at FVOCI (Debt securities)	6,033,469	3,742,213	RP collateral[1]
Korea Securities Finance Corp., etc.	Financial assets at FVOCI (Debt securities)	709,360	705,569	CSA agreement collateral, etc.
Korea Securities Finance Corp.	Financial assets at FVOCI (Debt securities)	332,604	535,585	Securities lending and borrowing
Korea Securities Finance Corp.	Financial assets at FVOCI (Debt securities)	141,624	307,621	Distribution loan guarantee loan
Korea Securities Depository	Financial assets at FVOCI (Debt securities)	31,822	177,988	Securities lending and borrowing
Korea Exchange	Financial assets at FVOCI (Debt securities)	64,688	90,468	Margins on exchange traded derivatives and others
Korea Exchange	Financial assets at FVOCI (Debt securities)	406,350	305,282	Guarantee trading deposits for OTC-CCP, etc.
Korea Exchange	Financial assets at FVOCI (Debt securities)	28,068	39,894	Collective fund for default loss, etc.
Korea Investment & Securities Co., Ltd etc.	Financial assets at FVOCI (Debt securities)	29,307	32,938	Margins on exchange traded derivatives
Morgan Stanley & Co Intl Plc, etc.	Financial assets at amortized cost (Deposits etc.)	818	10,000	CSA agreement collateral, etc.

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Collateral provided to	Pledged assets	2025	2024	Reason for collateral
SAMSUNG SECURITIES CO.,LTD	Financial assets at amortized cost (Deposits etc.)	3,285	-	Margins on exchange traded derivatives and others
MIRAE ASSET SECURITIES.Co., Ltd, etc.	Financial assets at amortized cost (Deposits etc.)	4,157,183	2,090,082	Securities lending and borrowing
Woori Bank etc.	Financial assets at amortized cost (Deposits etc.)	206,162	208,407	Loans secured by deposit, etc.
Korea Exchange etc.	Financial assets at amortized cost (Deposits etc.)	113,060	-	Guarantee trading deposits for foreign OTC-CCP, etc.
Korea Securities Finance Corp.	Financial assets at amortized cost (Deposits etc.)	223,000	-	Distribution loan guarantee loan
NH Bank, etc.	Financial assets at amortized cost (Deposits etc.)	344	344	Deposits for rents
Shinhan Card etc.	Property and equipment, and investment property (Land)	106,180	107,373	Deposits for rents
Shinhan Card etc.	Property and equipment, and investment property (Building)	181,239	189,273	Deposits for rents
		₩ 29,867,457	₩ 23,913,206	

1. Including collaterals for customer RP transactions

In addition, the Group has pledged borrowed securities amounting to bonds of ₩ 5,709,625 million and ₩ 4,281,758 million as of December 31, 2025 and 2024, respectively, as collateral.

The fair value of the collaterals held with right to sell and repledge regardless of default by the owner of the collateral as of December 31, 2025 and 2024 is as follows:

(in millions of Korean won)

	2025		2024	
	Fair value of the collateral	Fair value of the collaterals sold or repledged	Fair value of the collateral	Fair value of the collaterals sold or repledged
Securities	₩ 946,663	₩ 267,710	₩ 816,010	₩ 66,558

14. Investments in Associates and Joint Ventures

Investments in associates and joint ventures as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	Main business	Location	Financial statements prepared as of	2025		2024	
				Percentage of ownership (%)	Book amount	Percentage of ownership (%)	Book amount
Blue Ocean Corporate Financial Stability 1st Privately Placed Investment Company [1,2]	Other financial business	Korea	2025-12-31	3.6	₩ -	3.6	₩ -
NH-LB Growth Champ 2011- 4th PEF [1]	Other financial business	Korea	2025-12-31	6.7	567	6.7	567
NH Agri-Biz Value Creative 1st PEF [1,3]	Other financial business	Korea	2025-12-31	0.5	29	0.5	28
IBK-NH Small-Giant PEF [6]	Other financial business	Korea	-	-	-	0.1	2
TRUBEN-Global Healthcare Private Equity Joint Co., Ltd.	Other financial business	Korea	2025-12-31	39.4	2,128	39.4	1,919
Starset-DA value Healthcare Investment Fund No. 2	Other financial business	Korea	2025-12-31	32.1	413	32.1	413
Starset-DA value Healthcare Investment Fund No. 3 [6]	Other financial business	Korea	-	-	-	32.1	253
Ascendo New Generation Healthcare Investment [6]	Other financial business	Korea	-	-	-	30.7	925
NH_AJU Digital Fund	Other financial business	Korea	2025-12-31	20.0	6,120	20.0	5,547
NH-AJU KOSDAQ SCALEUP FUND [3]	Other financial business	Korea	2025-12-31	28.3	2,714	28.3	3,186
NH-Paxtone Private Equity Fund [6]	Other financial business	Korea	-	-	-	29.8	16,440
NH-OPUS Corporate Financial Stability Private Equity Fund [1,3,4]	Other financial business	Korea	2025-12-31	14.7	7,431	14.7	12,230
Square-DA value Fund No.1	Other financial business	Korea	2025-12-31	36.6	532	36.6	2,270
MK Ventures-K Clavis Growth capital Venture Fund 1 [2]	Other financial business	Korea	2025-12-31	26.7	-	26.7	-
Mastern No.51 Yeouido PFV Co.,Ltd 1 [2]	Other financial business	Korea	2025-09-30	19.9	-	19.9	-
Smilegate Vietnam Kairos Private Equity Fund #1	Other financial business	Korea	2025-12-31	20.0	1,139	20.0	1,517
NH-Soo Investment innovative growth M&A fund [3]	Other financial business	Korea	2025-12-31	30.0	7,593	30.0	9,491
NH-OPUS II Corporate Financial Stability Private Equity Fund [1,3,4]	Other financial business	Korea	2025-12-31	1.0	295	1.0	523
NH Co-Investment Private Equity Fund [1,3]	Other financial business	Korea	2025-12-31	10.3	18,376	10.3	24,258
Korea Investment-Brick Investment New Technology Investment Fund 1st	Other financial business	Korea	2025-12-31	20.6	2,890	20.6	2,892
Harvest Private Equity Fund II [6]	Other financial business	Korea	-	-	-	22.1	2,991

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	Main business	Location	Financial statements prepared as of	2025		2024	
				Percentage of ownership (%)	Book amount	Percentage of ownership (%)	Book amount
NH-Horizon Secondary Fund	Other financial business	Korea	2025-12-31	32.2	869	32.2	896
The Lakebridge-Samsung Securities Growth Fund I	Other financial business	Korea	2025-12-31	33.3	687	33.3	1,893
DAYLI Swanson Bio Healthcare Fund 8 [6]	Other financial business	Korea	-	-	-	23.8	951
LD New Technology Business Investment Fund 2 [6]	Other financial business	Korea	-	-	-	28.6	1,145
Recovery Partners Co., Ltd	Other financial business	Korea	2025-09-30	29.4	1,887	29.4	2,303
Smilegate Aphrodite Serve One Fund	Other financial business	Korea	2025-12-31	28.6	2,819	28.6	2,863
Smart Quaternary Industry Square Investment Fund No. 2 [3]	Other financial business	Korea	2025-12-31	20.0	1,693	20.0	1,873
Meritz-NH Healthcare No. 1 [1]	Other financial business	Korea	2025-12-31	19.4	2,747	19.4	2,809
LB Private Equity Fund III-1 [1]	Other financial business	Korea	2025-12-31	16.1	999	16.1	1,011
Pentastone Bridge I Funds	Other financial business	Korea	2025-12-31	50.0	1,836	50.0	1,871
SJGP YG Fund No.1	Other financial business	Korea	2025-12-31	44.0	1,101	44.0	1,018
NH-Alpha 1st Fund [1]	Other financial business	Korea	2025-12-31	18.5	1,233	18.5	1,258
NH-J&-IBKC Label Technology Fund [1,3]	Other financial business	Korea	2025-12-31	14.0	3,766	14.0	4,859
NH EBEST MATERIALS Fund No.1 [6]	Other financial business	Korea	-	-	-	18.2	904
NH-OPUS III Corporate Financial Stability Private Equity Fund [1,4]	Other financial business	Korea	2025-12-31	2.2	2,554	2.2	1,637
POSITIVE Sobujang Venture Fund #1 [6]	Other financial business	Korea	-	-	-	22.0	940
NH-Meritz Hightech Fund [6]	Other financial business	Korea	-	-	-	20.7	1,704
NH Digital Alliance Fund [4]	Other financial business	Korea	2025-12-31	40.0	30,161	40.0	16,666
NH-Principle Private Equity Fund [1,3]	Other financial business	Korea	2025-12-31	11.4	685	11.4	3,154
NH-U&S-Brain Pre-IPO Investment Fund [3,4]	Other financial business	Korea	2025-12-31	27.0	4,027	27.0	1,167
NH Agtec Innovation Private Equity Fund [4]	Other financial business	Korea	2025-12-31	28.5	10,493	28.5	6,786
Nextrade Co., Ltd. [1]	Other financial business	Korea	2025-9-30	6.6	8,619	6.6	8,426
Global Materials Parts Equipment Fund [1]	Other financial business	Korea	2025-12-31	13.6	1,352	13.6	1,041
NH-IBKC EV Fund [1]	Other financial business	Korea	2025-12-31	17.0	5,694	17.0	6,222

	Main business	Location	Financial statements prepared as of	2025		2024	
				Percentage of ownership (%)	Book amount	Percentage of ownership (%)	Book amount
Orbit-SDH 2nd New Technology Business Investment Fund [6]	Other financial business	Korea	-	-	-	17.6	4,078
ESG leaders 1st Private Equity Fund [1]	Other financial business	Korea	2025-12-31	1.5	2,289	1.5	2,367
NH Woori Newdeal Growth Alpha Private Equity Fund I [1,3,4]	Other financial business	Korea	2025-12-31	11.4	24,815	11.4	22,441
Pectus-IBKC Fund No.1	Other financial business	Korea	2025-12-31	22.7	2,669	22.7	2,502
BNW Recharge Private Equity Fund	Other financial business	Korea	2025-12-31	23.5	4,973	23.5	8,535
Pine Tree III VC Private Equity Fund	Other financial business	Korea	2025-12-31	21.7	4,515	21.7	4,816
KAI Electric Fund 1 [6]	Other financial business	Korea	-	-	-	24.9	4,543
Newmain-Wanted Lab I Funds	Other financial business	Korea	2025-12-31	34.0	1,617	34.0	1,653
KNT_Daishin New Technology Investment Fund 3rd [3]	Other financial business	Korea	2025-12-31	24.1	1,811	24.1	2,061
NH-Susung No.1 Mezzanine New Technology Investment Fund [1]	Other financial business	Korea	2025-12-31	11.3	1,420	11.3	1,312
SJGP YG Fund No.4 [6]	Other financial business	Korea	-	-	-	46.8	1,685
NH-IBKS KONEX SCALEUP FUND [1,3]	Other financial business	Korea	2025-12-31	19.6	3,731	19.6	4,279
Daishin-Atman Healthcare New Technology Investment Fund 1st [1]	Other financial business	Korea	2025-12-31	17.2	2,969	17.2	2,609
SKF&NHIS Timor Holdings Ltd. [1]	Other financial business	Korea	2025-12-31	9.1	1,192	9.1	1,092
HI YG Win-win Fund No.2	Other financial business	Korea	2025-12-31	30.7	3,088	30.7	3,139
SKYWALK-KAI Titan Fund 1	Other financial business	Korea	2025-12-31	63.3	1,952	63.3	1,986
NH SPECIAL PURPOSE ACQUISITION 23 COMPANY [6]	Other financial business	Korea	-	-	-	0.1	20
NH SPECIAL PURPOSE ACQUISITION 24 COMPANY [6]	Other financial business	Korea	-	-	-	0.6	58
NH SPECIAL PURPOSE ACQUISITION 25 COMPANY [6]	Other financial business	Korea	-	-	-	0.7	38
NH SPECIAL PURPOSE ACQUISITION 26 COMPANY [6]	Other financial business	Korea	-	-	-	0.6	97
NH SPECIAL PURPOSE ACQUISITION 27 COMPANY [6]	Other financial business	Korea	-	-	-	0.6	96
NH SPECIAL PURPOSE ACQUISITION 29 COMPANY [1]	Other financial business	Korea	2025-12-31	0.4	99	0.4	97
NH SPECIAL PURPOSE ACQUISITION 30 COMPANY [1]	Other financial business	Korea	2025-12-31	0.6	97	0.6	95
NH SPECIAL PURPOSE ACQUISITION 31 COMPANY [1]	Other financial business	Korea	2025-12-31	0.2	30	0.2	29

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				Percentage of ownership (%)	Book amount	Percentage of ownership (%)	Book amount
NH SPECIAL PURPOSE ACQUISITION 32 COMPANY [1,5]	Other financial business	Korea	2025-12-31	1.5	170	-	-
NH SPECIAL PURPOSE ACQUISITION 33 COMPANY [1,5]	Other financial business	Korea	2025-12-31	3.7	49	-	-
NH Absolute Pre IPO Mezzanine General Private Placement Investment Trust No.1 [6]	Beneficiary certificates	Korea	-	-	-	33.3	1,244
NH Absolute Mezzanine General Private Placement Investment Trust No.1 [6]	Beneficiary certificates	Korea	-	-	-	30.9	1,661
NH Absolute Pre IPO General Private Placement Investment Trust No.1 [3]	Beneficiary certificates	Korea	2025-12-31	33.3	10,878	33.3	13,835
NH Absolute Project H General Private Placement Investment Trust [6]	Beneficiary certificates	Korea	-	-	-	13.0	846
NH Absolute Mezzanine General Private Placement Investment Trust No.3 [1,3]	Beneficiary certificates	Korea	2025-12-31	10.7	709	10.7	4,057
NH Absolute Mezzanine General Private Placement Investment Trust No.4 [1,3]	Beneficiary certificates	Korea	2025-12-31	7.7	624	7.7	1,397
NH Absolute Project C General Private Placement Investment Trust [6]	Beneficiary certificates	Korea	-	-	-	11.8	348
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.1 [6]	Beneficiary certificates	Korea	-	-	-	12.7	1,040
Edupalace Co., Ltd. [1,2]	Real estate development	Korea	-	9.1	-	9.1	-
Seoul Sungbo Development Co., Ltd. [1,2]	Real estate development	China	-	9.8	-	9.8	-
Younggu Daekwang Bangjisan Co., Ltd. [2]	Real estate development	China	-	41.6	-	41.6	-
Shandong Hangsang Development Co., Ltd. [2]	Real estate development	China	-	40.0	-	40.0	-
Edupalace Inc. [2]	Real estate development	Philippines	-	79.9	-	79.9	-
NH Woori New Deal Co-Investment No.1 Private Equity [1]	Other financial business	Korea	2025-12-31	15.6	2,940	15.6	4,485
Kbank [1]	Bank	Korea	2025-9-30	5.5	164,344	5.5	158,576
NH-Moorim Dental Care Investment Fund No.1 [1]	Other financial business	Korea	2025-12-31	15.2	1,620	15.2	1,723
NH-ARA Value-add No.1 Private Equity Fund [4]	Other financial business	Korea	2025-12-31	20.5	31,155	20.5	7,915
NH Absolute Project K Private Equity Fund [1,3]	Beneficiary certificates	Korea	2025-12-31	15.3	23,483	15.3	27,735
NH-Susung No.2 Mezzanine New Technology Investment Fund [1]	Other financial business	Korea	2025-12-31	15.0	3,521	15.0	3,199
Dayli Bio Healthcare No.6 Start-up Venture Specialized Private Equity Fund [3]	Other financial business	Korea	2025-12-31	31.3	2,269	31.3	3,008

	Main business	Location	Financial statements prepared as of	2025		2024	
				Percentage of ownership (%)	Book amount	Percentage of ownership (%)	Book amount
Hope Agriculture Innovation Private Equity Fund [4]	Other financial business	Korea	2025-12-31	29.6	1,418	29.6	529
Magna K-Beauty-I Fund	Other financial business	Korea	2025-12-31	31.9	1,958	31.9	1,999
IBKS-YG Turn around Fund	Other financial business	Korea	2025-12-31	29.4	8,178	29.4	1,999
NH-Miracle No.1 New Technology Investment Fund [5]	Other financial business	Korea	2025-12-31	22.2	1,968	-	-
Gentium One Eighth Private Equity Fund [5]	Other financial business	Korea	2025-12-31	29.9	1,683	-	-
SJG Pre-IPO Fund No.2 [5]	Other financial business	Korea	2025-12-31	35.7	988	-	-
Samsung-NH-Dunamu-Quantum Investment Fund No.1 [5]	Other financial business	Korea	2025-12-31	23.5	2,019	-	-
Novorsec Eco-friendly K-Shipbuilding Venture Fund [5]	Other financial business	Korea	2025-12-31	22.2	1,978	-	-
NH Woori Dino Co-Investment No.2 Private Equity Fund [1,5]	Other financial business	Korea	2025-12-31	4.8	2,039	-	-
NH-Findvlaue No.1 Mezzanine Investment Fund [5]	Other financial business	Korea	2025-12-31	30.0	4,102	-	-
NH-IBKC Value Fund [5]	Other financial business	Korea	2025-12-31	21.7	4,886	-	-
NH-TS Culture New Technology I Fund [1,5]	Other financial business	Korea	2025-12-31	18.9	719	-	-
NH-AONE No.1 Mezzanine New Technology Investment Fund [1,5]	Other financial business	Korea	2025-12-31	5.0	857	-	-
Fluoro Material Fund [5]	Other financial business	Korea	2025-12-31	33.3	2,845	-	-
NH Amber Tree Fund [5]	Other financial business	Korea	2025-12-31	42.4	4,964	-	-
IBKS-NEWGEN Kfood Fund [5]	Other financial business	Korea	2025-12-31	38.1	1,996	-	-
NH-Meritz Bio Investment Fund No.1 [5]	Other financial business	Korea	2025-12-31	50.0	6,145	-	-
Woori NH Co-Growth Private Equity Fund I [1,5]	Other financial business	Korea	2025-12-31	9.3	2,888	-	-
Daechi Complex Development PFV Co.,Ltd. [1,5]	Other financial business	Korea	-	11.1	20,000	-	-
Yongin Sindae PFV Co., [1,5]	Other financial business	Korea	-	19.9	995	-	-
NH Absolute Mezzanine Private Equity fund No.5 [1]	Beneficiary certificates	Korea	2025-12-31	16.7	2,199	16.7	2,024
NH Absolute Kosdaqventure Mezzanine Private Equity fund No.2 [1]	Beneficiary certificates	Korea	2025-12-31	11.7	1,159	11.7	995
NH hedge Kosdaq SPAC Private Equity [1]	Beneficiary certificates	Korea	2025-12-31	13.1	1,192	13.1	993
NH Hedge Project HD Plus General Private Placement Investment Trust [6]	Beneficiary certificates	Korea	-	-	-	8.6	560

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				Percentage of ownership (%)	Book amount	Percentage of ownership (%)	Book amount
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.2 [1,5]	Beneficiary certificates	Korea	2025-12-31	8.4	1,056	-	-
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust [1,5]	Beneficiary certificates	Korea	2025-12-31	15.0	2,627	-	-
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.3 [1,5]	Beneficiary certificates	Korea	2025-12-31	15.0	272	-	-
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.2 [1,5]	Beneficiary certificates	Korea	2025-12-31	15.0	1,565	-	-
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.3 [1,5]	Beneficiary certificates	Korea	2025-12-31	18.9	1,762	-	-
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.4 [1,5]	Beneficiary certificates	Korea	2025-12-31	11.6	1,033	-	-
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.4 [1,5]	Beneficiary certificates	Korea	2025-12-31	15.0	1,322	-	-
NH Hedge Equity Alpha Target Return Private Investment Trust No.1 [6]	Beneficiary certificates	Korea	-	-	-	-	-
NH Hedge Equity Alpha Target Return Private Investment Trust No.2 [6]	Beneficiary certificates	Korea	-	-	-	-	-
NH Hedge Dynamic Equity Target Return Private Investment Trust No.1 [6]	Beneficiary certificates	Korea	-	-	-	-	-
NH Hedge Project I General Private Placement Investment Trust [1,5]	Beneficiary certificates	Korea	2025-12-31	0.4	79	-	-
NH Hedge EB Selection Private Investment Trust No.1 [1,3,5]	Beneficiary certificates	Korea	2025-12-31	3.0	373	-	-
NH Hedge Project CH Private Placement Investment Trust [1,5]	Beneficiary certificates	Korea	2025-12-31	0.1	9	-	-
NH Hedge EB Selection Private Investment Trust No.4 [1,5]	Beneficiary certificates	Korea	2025-12-31	4.3	496	-	-
NH Hedge EB Selection Private Investment Trust No.3 [1,5]	Beneficiary certificates	Korea	2025-12-31	4.7	493	-	-
NH Hedge Equity Alpha Target Return Private Investment Trust No.3 [1,5]	Beneficiary certificates	Korea	2025-12-31	10.0	3,695	-	-
NH Hedge Dynamic Equity Target Return Private Investment Trust No.2 [1,5]	Beneficiary certificates	Korea	2025-12-31	10.0	2,402	-	-
NH Hedge Mezz Selection Private Investment Trust No.1 [1,5]	Beneficiary certificates	Korea	2025-12-31	5.1	100	-	-
Changzhou Alan NH Equity Investment Management Ltd	Other financial business	China	2025-12-31	49.0	1,072	49.0	1,080
Changzhou Alan NH [4]	Other financial business	China	2025-12-31	49.0	5,997	49.0	2,205
GnM Performance Co., Ltd. [7,8]	Advertising agency	Korea	2025-02-28	25.0	-	-	-
					₩ 534,007		₩ 471,930

1. The Group holds less than 20% of shares in the investee, but the investee is classified as associates since the Group has significant influence over the investee by participating in decision making related to the investee's financial and operating policies.
2. There are no book amounts of investments as impairment loss was recognized before 2024.
3. The book amount of investments was decreased for the year ended December 31, 2025 since the investment was distributed.
4. The book amount of investments was increased for the year ended December 31, 2025 since additional investment was made based on the committed investment rate.
5. Included in associates, since the Group considered to have significant influence over the investee as newly acquired during the year ended December 31, 2025.
6. Excluded from associates of the Group as the merger and liquidation procedures are completed for the year ended December 31, 2025.
7. During the year ended December 31, 2025, the application of the equity method was discontinued as the carrying amount of the investment became zero or less due to a continuous decline in the net asset value.
8. During the year ended December 31, 2025, the investment was reclassified from another account.

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

Changes in investments in associates and joint ventures for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025							
	Beginning balance	Acquisition	Disposal	Share of profit(loss)	Share of changes in net assets	Dividend	Transfer	Ending balance
Blue Ocean Corporate Financial Stability 1st Privately Placed Investment Company	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -
NH-LB Growth Champ 2011-4th PEF	567	-	-	-	-	-	-	567
NH Agri-Biz Value Creative 1st PEF	28	-	(4)	5	-	-	-	29
IBK-NH Small-Giant PEF	2	-	(2)	-	-	-	-	-
TRUBEN-Global Healthcare Private Equity Joint Co., Ltd.	1,919	-	-	209	-	-	-	2,128
Starset-DA value Healthcare Investment Fund No. 2	413	-	-	-	-	-	-	413
Starset-DA value Healthcare Investment Fund No. 3	253	-	(253)	-	-	-	-	-
Ascendo New Generation Healthcare Investment	925	-	(925)	-	-	-	-	-
NH_AJU Digital Fund	5,547	-	-	573	-	-	-	6,120
NH-AJU KOSDAQ SCALEUP FUND	3,186	-	(660)	1,438	-	(1,250)	-	2,714
NH-Paxtone Private Equity Fund	16,440	-	(3,500)	-	-	(12,940)	-	-
NH-OPUS Corporate Financial Stability Private Equity Fund	12,230	331	(10,101)	6,927	-	(1,956)	-	7,431
Square-DA value Fund No.1	2,270	-	-	(1,738)	-	-	-	532
MK Ventures-K Clavis Growth capital Venture Fund 1	-	-	-	-	-	-	-	-
Mastern No.51 Yeouido PFV Co.,Ltd [1]	-	-	-	-	-	-	-	-
Smilegate Vietnam Kairos Private Equity Fund #1	1,517	-	-	(378)	-	-	-	1,139
NH-Soo Investment innovative growth M&A fund	9,491	-	(1,980)	82	-	-	-	7,593
NH-OPUS II Corporate Financial Stability Private Equity Fund	523	15	(406)	198	-	(35)	-	295
NH Co-Investment Private Equity Fund	24,258	-	(5,518)	(364)	-	-	-	18,376
Korea Investment-Brick Investment New Technology Investment Fund 1st	2,892	-	-	(2)	-	-	-	2,890
Harvest Private Equity Fund II	2,991	-	(2,861)	-	-	(130)	-	-
NH-Horizon Secondary Fund	896	-	-	(27)	-	-	-	869
The Lakebridge-Samsung Securities Growth Fund I	1,893	-	-	(1,206)	-	-	-	687
DAYLI Swanson Bio Healthcare Fund 8	951	-	(514)	-	-	(437)	-	-
LD New Technology Business Investment Fund 2	1,145	-	(1,016)	-	-	(129)	-	-
Recovery Partners Co., Ltd	2,303	-	-	(416)	-	-	-	1,887
Smilegate Aphrodite Serve One Fund	2,863	-	-	(44)	-	-	-	2,819

	2025							
	Beginning balance	Acquisition	Disposal	Share of profit(loss)	Share of changes in net assets	Dividend	Transfer	Ending balance
Smart Quaternary Industry Square Investment Fund No. 2	1,873	-	(1,600)	1,880	-	(460)	-	1,693
Meritz-NH Healthcare No. 1	2,809	-	-	(62)	-	-	-	2,747
LB Private Equity Fund III-1	1,011	-	-	(12)	-	-	-	999
Pentastone Bridge I Funds	1,871	-	-	(35)	-	-	-	1,836
SJGP YG Fund No.1	1,018	-	-	83	-	-	-	1,101
NH-Alpha 1st Fund	1,258	-	-	(25)	-	-	-	1,233
NH-J&-IBKC Label Technology Fund	4,859	-	(2,725)	1,632	-	-	-	3,766
NH EBEST MATERIALS Fund No.1	904	-	(904)	-	-	-	-	-
NH-OPUS III Corporate Financial Stability Private Equity Fund	1,637	984	-	(67)	-	-	-	2,554
POSITIVE Sobujang Venture Fund #1	940	-	(565)	-	-	(375)	-	-
NH-Meritz Hightech Fund	1,704	-	(1,704)	-	-	-	-	-
NH Digital Alliance Fund	16,666	13,200	-	295	-	-	-	30,161
NH-Principle Private Equity Fund	3,154	-	(2,628)	1,093	-	(934)	-	685
NH-U&S-Brain Pre-IPO Investment Fund	1,167	2,980	(1,695)	1,575	-	-	-	4,027
NH Agtec Innovation Private Equity Fund	6,786	4,052	-	(345)	-	-	-	10,493
Nextrade Co., Ltd.	8,426	-	-	202	(9)	-	-	8,619
Global Materials Parts Equipment Fund	1,041	-	-	311	-	-	-	1,352
NH-IBKC EV Fund	6,222	-	-	(528)	-	-	-	5,694
Orbit-SDH 2nd New Technology Business Investment Fund	4,078	-	(3,440)	-	-	(638)	-	-
ESG leaders 1st Private Equity Fund	2,367	-	-	(78)	-	-	-	2,289
NH Woori Newdeal Growth Alpha Private Equity Fund I	22,441	5,393	(1,125)	(1,669)	-	(225)	-	24,815
Pectus-IBKC Fund No.1	2,502	-	-	167	-	-	-	2,669
BNW Recharge Private Equity Fund	8,535	-	-	(3,562)	-	-	-	4,973
Pine Tree III VC Private Equity Fund	4,816	-	-	(301)	-	-	-	4,515
KAI Electric Fund 1	4,543	-	(1,387)	-	-	(3,156)	-	-
Newmain-Wanted Lab I Funds	1,653	-	-	(36)	-	-	-	1,617
KNT_Daishin New Technology Investment Fund 3rd	2,061	-	(578)	328	-	-	-	1,811
NH-Susung No.1 Mezzanine New Technology Investment Fund	1,312	-	-	108	-	-	-	1,420
SJGP YG Fund No.4	1,685	-	(1,372)	-	-	(313)	-	-
NH-IBKS KONEX SCALEUP FUND	4,279	-	(730)	182	-	-	-	3,731
Daishin-Atman Healthcare New Technology Investment Fund 1st	2,609	-	-	360	-	-	-	2,969
SKF&NHIS Timor Holdings Ltd.	1,092	-	-	100	-	-	-	1,192
HI YG Win-win Fund No.2	3,139	-	-	(51)	-	-	-	3,088
SKYWALK-KAI Titan Fund 1	1,986	-	-	(34)	-	-	-	1,952
NH SPECIAL PURPOSE ACQUISITION 23 COMPANY	20	-	(20)	-	-	-	-	-

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	2025							
	Beginning balance	Acquisition	Disposal	Share of profit(loss)	Share of changes in net assets	Dividend	Transfer	Ending balance
NH SPECIAL PURPOSE ACQUISITION 24 COMPANY	58	-	(58)	-	-	-	-	-
NH SPECIAL PURPOSE ACQUISITION 25 COMPANY	38	-	(38)	-	-	-	-	-
NH SPECIAL PURPOSE ACQUISITION 26 COMPANY	97	-	(97)	-	-	-	-	-
NH SPECIAL PURPOSE ACQUISITION 27 COMPANY	96	-	(96)	-	-	-	-	-
NH SPECIAL PURPOSE ACQUISITION 29 COMPANY	97	-	-	2	-	-	-	99
NH SPECIAL PURPOSE ACQUISITION 30 COMPANY	95	-	-	2	-	-	-	97
NH SPECIAL PURPOSE ACQUISITION 31 COMPANY	29	-	-	1	-	-	-	30
NH SPECIAL PURPOSE ACQUISITION 32 COMPANY	-	118	-	52	-	-	-	170
NH SPECIAL PURPOSE ACQUISITION 33 COMPANY	-	50	-	(1)	-	-	-	49
NH Absolute Pre IPO Mezzanine General Private Placement Investment Trust No.1	1,244	-	(1,244)	-	-	-	-	-
NH Absolute Mezzanine General Private Placement Investment Trust No.1	1,661	-	(1,661)	-	-	-	-	-
NH Absolute Pre IPO General Private Placement Investment Trust No.1	13,835	-	(2,423)	(534)	-	-	-	10,878
NH Absolute Project H General Private Placement Investment Trust	846	-	(846)	-	-	-	-	-
NH Absolute Mezzanine General Private Placement Investment Trust No.3	4,057	-	(3,387)	173	-	(134)	-	709
NH Absolute Mezzanine General Private Placement Investment Trust No.4	1,397	-	(784)	31	-	(20)	-	624
NH Absolute Project C General Private Placement Investment Trust	348	-	(348)	-	-	-	-	-
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.1	1,040	-	(1,040)	-	-	-	-	-
NH Woori New Deal Co-Investment No.1 Private Equity	4,485	-	-	(1,545)	-	-	-	2,940
Kbank	158,576	5	-	6,456	(693)	-	-	164,344
NH-Moorim Dental Care Investment Fund No.1	1,723	-	-	(103)	-	-	-	1,620
NH-ARA Value-add No.1 Private Equity Fund	7,915	23,528	-	(288)	-	-	-	31,155
NH Absolute Project K Private Equity Fund	27,735	-	(2,786)	(1,059)	-	(407)	-	23,483
NH-Susung No.2 Mezzanine New Technology Investment Fund	3,199	-	-	322	-	-	-	3,521
Dayli Bio Healthcare No.6 Start-up Venture Specialized Private Equity Fund	3,008	-	(2,375)	1,686	-	(50)	-	2,269
Hope Agriculture Innovation Private Equity Fund	529	1,243	-	(354)	-	-	-	1,418

	2025							
	Beginning balance	Acquisition	Disposal	Share of profit(loss)	Share of changes in net assets	Dividend	Transfer	Ending balance
Magna K-Beauty-I Fund	1,999	-	-	(41)	-	-	-	1,958
IBKS-YG Turn around Fund	1,999	-	-	6,179	-	-	-	8,178
NH-Miracle No.1 New Technology Investment Fund	-	2,000	-	(32)	-	-	-	1,968
Gentium One Eighth Private Equity Fund	-	2,000	-	(317)	-	-	-	1,683
SJG Pre-IPO Fund No.2	-	1,000	-	(12)	-	-	-	988
Samsung-NH-Dunamu-Quantum Investment Fund No.1	-	2,000	-	19	-	-	-	2,019
Novorsec Eco-friendly K-Shipbuilding Venture Fund	-	2,000	-	(22)	-	-	-	1,978
NH Woori Dino Co-Investment No.2 Private Equity Fund	-	1,999	-	40	-	-	-	2,039
NH-Findvlaue No.1 Mezzanine Investment Fund	-	3,940	-	162	-	-	-	4,102
NH-IBKC Value Fund	-	5,000	-	(114)	-	-	-	4,886
NH-TS Culture New Technology I Fund	-	750	-	(31)	-	-	-	719
NH-AONE No.1 Mezzanine New Technology Investment Fund	-	861	-	(4)	-	-	-	857
Fluoro Material Fund	-	2,500	-	345	-	-	-	2,845
NH Amber Tree Fund	-	5,000	-	(36)	-	-	-	4,964
IBKS-NEWGEN Kfood Fund	-	2,000	-	(4)	-	-	-	1,996
NH-Meritz Bio Investment Fund No.1	-	5,000	-	1,145	-	-	-	6,145
Woori NH Co-Growth Private Equity Fund I	-	2,464	-	424	-	-	-	2,888
Daechi Complex Development PFV Co., Ltd.	-	20,000	-	-	-	-	-	20,000
Yongin Sindae PFV Co.,	-	995	-	-	-	-	-	995
NH Absolute Mezzanine Private Equity fund No.5	2,024	-	-	175	-	-	-	2,199
NH Absolute Kosdaqventure Mezzanine Private Equity fund No.2	995	-	-	164	-	-	-	1,159
NH hedge Kosdaq SPAC Private Equity	993	-	-	199	-	-	-	1,192
NH Hedge Project HD Plus General Private Placement Investment Trust	560	-	(560)	-	-	-	-	-
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.2	-	1,000	-	56	-	-	-	1,056
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust	-	2,627	-	-	-	-	-	2,627
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.3	-	278	-	(6)	-	-	-	272
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.2	-	1,588	-	(23)	-	-	-	1,565
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.3	-	1,700	-	62	-	-	-	1,762

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(in millions of Korean won)

	2025							
	Beginning balance	Acquisition	Disposal	Share of profit(loss)	Share of changes in net assets	Dividend	Transfer	Ending balance
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.4	-	1,000	-	33	-	-	-	1,033
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.4	-	1,234	-	88	-	-	-	1,322
NH Hedge Equity Alpha Target Return Private Investment Trust No.1	-	802	(802)	-	-	-	-	-
NH Hedge Equity Alpha Target Return Private Investment Trust No.2	-	2,117	(2,117)	-	-	-	-	-
NH Hedge Dynamic Equity Target Return Private Investment Trust No.1	-	2,205	(2,205)	-	-	-	-	-
NH Hedge Project I General Private Placement Investment Trust	-	80	-	(1)	-	-	-	79
NH Hedge EB Selection Private Investment Trust No.1	-	500	(94)	(16)	-	(17)	-	373
NH Hedge Project CH Private Placement Investment Trust	-	10	-	(1)	-	-	-	9
NH Hedge EB Selection Private Investment Trust No.4	-	500	-	(4)	-	-	-	496
NH Hedge EB Selection Private Investment Trust No.3	-	500	-	(7)	-	-	-	493
NH Hedge Equity Alpha Target Return Private Investment Trust No.3	-	3,695	-	-	-	-	-	3,695
NH Hedge Dynamic Equity Target Return Private Investment Trust No.2	-	2,405	-	(3)	-	-	-	2,402
NH Hedge Mezz Selection Private Investment Trust No.1	-	100	-	-	-	-	-	100
Changzhou Alan NH Equity Investment Management Ltd	1,080	-	(9)	1	-	-	-	1,072
Changzhou Alan NH	2,205	3,637	155	-	-	-	-	5,997
GnM Performance Co., Ltd.	-	-	-	-	-	-	-	-
	₩ 471,930	₩ 137,386	₩ (71,028)	₩ 20,027	₩ (702)	₩ (23,606)	₩ -	₩ 534,007

1. The application of equity method was discontinued for the investments in Mastern No.51 Yeouido PFV Co.,Ltd due to recognition of an impairment loss. Unrecognized loss for the year ended December 31, 2025 and accumulated losses as of December 31, 2025 regarding the entity amount to ₩ 6,286 million and ₩ 29,743 million, respectively.

	2024							
	Beginning balance	Acquisition	Disposal	Share of profit(loss)	Share of changes in net assets	Dividend	Transfer	Ending balance
Blue Ocean Corporate Financial Stability 1st Privately Placed Investment Company	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -
NH-LB Growth Champ 2011-4th PEF	673	-	(136)	30	-	-	-	567
NH Agri-Biz Value Creative 1st PEF	33	-	(11)	6	-	-	-	28
Aeneas-NH Private Equity Fund	2,002	-	(2,002)	-	-	-	-	-
NH-AJUIB SME Growth 2013 Private Equity Fund	14	-	(14)	-	-	-	-	-
IBK-NH Small-Giant PEF	3	-	-	-	-	(1)	-	2
TRUBEN-Global Healthcare Private Equity Joint Co., Ltd.	1,812	-	-	157	-	(50)	-	1,919
Yeouido Cultural Broadcasting Site Development PFV	-	-	-	-	-	-	-	-
Starset-DA value Healthcare Investment Fund No. 2	919	-	-	(506)	-	-	-	413
Starset-DA value Healthcare Investment Fund No. 3	275	-	-	(22)	-	-	-	253
Ascendo New Generation Healthcare Investment	940	-	-	(15)	-	-	-	925
NH_AJU Digital Fund	4,739	-	-	808	-	-	-	5,547
NH-AJU KOSDAQ SCALEUP FUND	8,400	-	(5,100)	(114)	-	-	-	3,186
Sprott Global Renewable Private Equity Fund I	2,487	-	(2,487)	-	-	-	-	-
NH-Paxtone Private Equity Fund	11,826	-	-	4,850	-	(236)	-	16,440
NH-OPUS Corporate Financial Stability Private Equity Fund	17,606	54	(4,869)	(561)	-	-	-	12,230
Square-DA value Fund No.1	2,271	-	-	(1)	-	-	-	2,270
MK Ventures-K Clavis Growth capital Venture Fund 1	-	-	-	-	-	-	-	-
Mastern No.51 Yeouido PFV Co.,Ltd [1]	-	-	-	-	-	-	-	-
Smilegate Vietnam Kairos Private Equity Fund #1	1,795	-	-	(278)	-	-	-	1,517
NH-Soo Investment innovative growth M&A fund	18,502	-	(12,096)	3,085	-	-	-	9,491
NH-OPUS II Corporate Financial Stability Private Equity Fund	750	2	(226)	(3)	-	-	-	523
NH Co-Investment Private Equity Fund	23,244	2,599	(3,187)	1,602	-	-	-	24,258
Korea Investment-Brick Investment New Technology Investment Fund 1st	2,376	-	-	516	-	-	-	2,892
Harvest Private Equity Fund II	2,971	-	-	20	-	-	-	2,991
NH-SYNERGY BIO Fund	10,103	-	(10,103)	-	-	-	-	-
NH SYNERGY M.C.E. New Technology Investment Fund	1,802	-	(1,802)	-	-	-	-	-
NH-Meritz Contents 1 Fund	1,164	-	(1,164)	-	-	-	-	-
NH-IBKC Bio New Technology Fund	6,901	-	-	-	-	-	(6,901)	-
NH-Horizon Secondary Fund	922	-	-	(26)	-	-	-	896

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	2024							
	Beginning balance	Acquisition	Disposal	Share of profit(loss)	Share of changes in net assets	Dividend	Transfer	Ending balance
KYOBO-NH Healthcare New Technology Investment Association No. 1	1,980	-	(1,980)	-	-	-	-	-
The Lakebridge-Samsung Securities Growth Fund I	1,923	-	-	(30)	-	-	-	1,893
DAYLI Swanson Bio Healthcare Fund 8	949	-	-	2	-	-	-	951
NH IBKC Dental Solution Investment Fund	1,846	-	(1,846)	-	-	-	-	-
LD New Technology Business Investment Fund 2	947	-	-	198	-	-	-	1,145
Recovery Partners Co., Ltd	2,697	-	-	(394)	-	-	-	2,303
KIWOOM AI New Technology Investment Association	1,941	-	(1,941)	-	-	-	-	-
Smilegate Aphrodite Serve One Fund	2,907	-	-	(44)	-	-	-	2,863
Smart Quaternary Industry Square Investment Fund No. 2	1,394	500	-	(21)	-	-	-	1,873
Meritz-NH Healthcare No. 1	2,872	-	-	(63)	-	-	-	2,809
K Clavis Cloud New Technology Investment Association No. 1	4,240	-	(4,240)	-	-	-	-	-
J&Hercules Private Equity Fund	19,562	-	1,354	-	-	-	(20,916)	-
Credit Minerva Private Equity Fund	687	-	(137)	-	-	-	(550)	-
The Overseas Growth Fund 1	109	-	(109)	-	-	-	-	-
Midas No. 2 Private Equity Joint Co., Ltd.	3,523	-	(3,523)	-	-	-	-	-
LB Private Equity Fund III-1	1,022	-	-	(11)	-	-	-	1,011
HI YG Win-win Fund No.1	1,901	-	(1,901)	-	-	-	-	-
NH-Brain EV Fund	8,546	-	(8,546)	-	-	-	-	-
Pentastone Bridge I Funds	1,922	-	-	(51)	-	-	-	1,871
SJGP YG Fund No.1	1,061	-	-	(43)	-	-	-	1,018
NH-Alpha 1st Fund	1,284	-	-	(26)	-	-	-	1,258
NH-J&-IBKC Label Technology Fund	4,910	-	-	(51)	-	-	-	4,859
NH EBEST MATERIALS Fund No.1	898	-	-	6	-	-	-	904
NH-OPUS III Corporate Financial Stability Private Equity Fund	155	1,527	-	(45)	-	-	-	1,637
POSITIVE Sobujang Venture Fund #1	1,092	-	(560)	1,472	-	(1,064)	-	940
NH-Meritz Hightech Fund	1,941	-	(167)	(70)	-	-	-	1,704
NH-Daishin-Kyobo Healthcare 1 Fund	3,022	-	(3,022)	-	-	-	-	-
NH Digital Alliance Fund	12,454	4,800	-	(588)	-	-	-	16,666
NH-Principle Private Equity Fund	2,896	-	-	258	-	-	-	3,154
NH-U&S-Brain Pre-IPO Investment Fund	38	1,200	-	(71)	-	-	-	1,167
NH Agtec Innovation Private Equity Fund	4,401	2,624	-	(239)	-	-	-	6,786
Nextrade Co., Ltd.	9,470	-	-	(1,044)	-	-	-	8,426
Global Materials Parts Equipment Fund	1,475	-	(435)	1	-	-	-	1,041
NH-IBKC EV Fund	8,911	-	(3,150)	461	-	-	-	6,222
DBOrbit-SDH New Technology Business Investment Fund	1,976	-	-	2,102	-	-	-	4,078

	2024							
	Beginning balance	Acquisition	Disposal	Share of profit(loss)	Share of changes in net assets	Dividend	Transfer	Ending balance
ESG leaders 1st Private Equity Fund	2,455	-	-	(88)	-	-	-	2,367
NH Woori Newdeal Growth Alpha Private Equity Fund I	13,226	7,513	(1,389)	5,830	-	(2,739)	-	22,441
Pectus-IBKC Fund No.1	2,443	-	-	59	-	-	-	2,502
BNW Recharge Private Equity Fund	4,925	-	-	3,610	-	-	-	8,535
Pine Tree III VC Private Equity Fund	3,660	1,250	-	(94)	-	-	-	4,816
Meritz-Simone Fund 1	1,984	-	(1,984)	-	-	-	-	-
KAI Electric Fund 1	796	-	(16)	3,763	-	-	-	4,543
Newmain-Wanted Lab I Funds	1,689	-	-	(36)	-	-	-	1,653
KNT_Daishin New Technology Investment Fund 3rd	2,053	-	-	8	-	-	-	2,061
NH-Susung No.1 Mezzanine New Technology Investment Fund	1,382	-	-	(70)	-	-	-	1,312
SJGP YG Fund No.4	1,998	-	(1,360)	1,047	-	-	-	1,685
Cape Rechargeable Battery Fund No.1	13,553	-	(1,514)	-	-	-	(12,039)	-
NH-IBKS KONEX SCALEUP FUND	498	4,000	-	(219)	-	-	-	4,279
Daishin-Atman Healthcare New Technology Investment Fund 1st	-	3,000	-	(391)	-	-	-	2,609
SKF&NHIS Timor Holdings Ltd.	-	1,200	-	(108)	-	-	-	1,092
HI YG Win-win Fund No.1	-	2,980	-	159	-	-	-	3,139
SKYWALK-KAI Titan New Technology Investment Fund No.1	-	2,000	-	(14)	-	-	-	1,986
NH SPECIAL PURPOSE ACQUISITION 19 COMPANY	302	-	(302)	-	-	-	-	-
NH SPECIAL PURPOSE ACQUISITION 20 COMPANY	461	-	(461)	-	-	-	-	-
NH SPECIAL PURPOSE ACQUISITION 23 COMPANY	19	-	-	1	-	-	-	20
NH SPECIAL PURPOSE ACQUISITION 24 COMPANY	56	-	-	2	-	-	-	58
NH SPECIAL PURPOSE ACQUISITION 25 COMPANY	37	-	-	1	-	-	-	38
NH SPECIAL PURPOSE ACQUISITION 26 COMPANY	94	-	-	3	-	-	-	97
NH SPECIAL PURPOSE ACQUISITION 27 COMPANY	93	-	-	3	-	-	-	96
NH SPECIAL PURPOSE ACQUISITION 29 COMPANY	95	-	-	2	-	-	-	97
NH SPECIAL PURPOSE ACQUISITION 30 COMPANY	93	-	-	2	-	-	-	95
NH SPECIAL PURPOSE ACQUISITION 31 COMPANY	-	15	-	14	-	-	-	29
NH Absolute Pre IPO Mezzanine General Private Placement Investment Trust No.1	5,005	-	(1,300)	(981)	-	(1,480)	-	1,244
NH Absolute Mezzanine General Private Placement Investment Trust No.1	5,191	-	(3,680)	459	-	(309)	-	1,661

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	2024							
	Beginning balance	Acquisition	Disposal	Share of profit(loss)	Share of changes in net assets	Dividend	Transfer	Ending balance
NH Absolute Pre IPO General Private Placement Investment Trust No.1	19,451	-	(4,333)	(408)	-	(875)	-	13,835
NH Absolute Project H General Private Placement Investment Trust	852	-	-	(6)	-	-	-	846
NH Absolute Project L General Private Placement Investment Trust	1,163	-	(1,163)	-	-	-	-	-
NH Absolute Mezzanine General Private Placement Investment Trust No.3	9,640	-	(5,512)	353	-	(424)	-	4,057
NH Absolute Mezzanine General Private Placement Investment Trust No. 4	2,150	-	(631)	(87)	-	(35)	-	1,397
NH Absolute Project C General Private Placement Investment Trust	-	1,000	(602)	74	-	(124)	-	348
NH Hedge High Yield IPO Alpha General Private Placement Investment Trust No.1	-	1,000	-	40	-	-	-	1,040
NH Woori New Deal Co-Investment No.1 Private Equity	-	4,000	-	485	-	-	-	4,485
Kbank	-	-	-	4,273	448	-	153,855	158,576
NH-Moorim Dental Care Investment Fund No.1	-	1,700	-	23	-	-	-	1,723
NH-ARA Value-add No.1 Private Equity Fund	-	8,246	-	(331)	-	-	-	7,915
NH Absolute Project K Private Equity Fund	-	27,000	-	735	-	-	-	27,735
NH-Susung No.2 Mezzanine New Technology Investment Fund	-	3,234	-	(35)	-	-	-	3,199
Dayli Bio Healthcare No.6 Start- up Venture Specialized Private Equity Fund	-	3,000	-	8	-	-	-	3,008
Hope Agriculture Innovation Private Equity Fund	-	798	-	(269)	-	-	-	529
Magna K-Beauty-I Fund	-	2,000	-	(1)	-	-	-	1,999
IBKS-YG Turn around Fund	-	2,000	-	(1)	-	-	-	1,999
NH Absolute Mezzanine Private Equity fund No.5	-	2,000	-	24	-	-	-	2,024
NH Absolute Kosdaqventure Mezzanine Private Equity fund No.2	-	1,000	-	(5)	-	-	-	995
NH hedge Kosdaq SPAC Private Equity	-	1,000	-	(7)	-	-	-	993
NH Hedge Project HD Plus General Private Placement Investment Trust	-	500	-	60	-	-	-	560
Changzhou Alan NH Equity Investment Management Ltd	-	1,080	-	-	-	-	-	1,080
Changzhou Alan NH	-	2,205	-	-	-	-	-	2,205
	₩ 336,846	₩ 97,027	₩ (97,647)	₩ 29,144	₩ 448	₩ (7,337)	₩ 113,449	₩ 471,930

1. The application of equity method was discontinued for the investments in Mastern No.51 Yeouido PFV Co.,Ltd due to recognition of an impairment loss. Unrecognized loss for the year ended December 31, 2024 and the accumulated losses as of December 31, 2024 regarding the entity amount to ₩ 1,850 million and ₩ 36,029 million, respectively.

The summarized financial information of associates and joint ventures as of December 31, 2025 and 2024 and for each of the two years in the period ended December 31, 2025 is as follows:

(in millions of Korean won)

	2025[1]				
	Assets	Liabilities	Operating revenue	Profit (loss) for the period	Comprehensive income (loss)
NH-LB Growth Champ 2011-4th PEF	₩ 8,504	₩ 4	₩ 1	₩ (4)	₩ (4)
NH Agri-Biz Value Creative 1st PEF	9,445	3,664	1,113	1,103	1,103
TRUBEN-Global Healthcare Private Equity Joint Co., Ltd.	5,636	114	-	532	532
Starset-DA value Healthcare Investment Fund No. 2	1,428	141	-	(2)	(2)
NH_AJU Digital Fund	30,872	273	8,971	2,863	2,863
NH-AJU KOSDAQ SCALEUP FUND	9,555	-	5,082	5,081	5,081
NH-OPUS Corporate Financial Stability Private Equity Fund	47,239	134	33,424	32,329	32,329
Square-DA value Fund No.1	1,472	20	-	(4,744)	(4,744)
Smilegate Vietnam Kairos Private Equity Fund #1	5,970	276	-	(1,892)	(1,892)
NH-Soo Investment innovative growth M&A fund	25,908	305	833	275	275
NH-OPUS II Corporate Financial Stability Private Equity Fund	28,735	96	19,853	19,268	19,268
NH Co-Investment Private Equity Fund	184,713	6,541	4,393	(3,522)	(3,522)
Korea Investment-Brick Investment New Technology Investment Fund 1st	14,017	-	-	(7)	(7)
NH-Horizon Secondary Fund	2,704	-	-	(82)	(82)
The Lakebridge-Samsung Securities Growth Fund I	2,067	3	-	(3,625)	(3,625)
Recovery Partners Co., Ltd	2,055	10	130	(489)	(489)
Smilegate Aphrodite Serve One Fund	10,020	154	-	(156)	(156)
Smart Quaternary Industry Square Investment Fund No. 2	8,463	-	9,556	9,396	9,396
Meritz-NH Healthcare No. 1	15,002	812	-	(323)	(323)
LB Private Equity Fund III-1	6,187	20	2	(70)	(70)
Pentastone Bridge I Funds	3,675	3	2	(69)	(69)
SJGP YG Fund No.1	2,505	-	-	188	188
NH-Alpha 1st Fund	6,656	-	-	(138)	(138)
NH-J&-IBKC Label Technology Fund	36,887	715	15,844	15,530	15,530
NH-OPUS III Corporate Financial Stability Private Equity Fund	100,643	470	1,538	(2,643)	(2,643)
NH Digital Alliance Fund	75,793	390	2,296	737	737
NH-Principle Private Equity Fund	6,097	96	14,687	9,585	9,585
NH-U&S-Brain Pre-IPO Investment Fund	14,887	-	6,109	5,828	5,828
NH Agtec Innovation Private Equity Fund	37,140	311	49	(1,212)	(1,212)
Nextrade Co., Ltd.	129,215	3,091	39,766	9,856	9,856
Global Materials Parts Equipment Fund	9,915	1	2,506	2,279	2,279

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	2025[1]				
	Assets	Liabilities	Operating revenue	Profit (loss) for the period	Comprehensive income (loss)
NH-IBKC EV Fund	33,527	-	3,519	(3,112)	(3,112)
ESG leaders 1st Private Equity Fund	134,182	-	-	(5,355)	(5,355)
NH Woori Newdeal Growth Alpha Private Equity Fund I	182,355	2,013	682	(9,835)	(9,835)
Pectus-IBKC Fund No.1	11,743	-	997	733	733
BNW Recharge Private Equity Fund	21,346	160	1	(15,173)	(15,173)
Pine Tree III VC Private Equity Fund	20,811	4	22	(1,385)	(1,385)
Newmain-Wanted Lab I Funds	4,758	3	3	(108)	(108)
KNT_Daishin New Technology Investment Fund 3rd	7,517	2	1,713	1,361	1,361
NH-Susung No.1 Mezzanine New Technology Investment Fund	12,624	-	1,221	964	964
NH-IBKS KONEX SCALEUP FUND	19,311	283	2,067	928	928
Daishin-Atman Healthcare New Technology Investment Fund 1st	17,299	81	2,423	2,089	2,089
SKF&NHIS Timor Holdings Ltd.	2,384	-	-	201	201
HI YG Win-win Fund No.2	10,052	-	6	(164)	(164)
SKYWALK-KAI Titan Fund 1	3,086	1	1	(52)	(52)
NH SPECIAL PURPOSE ACQUISITION 29 COMPANY	31,542	2,688	-	563	563
NH SPECIAL PURPOSE ACQUISITION 30 COMPANY	20,750	2,633	-	294	294
NH SPECIAL PURPOSE ACQUISITION 31 COMPANY	15,297	2,425	-	238	238
NH SPECIAL PURPOSE ACQUISITION 32 COMPANY	12,938	1,282	-	(42)	(42)
NH SPECIAL PURPOSE ACQUISITION 33 COMPANY	2,285	655	-	(14)	(14)
NH Absolute Pre IPO General Private Placement Investment Trust No.1	33,675	1,042	908	(1,621)	(1,621)
NH Absolute Mezzanine General Private Placement Investment Trust No.3	6,663	25	1,538	833	833
NH Absolute Mezzanine General Private Placement Investment Trust No. 4	8,136	31	1,391	706	706
NH Woori New Deal Co-Investment No.1 Private Equity	19,341	452	389	(9,927)	(9,927)
Kbank [2]	33,445,720	31,117,676	1,022,816	108,348	103,686
NH-Moorim Dental Care Investment Fund No.1	10,672	-	2	(679)	(679)
NH-ARA Value-add No.1 Private Equity Fund	151,903	23	67	(1,405)	(1,405)
NH Absolute Project K Private Equity Fund	153,845	551	9,551	(6,920)	(6,920)
NH-Susung No.2 Mezzanine New Technology Investment Fund	23,474	-	2,618	2,147	2,147
Dayli Bio Healthcare No.6 Start-up Venture Specialized Private Equity Fund	7,282	20	5,483	5,395	5,395
Hope Agriculture Innovation Private Equity Fund	5,100	302	-	(1,199)	(1,199)

	2025[1]				
	Assets	Liabilities	Operating revenue	Profit (loss) for the period	Comprehensive income (loss)
Magna K-Beauty-I Fund	6,130	-	2	(131)	(131)
IBKS-YG Turn around Fund	27,807	-	21,152	21,010	21,010
NH-Miracle No.1 New Technology Investment Fund	8,861	3	4	(143)	(143)
Gentium One Eighth Private Equity Fund	5,675	38	-	(1,063)	(1,063)
SJG Pre-IPO Fund No.2	2,767	-	29	(33)	(33)
Samsung-NH-Dunamu-Quantum Investment Fund No.1	8,679	78	163	80	80
Novorsec Eco-friendly K-Shipbuilding Venture Fund	8,899	-	4	(101)	(101)
NH Woori Dino Co-Investment No.2 Private Equity Fund	42,847	83	1,211	837	837
NH-Findvlaue No.1 Mezzanine Investment Fund	13,682	-	669	542	542
NH-IBKC Value Fund	22,476	-	2	(524)	(524)
NH-TS Culture New Technology I Fund	3,810	-	6	(165)	(165)
NH-AONE No.1 Mezzanine New Technology Investment Fund	17,138	2	-	(87)	(87)
Fluoro Material Fund	8,542	3	1,057	1,036	1,036
NH Amber Tree Fund	11,715	-	-	(85)	(85)
IBKS-NEWGEN Kfood Fund	5,239	-	-	(11)	(11)
NH-Meritz Bio Investment Fund No.1	12,290	-	2,306	2,290	2,290
Woori NH Co-Growth Private Equity Fund I	32,137	1,190	5,837	4,547	4,547
NH Absolute Mezzanine Private Equity fund No.5	13,310	40	1,798	819	819
NH Absolute Kosdaqventure Mezzanine Private Equity fund No.2	9,952	30	8,649	1,403	1,403
NH hedge Kosdaq SPAC Private Equity	9,118	33	7,496	1,480	1,480
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.2	12,618	45	787	609	609
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust	20,691	73	16,224	3,102	3,102
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.3	1,962	7	1,109	100	100
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.2	12,766	36	7,575	2,142	2,142
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.3	9,351	23	396	328	328
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.4	8,923	26	354	274	274
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.4	9,887	36	3,778	1,622	1,622
NH Hedge Project I General Private Placement Investment Trust	18,766	51	5	(365)	(365)

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	2025[1]				
	Assets	Liabilities	Operating revenue	Profit (loss) for the period	Comprehensive income (loss)
NH Hedge EB Selection Private Investment Trust No.1	12,670	40	680	(310)	(310)
NH Hedge Project CH Private Placement Investment Trust	14,345	48	5	(513)	(513)
NH Hedge EB Selection Private Investment Trust No.4	11,607	36	663	71	71
NH Hedge EB Selection Private Investment Trust No.3	10,719	55	678	(71)	(71)
NH Hedge Equity Alpha Target Return Private Investment Trust No.3	40,162	1,171	3,292	2,043	2,043
NH Hedge Dynamic Equity Target Return Private Investment Trust No.2	26,470	769	2,538	1,648	1,648
NH Hedge Mezz Selection Private Investment Trust No.1	1,978	4	6	2	2
Changzhou Alan NH Equity Investment Management Ltd	2,180	-	-	(2)	35
Changzhou Alan NH	12,802	49	7	(124)	210
	₩ 35,771,994	₩ 31,153,965	₩ 1,312,055	₩ 205,938	₩ 201,647

1. The summarized financial information of associates whose application of the consolidation and equity method has been discontinued due to disposal, etc. as of December 31, 2025 or financial information cannot be obtained are excluded.
2. The amount was determined after reflecting fair value adjustments upon the acquisition of equity interests in the entity and differences in accounting policies between the investee and the Group.

	2024[1]				
	Assets	Liabilities	Operating revenue	Profit (loss) for the period	Comprehensive income (loss)
NH-LB Growth Champ 2011-4th PEF	8,508	4	473	462	462
NH Agri-Biz Value Creative 1st PEF	7,290	1,761	1,366	1,053	1,053
IBK-NH Small-Giant PEF	167	-	-	(818)	(818)
TRUBEN-Global Healthcare Private Equity Joint Co., Ltd.	5,101	110	-	396	396
Starset-DA value Healthcare Investment Fund No. 2	1,430	141	-	(1,578)	(1,578)
Starset-DA value Healthcare Investment Fund No. 3	930	142	-	(70)	(70)
Ascendo New Generation Healthcare Investment	3,013	-	-	(47)	(47)
NH_AJU Digital Fund	28,094	357	8,782	4,043	4,043
NH-AJU KOSDAQ SCALEUP FUND	11,258	-	1,920	(402)	(402)
NH-Paxtone Private Equity Fund	55,183	-	16,836	16,281	16,281
NH-OPUS Corporate Financial Stability Private Equity Fund	83,198	292	7,451	(1,121)	(1,121)
Square-DA value Fund No.1	6,216	20	-	(5)	(5)
Smilegate Vietnam Kairos Private Equity Fund #1	7,726	140	-	(1,392)	(1,392)
NH-Soo Investment innovative growth M&A fund	32,403	476	14,071	10,281	10,281
NH-OPUS II Corporate Financial Stability Private Equity Fund	51,020	189	4,538	(261)	(261)
NH Co-Investment Private Equity Fund	240,155	4,962	27,004	15,525	15,525
Korea Investment-Brick Investment New Technology Investment Fund 1st	14,024	-	2,133	2,498	2,498
Harvest Private Equity Fund II	13,809	250	367	94	94
NH-Horizon Secondary Fund	2,786	-	-	(82)	(82)
The Lakebridge-Samsung Securities Growth Fund I	5,690	-	-	(90)	(90)
DAYLI Swanson Bio Healthcare Fund 8	4,098	104	93	7	7
LD New Technology Business Investment Fund 2	4,034	26	828	694	694
Recovery Partners Co., Ltd	2,546	13	136	(463)	(463)
Smilegate Aphrodite Serve One Fund	10,063	42	2	(154)	(154)
Smart Quaternary Industry Square Investment Fund No. 2	9,367	-	128	(104)	(104)
Meritz-NH Healthcare No. 1	15,002	488	-	(323)	(323)
LB Private Equity Fund III-1	6,260	24	4	(68)	(68)
Pentastone Bridge I Funds	3,781	40	-	(104)	(104)
SJGP YG Fund No.1	2,319	2	-	(97)	(97)
NH-Alpha 1st Fund	6,794	-	-	(138)	(138)
NH-J&-IBKC Label Technology Fund	35,059	465	7	(364)	(364)
NH EBEST MATERIALS Fund No.1	4,971	-	154	32	32
NH-OPUS III Corporate Financial Stability Private Equity Fund	73,287	436	-	(2,017)	(2,017)

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	2024[1]				
	Assets	Liabilities	Operating revenue	Profit (loss) for the period	Comprehensive income (loss)
POSITIVE Sobujang Venture Fund #1	4,303	26	7,542	6,700	6,700
NH-Meritz Hightech Fund	8,238	-	21	(339)	(339)
NH Digital Alliance Fund	42,043	377	61	(1,470)	(1,470)
NH-Principle Private Equity Fund	27,739	91	2,597	2,262	2,262
NH-U&S-Brain Pre-IPO Investment Fund	4,304	-	6	(264)	(264)
NH Agtec Innovation Private Equity Fund	24,129	309	466	(835)	(835)
Nextrade Co., Ltd.	125,776	2,563	-	(15,726)	(15,737)
Global Materials Parts Equipment Fund	7,639	4	233	5	5
NH-IBKC EV Fund	36,638	-	14	2,716	2,716
DBOrbit-SDH New Technology Business Investment Fund	23,143	-	12,166	11,929	11,929
ESG leaders 1st Private Equity Fund	141,187	-	-	(5,926)	(5,926)
NH Woori Newdeal Growth Alpha Private Equity Fund I	161,506	762	46,519	35,025	35,025
Pectus-IBKC Fund No.1	11,010	-	3,193	262	262
BNW Recharge Private Equity Fund	36,519	160	15,700	15,378	15,378
Pine Tree III VC Private Equity Fund	22,191	-	8	(430)	(430)
KAI Electric Fund 1	18,256	-	15,186	15,121	15,121
Newmain-Wanted Lab I Funds	4,865	3	5	(106)	(106)
KNT_Daishin New Technology Investment Fund 3rd	8,556	2	167	34	34
NH-Susung No.1 Mezzanine New Technology Investment Fund	11,660	-	41	(627)	(627)
SJGP YG Fund No.4	3,596	-	2,333	2,236	2,236
NH-IBKS KONEX SCALEUP FUND	22,107	284	17	(1,111)	(1,111)
Daishin-Atman Healthcare New Technology Investment Fund 1st	15,131	2	3	(2,271)	(2,271)
SKF&NHIS Timor Holdings Ltd.	2,183	1	-	(216)	(216)
HI YG Win-win Fund No.1	10,216	-	652	516	516
SKYWALK-KAI Titan New Technology Investment Fund No.1	3,137	-	1	(23)	(23)
NH SPECIAL PURPOSE ACQUISITION 23 COMPANY	15,770	1,623	-	400	400
NH SPECIAL PURPOSE ACQUISITION 24 COMPANY	10,432	625	-	238	238
NH SPECIAL PURPOSE ACQUISITION 25 COMPANY	6,258	432	-	146	146
NH SPECIAL PURPOSE ACQUISITION 26 COMPANY	18,969	1,560	-	473	473
NH SPECIAL PURPOSE ACQUISITION 27 COMPANY	15,736	640	-	412	412
NH SPECIAL PURPOSE ACQUISITION 29 COMPANY	30,932	2,642	-	581	581
NH SPECIAL PURPOSE ACQUISITION 30 COMPANY	20,385	2,563	-	421	421
NH SPECIAL PURPOSE ACQUISITION 31 COMPANY	15,000	2,366	-	114	114
NH Absolute Pre IPO Mezzanine General Private Placement Investment Trust No.1	6,667	2,936	2,258	(2,945)	(2,945)
NH Absolute Mezzanine General Private Placement Investment Trust No.1	6,851	1,480	2,533	1,488	1,488
NH Absolute Pre IPO General Private Placement Investment Trust No.1	42,599	1,074	2,443	(1,201)	(1,201)
NH Absolute Project H General Private Placement Investment Trust	6,512	27	430	(45)	(45)
NH Absolute Mezzanine General Private Placement Investment Trust No.3	38,262	147	7,568	2,822	2,822
NH Absolute Mezzanine General Private Placement Investment Trust No. 4	17,941	92	1,468	(1,011)	(1,011)
NH Absolute Project C General Private Placement Investment Trust	2,875	12	1,561	429	429
NH Hedge High Yield IPO Alpha General Private Placement Investment Trust No.1	8,206	-	377	367	367
NH Woori New Deal Co-Investment No.1 Private Equity	29,069	254	3,369	3,115	3,115
Kbank [2]	24,677,229	22,552,213	943,595	77,464	85,329
NH-Moorim Dental Care Investment Fund No.1	11,351	-	236	151	151
NH-ARA Value-add No.1 Private Equity Fund	38,847	262	-	(1,615)	(1,615)
NH Absolute Project K Private Equity Fund	181,761	666	12,416	4,594	4,594
NH-Susung No.2 Mezzanine New Technology Investment Fund	21,327	-	12	(236)	(236)
Dayli Bio Healthcare No.6 Start-up Venture Specialized Private Equity Fund	9,639	12	39	27	27
Hope Agriculture Innovation Private Equity Fund	2,086	295	-	(910)	(910)
Magna K-Beauty-I Fund	6,261	-	1	(2)	(2)
IBKS-YG Turn around Fund	6,804	7	-	(3)	(3)
NH Absolute Mezzanine Private Equity fund No.5	12,489	37	680	451	451
NH Absolute Kosdaqventure Mezzanine Private Equity fund No.2	8,630	111	4,021	(43)	(43)
NH hedge Kosdaq SPAC Private Equity	7,702	96	3,751	(54)	(54)
NH Hedge Project HD Plus General Private Placement Investment Trust	7,352	24	1,533	1,508	1,508
Changzhou Alan NH Equity Investment Management Ltd	2,145	-	-	2	136
Changzhou Alan NH	4,305	30	4	(78)	188
	₩ 26,822,046	₩ 22,587,294	₩ 1,181,519	₩ 191,568	₩ 199,822

1. The summarized financial information of associates whose application of the consolidation and equity method has been discontinued due to disposal, etc. as of December 31, 2024, or financial information cannot be obtained are excluded.
2. The amount was determined after reflecting fair value adjustments upon the acquisition of equity interests in the entity and differences in accounting policies between the investee and the Group.

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Adjustments made to calculate the carrying value of investments in associates and joint ventures out of net asset amounts of associates and joint ventures as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025				
	Net assets (a)	Share attributable to the Group (b)	Interest in net assets (a x b)	(+) Goodwill and others	Carrying value
NH-LB Growth Champ 2011-4th PEF	₩ 8,500	6.7%	₩ 567	₩ -	₩ 567
NH Agri-Biz Value Creative 1st PEF	5,781	0.5%	29	-	29
TRUBEN-Global Healthcare Private Equity Joint Co., Ltd.	5,523	39.4%	2,177	(49)	2,128
Starset-DA value Healthcare Investment Fund No. 2	1,287	32.1%	413	-	413
NH_AJU Digital Fund	30,600	20.0%	6,120	-	6,120
NH-AJU KOSDAQ SCALEUP FUND	9,555	28.3%	2,704	10	2,714
NH-OPUS Corporate Financial Stability Private Equity Fund	47,105	14.7%	6,927	504	7,431
Square-DA value Fund No.1	1,452	36.6%	532	-	532
Smilegate Vietnam Kairos Private Equity Fund #1	5,694	20.0%	1,139	-	1,139
NH-Soo Investment innovative growth M&A fund	25,603	30.0%	7,681	(88)	7,593
NH-OPUS II Corporate Financial Stability Private Equity Fund	28,638	1.0%	295	-	295
NH Co-Investment Private Equity Fund	178,172	10.3%	18,376	-	18,376
Korea Investment-Brick Investment New Technology Investment Fund 1st	14,017	20.6%	2,890	-	2,890
NH-Horizon Secondary Fund	2,704	32.2%	869	-	869
The Lakebridge-Samsung Securities Growth Fund I	2,065	33.3%	687	-	687
Recovery Partners Co., Ltd	2,045	29.4%	601	1,286	1,887
Smilegate Aphrodite Serve One Fund	9,865	28.6%	2,819	-	2,819
Smart Quaternary Industry Square Investment Fund No. 2	8,463	20.0%	1,693	-	1,693
Meritz-NH Healthcare No. 1	14,191	19.4%	2,747	-	2,747
LB Private Equity Fund III-1	6,166	16.1%	992	7	999
Pentastone Bridge I Funds	3,672	50.0%	1,836	-	1,836
SJGP YG Fund No.1	2,505	44.0%	1,101	-	1,101
NH-Alpha 1st Fund	6,656	18.5%	1,233	-	1,233
NH-J&-IBKC Label Technology Fund	36,172	14.0%	5,079	(1,313)	3,766
NH-OPUS III Corporate Financial Stability Private Equity Fund	100,173	2.2%	2,204	350	2,554
NH Digital Alliance Fund	75,403	40.0%	30,161	-	30,161
NH-Principle Private Equity Fund	6,001	11.4%	685	-	685
NH-U&S-Brain Pre-IPO Investment Fund	14,887	27.0%	4,023	4	4,027
NH Agtec Innovation Private Equity Fund	36,828	28.5%	10,493	-	10,493
Nextrade Co., Ltd.	126,124	6.6%	8,374	245	8,619
Global Materials Parts Equipment Fund	9,914	13.6%	1,352	-	1,352
NH-IBKC EV Fund	33,527	17.0%	5,694	-	5,694
ESG leaders 1st Private Equity Fund	134,182	1.5%	1,973	316	2,289
NH Woori Newdeal Growth Alpha Private Equity Fund I	180,342	11.4%	20,487	4,328	24,815
Pectus-IBKC Fund No.1	11,743	22.7%	2,669	-	2,669
BNW Recharge Private Equity Fund	21,186	23.5%	4,973	-	4,973
Pine Tree III VC Private Equity Fund	20,807	21.7%	4,523	(8)	4,515
Newmain-Wanted Lab I Funds	4,755	34.0%	1,617	-	1,617
KNT_Daishin New Technology Investment Fund 3rd	7,515	24.1%	1,811	-	1,811
NH-Susung No.1 Mezzanine New Technology Investment Fund	12,624	11.3%	1,420	-	1,420
NH-IBKS KONEX SCALEUP FUND	19,028	19.6%	3,731	-	3,731
Daishin-Atman Healthcare New Technology Investment Fund 1st	17,218	17.2%	2,969	-	2,969
SKF&NHIS Timor Holdings Ltd.	2,383	9.1%	217	975	1,192
HI YG Win-win Fund No.2	10,052	30.7%	3,088	-	3,088
SKYWALK-KAI Titan Fund 1	3,085	63.3%	1,952	-	1,952
NH SPECIAL PURPOSE ACQUISITION 29 COMPANY	28,854	0.4%	101	(2)	99
NH SPECIAL PURPOSE ACQUISITION 30 COMPANY	18,116	0.6%	100	(3)	97
NH SPECIAL PURPOSE ACQUISITION 31 COMPANY	12,872	0.2%	31	(1)	30
NH SPECIAL PURPOSE ACQUISITION 32 COMPANY	11,656	1.5%	173	(3)	170
NH SPECIAL PURPOSE ACQUISITION 33 COMPANY	1,630	3.7%	60	(11)	49
NH Absolute Pre IPO General Private Placement Investment Trust No.1	32,633	33.3%	10,878	-	10,878
NH Absolute Mezzanine General Private Placement Investment Trust No.3	6,638	10.7%	710	(1)	709
NH Absolute Mezzanine General Private Placement Investment Trust No. 4	8,105	7.7%	623	1	624
NH Woori New Deal Co-Investment No.1 Private Equity	18,888	15.6%	2,939	1	2,940
Kbank	2,328,045	5.5%	128,402	35,942	164,344
NH-Moorim Dental Care Investment Fund No.1	10,672	15.2%	1,620	-	1,620
NH-ARA Value-add No.1 Private Equity Fund	151,881	20.5%	31,151	4	31,155
NH Absolute Project K Private Equity Fund	153,294	15.3%	23,454	29	23,483
NH-Susung No.2 Mezzanine New Technology Investment Fund	23,474	15.0%	3,521	-	3,521
Dayli Bio Healthcare No.6 Start-up Venture Specialized Private Equity Fund	7,261	31.3%	2,269	-	2,269
Hope Agriculture Innovation Private Equity Fund	4,798	29.6%	1,418	-	1,418

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	2025				
	Net assets (a)	Share attributable to the Group (b)	Interest in net assets (a x b)	(+) Goodwill and others	Carrying value
Magna K-Beauty-I Fund	6,130	31.9%	1,957	1	1,958
IBKS-YG Turn around Fund	27,807	29.4%	8,178	-	8,178
NH-Miracle No.1 New Technology Investment Fund	8,857	22.2%	1,968	-	1,968
Gentium One Eighth Private Equity Fund	5,637	29.9%	1,683	-	1,683
SJG Pre-IPO Fund No.2	2,767	35.7%	988	-	988
Samsung-NH-Dunamu-Quantum Investment Fund No.1	8,600	23.5%	2,019	-	2,019
Novorsec Eco-friendly K-Shipbuilding Venture Fund	8,899	22.2%	1,977	1	1,978
NH Woori Dino Co-Investment No.2 Private Equity Fund	42,764	4.8%	2,036	3	2,039
NH-Findvlaue No.1 Mezzanine Investment Fund	13,682	30.0%	4,102	-	4,102
NH-IBKC Value Fund	22,476	21.7%	4,886	-	4,886
NH-TS Culture New Technology I Fund	3,810	18.9%	719	-	719
NH-AONE No.1 Mezzanine New Technology Investment Fund	17,136	5.0%	857	-	857
Fluoro Material Fund	8,540	33.3%	2,845	-	2,845
NH Amber Tree Fund	11,715	42.4%	4,964	-	4,964
IBKS-NEWGEN Kfood Fund	5,239	38.1%	1,996	-	1,996
NH-Meritz Bio Investment Fund No.1	12,290	50.0%	6,145	-	6,145
Woori NH Co-Growth Private Equity Fund I	30,947	9.3%	2,887	1	2,888
Daechi Complex Development PFV Co.,Ltd.	180,000	11.1%	20,000	-	20,000
Yongin Sindae PFV Co.,	5,000	19.9%	995	-	995
NH Absolute Mezzanine Private Equity fund No.5	13,270	16.7%	2,212	(13)	2,199
NH Absolute Kosdaqventure Mezzanine Private Equity fund No.2	9,922	11.7%	1,159	-	1,159
NH hedge Kosdaq SPAC Private Equity	9,086	13.1%	1,186	6	1,192
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.2	12,573	8.4%	1,055	1	1,056
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust	20,617	15.0%	3,093	(466)	2,627
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.3	1,955	15.0%	293	(21)	272
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.2	12,730	15.0%	1,910	(345)	1,565
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.3	9,328	18.9%	1,762	-	1,762
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.4	8,897	11.6%	1,032	1	1,033
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.4	9,851	15.0%	1,478	(156)	1,322
NH Hedge Project I General Private Placement Investment Trust	18,715	0.4%	78	1	79
NH Hedge EB Selection Private Investment Trust No.1	12,630	3.0%	383	(10)	373
NH Hedge Project CH Private Placement Investment Trust	14,297	0.1%	10	(1)	9
NH Hedge EB Selection Private Investment Trust No.4	11,571	4.3%	503	(7)	496
NH Hedge EB Selection Private Investment Trust No.3	10,664	4.7%	497	(4)	493
NH Hedge Equity Alpha Target Return Private Investment Trust No.3	38,992	10.0%	3,900	(205)	3,695
NH Hedge Dynamic Equity Target Return Private Investment Trust No.2	25,702	10.0%	2,570	(168)	2,402
NH Hedge Mezz Selection Private Investment Trust No.1	1,974	5.1%	100	-	100
Changzhou Alan NH Equity Investment Management Ltd	2,180	49.0%	1,068	4	1,072
Changzhou Alan NH	12,753	49.0%	6,249	(252)	5,997
	₩ 4,803,028		₩ 493,113	₩ 40,894	₩ 534,007

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	2024				
	Net assets (a)	Share attributable to the Group (b)	Interest in net assets (a x b)	(+) Goodwill and others	Carrying value
NH-LB Growth Champ 2011-4th PEF	₩ 8,504	6.7%	₩ 567	₩ -	₩ 567
NH Agri-Biz Value Creative 1st PEF	5,529	0.5%	28	-	28
IBK-NH Small-Giant PEF	167	0.1%	-	2	2
TRUBEN-Global Healthcare Private Equity Joint Co., Ltd.	4,991	39.4%	1,967	(48)	1,919
Starset-DA value Healthcare Investment Fund No. 2	1,289	32.1%	413	-	413
Starset-DA value Healthcare Investment Fund No. 3	788	32.1%	253	-	253
Ascendo New Generation Healthcare Investment	3,013	30.7%	925	-	925
NH_AJU Digital Fund	27,737	20.0%	5,547	-	5,547
NH-AJU KOSDAQ SCALEUP FUND	11,258	28.3%	3,186	-	3,186
NH-Paxtone Private Equity Fund	55,182	29.8%	16,440	-	16,440
NH-OPUS Corporate Financial Stability Private Equity Fund	82,906	14.7%	12,192	38	12,230
Square-DA value Fund No.1	6,196	36.6%	2,270	-	2,270
Smilegate Vietnam Kairos Private Equity Fund #1	7,585	20.0%	1,517	-	1,517
NH-Soo Investment innovative growth M&A fund	31,928	30.0%	9,578	(87)	9,491
NH-OPUS II Corporate Financial Stability Private Equity Fund	50,831	1.0%	523	-	523
NH Co-Investment Private Equity Fund	235,193	10.3%	24,258	-	24,258
Korea Investment-Brick Investment New Technology Investment Fund 1st	14,024	20.6%	2,892	-	2,892
Harvest Private Equity Fund II	13,559	22.1%	2,991	-	2,991
NH-Horizon Secondary Fund	2,786	32.2%	896	-	896
The Lakebridge-Samsung Securities Growth Fund I	5,690	33.3%	1,893	-	1,893
DAYLI Swanson Bio Healthcare Fund 8	3,994	23.8%	951	-	951
LD New Technology Business Investment Fund 2	4,008	28.6%	1,145	-	1,145
Recovery Partners Co., Ltd	2,534	29.4%	745	1,558	2,303
Smilegate Aphrodite Serve One Fund	10,022	28.6%	2,863	-	2,863
Smart Quaternary Industry Square Investment Fund No. 2	9,367	20.0%	1,873	-	1,873
Meritz-NH Healthcare No. 1	14,514	19.4%	2,809	-	2,809
LB Private Equity Fund III-1	6,236	16.1%	1,003	8	1,011
Pentastone Bridge I Funds	3,741	50.0%	1,871	-	1,871
SJGP YG Fund No.1	2,317	44.0%	1,018	-	1,018
NH-Alpha 1st Fund	6,794	18.5%	1,258	-	1,258
NH-J&-IBKC Label Technology Fund	34,594	14.0%	4,859	-	4,859
NH EBEST MATERIALS Fund No.1	4,971	18.2%	904	-	904
NH-OPUS III Corporate Financial Stability Private Equity Fund	72,850	2.2%	1,631	6	1,637

	2024				
	Net assets (a)	Share attributable to the Group (b)	Interest in net assets (a x b)	(+) Goodwill and others	Carrying value
POSITIVE Sobujang Venture Fund #1	4,278	22.0%	940	-	940
NH-Meritz Hightech Fund	8,238	20.7%	1,704	-	1,704
NH Digital Alliance Fund	41,665	40.0%	16,666	-	16,666
NH-Principle Private Equity Fund	27,649	11.4%	3,154	-	3,154
NH-U&S-Brain Pre-IPO Investment Fund	4,304	27.0%	1,163	4	1,167
NH Agtec Innovation Private Equity Fund	23,820	28.5%	6,786	-	6,786
Nextrade Co., Ltd.	123,213	6.6%	8,180	246	8,426
Global Materials Parts Equipment Fund	7,635	13.6%	1,041	-	1,041
NH-IBKC EV Fund	36,638	17.0%	6,222	-	6,222
DBOrbit-SDH New Technology Business Investment Fund	23,143	17.6%	4,078	-	4,078
ESG leaders 1st Private Equity Fund	141,187	1.5%	2,076	291	2,367
NH Woori Newdeal Growth Alpha Private Equity Fund I	160,744	11.4%	18,261	4,180	22,441
Pectus-IBKC Fund No.1	11,010	22.7%	2,502	-	2,502
BNW Recharge Private Equity Fund	36,359	23.5%	8,535	-	8,535
Pine Tree III VC Private Equity Fund	22,191	21.7%	4,824	(8)	4,816
KAI Electric Fund 1	18,256	24.9%	4,543	-	4,543
Newmain-Wanted Lab I Funds	4,862	34.0%	1,653	-	1,653
KNT_Daishin New Technology Investment Fund 3rd	8,554	24.1%	2,061	-	2,061
NH-Susung No.1 Mezzanine New Technology Investment Fund	11,660	11.3%	1,312	-	1,312
SJGP YG Fund No.4	3,596	46.8%	1,685	-	1,685
NH-IBKS KONEX SCALEUP FUND	21,823	19.6%	4,279	-	4,279
Daishin-Atman Healthcare New Technology Investment Fund 1st	15,129	17.2%	2,609	-	2,609
SKF&NHIS Timor Holdings Ltd.	2,183	9.1%	199	893	1,092
HI YG Win-win Fund No.1	10,216	30.7%	3,139	-	3,139
SKYWALK-KAI Titan New Technology Investment Fund No.1	3,137	63.3%	1,986	-	1,986
NH SPECIAL PURPOSE ACQUISITION 23 COMPANY	14,147	0.1%	20	-	20
NH SPECIAL PURPOSE ACQUISITION 24 COMPANY	9,807	0.6%	58	-	58
NH SPECIAL PURPOSE ACQUISITION 25 COMPANY	5,825	0.7%	39	(1)	38
NH SPECIAL PURPOSE ACQUISITION 26 COMPANY	17,408	0.6%	99	(2)	97
NH SPECIAL PURPOSE ACQUISITION 27 COMPANY	15,096	0.6%	97	(1)	96
NH SPECIAL PURPOSE ACQUISITION 29 COMPANY	28,291	0.4%	99	(2)	97
NH SPECIAL PURPOSE ACQUISITION 30 COMPANY	17,822	0.6%	98	(3)	95

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	2024				
	Net assets (a)	Share attributable to the Group (b)	Interest in net assets (a x b)	(+) Goodwill and others	Carrying value
NH SPECIAL PURPOSE ACQUISITION 31 COMPANY	12,634	0.2%	30	(1)	29
NH Absolute Pre IPO Mezzanine General Private Placement Investment Trust No.1	3,731	33.3%	1,244	-	1,244
NH Absolute Mezzanine General Private Placement Investment Trust No.1	5,371	30.9%	1,661	-	1,661
NH Absolute Pre IPO General Private Placement Investment Trust No.1	41,525	33.3%	13,842	(7)	13,835
NH Absolute Project H General Private Placement Investment Trust	6,484	13.0%	846	-	846
NH Absolute Mezzanine General Private Placement Investment Trust No.3	38,115	10.7%	4,076	(19)	4,057
NH Absolute Mezzanine General Private Placement Investment Trust No. 4	17,849	7.7%	1,373	24	1,397
NH Absolute Project C General Private Placement Investment Trust	2,863	11.8%	337	11	348
NH Hedge High Yield IPO Alpha General Private Placement Investment Trust No.1	8,206	12.7%	1,039	1	1,040
NH Woori New Deal Co-Investment No.1 Private Equity	28,815	15.6%	4,484	1	4,485
Kbank [2]	2,125,017	5.5%	117,204	41,372	158,576
NH-Moorim Dental Care Investment Fund No.1	11,351	15.2%	1,723	-	1,723
NH-ARA Value-add No.1 Private Equity Fund	38,585	20.5%	7,914	1	7,915
NH Absolute Project K Private Equity Fund	181,094	15.3%	27,707	28	27,735
NH-Susung No.2 Mezzanine New Technology Investment Fund	21,327	15.0%	3,199	-	3,199
Dayli Bio Healthcare No.6 Start-up Venture Specialized Private Equity Fund	9,627	31.3%	3,008	-	3,008
Hope Agriculture Innovation Private Equity Fund	1,790	29.6%	529	-	529
Magna K-Beauty-I Fund	6,261	31.9%	1,999	-	1,999
IBKS-YG Turn around Fund	6,797	29.4%	1,999	-	1,999
NH Absolute Mezzanine Private Equity fund No.5	12,451	16.7%	2,075	(51)	2,024
NH Absolute Kosdaqventure Mezzanine Private Equity fund No.2	8,519	11.7%	995	-	995
NH hedge Kosdaq SPAC Private Equity	7,606	13.1%	993	-	993
NH Hedge Project HD Plus General Private Placement Investment Trust	7,328	8.6%	629	(69)	560
Changzhou Alan NH Equity Investment Management Ltd	2,145	49.0%	1,051	29	1,080
Changzhou Alan NH	4,275	49.0%	2,095	110	2,205
	₩ 4,234,750		₩ 423,426	₩ 48,504	₩ 471,930

15. Property and Equipment

Details of property and equipment as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025		
	Acquisition cost	Accumulated depreciation	Net carrying value
Land	₩ 54,253	₩ -	₩ 54,253
Building	37,764	(17,030)	20,734
Furniture and fixtures	338,713	(301,966)	36,747
Constriction-in-progress	729	-	729
Others	3,849	(1,980)	1,869
	₩ 435,308	₩ (320,976)	₩ 114,332

(in millions of Korean won)

	2024		
	Acquisition cost	Accumulated depreciation	Net carrying value
Land	₩ 54,239	₩ -	₩ 54,239
Building	37,851	(15,319)	22,532
Furniture and fixtures	337,575	(279,717)	57,858
Constriction-in-progress	1,798	-	1,798
Others	4,069	(1,888)	2,181
	₩ 435,532	₩ (296,924)	₩ 138,608

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Changes in property and equipment for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025						
	Beginning balance	Acquisitions	Disposals	Depreciation	Transfers	Others[1]	Ending balance
Land	₩ 54,239	₩ -	₩ -	₩ -	₩ 14	₩ -	₩ 54,253
Building	22,533	8	-	(1,790)	(17)	-	20,734
Vehicles, furniture and fixtures	57,857	8,883	(1,783)	(30,156)	-	1,946	36,747
Constriction-in-progress	1,798	2,141	(698)	-	(2,464)	(48)	729
Others	2,181	220	(73)	(141)	-	(318)	1,869
	₩ 138,608	₩ 11,252	₩ (2,554)	₩ (32,087)	₩ (2,467)	₩ 1,580	₩ 114,332

1. Composed of provisions for restoration, gain (loss) on translation of overseas operations and others.

(in millions of Korean won)

	2024						
	Beginning balance	Acquisitions	Disposals	Depreciation	Transfers	Others[1]	Ending balance
Land	₩ 56,425	₩ -	₩ -	₩ -	₩ (2,186)	₩ -	₩ 54,239
Building	25,514	2	-	(1,824)	(1,160)	-	22,532
Furniture and fixtures	93,850	24,431	(1,477)	(45,110)	(14,772)	936	57,858
Constriction-in-progress	4,890	7,344	(643)	-	(9,790)	(3)	1,798
Others	2,034	359	(63)	(103)	-	(46)	2,181
	₩ 182,713	₩ 32,136	₩ (2,183)	₩ (47,037)	₩ (27,908)	₩ 887	₩ 138,608

1. Composed of provisions for restoration, gain (loss) on translation of overseas operations and others.

16. Investment Properties

Investment properties as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025		
	Acquisition cost	Accumulated depreciation	Net carrying value
Land	₩ 95,203	₩ -	₩ 95,203
Building	204,469	(19,458)	185,011
	₩ 299,672	₩ (19,458)	₩ 280,214

(in millions of Korean won)

	2024		
	Acquisition cost	Accumulated depreciation	Net carrying value
Land	₩ 96,409	₩ -	₩ 96,409
Building	208,582	(15,465)	193,117
	₩ 304,991	₩ (15,465)	₩ 289,526

Changes in investment properties for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025						
	Beginning balance	Acquisitions	Disposals	Amortization	Transfer	Others	Ending balance
Land	₩ 96,409	₩ -	₩ -	₩ -	₩ (14)	₩ (1,192)	₩ 95,203
Building	193,117	-	-	(4,083)	365	(4,388)	185,011
	₩ 289,526	₩ -	₩ -	₩ (4,083)	₩ 351	₩ (5,580)	₩ 280,214

(in millions of Korean won)

	2024						
	Beginning balance	Acquisitions	Disposals	Amortization	Transfer	Others	Ending balance
Land	₩ 88,306	₩ -	₩ (219)	₩ -	₩ 2,186	₩ 6,136	₩ 96,409
Building	171,153	2,935	(843)	(3,881)	1,161	22,592	193,117
	₩ 259,459	₩ 2,935	₩ (1,062)	₩ (3,881)	₩ 3,347	₩ 28,728	₩ 289,526

Rental income and operating expenses arising from the Group's investment properties for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Rental income	₩ 17,166	₩ 15,239
Depreciation	(4,083)	(3,881)
	₩ 13,083	₩ 11,358

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The fair value of the investment properties provided by independent value appraisers amounts to ₩ 299,067 million as of December 31, 2025. All investment properties are classified as Level 3 in the fair value hierarchy as described in Note 10.

17. Intangible Assets

Details of intangible assets as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025			
	Acquisition cost	Accumulated amortization	Accumulated impairment loss	Net carrying value
Goodwill	₩ 24,724	₩ -	₩ (24,724)	₩ -
Development costs	70,270	(53,826)	(179)	16,265
Software	22,317	(12,531)	(15)	9,771
Membership deposits	33,964	-	(5,045)	28,919
Construction-in-progress	1,041	-	-	1,041
Others	43,720	(37,605)	-	6,115
	₩ 196,036	₩ (103,962)	₩ (29,963)	₩ 62,111

(in millions of Korean won)

	2024			
	Acquisition cost	Accumulated amortization	Accumulated impairment loss	Net carrying value
Goodwill	₩ 43,774	₩ -	₩ (3,992)	₩39,782
Development costs	66,344	(48,271)	(179)	17,894
Software	18,261	(9,671)	(15)	8,575
Membership deposits	29,670	-	(5,045)	24,625
Others	42,609	(34,860)	-	7,749
	₩ 200,658	₩ (92,802)	₩ (9,231)	₩ 98,625

Changes in intangible assets for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025							
	Beginning balance	Acquisitions	Disposals	Amortization	Impairment	Transfer	Others	Ending balance
Goodwill	₩ 39,782	₩ -	₩ -	₩ -	₩ (20,732)	₩ -	₩ (19,050)	₩ -
Development costs	17,894	481	(57)	(5,636)	-	3,500	83	16,265
Software	8,575	3,884	-	(2,910)	-	173	49	9,771
Membership deposits	24,625	5,397	(1,083)	-	-	-	(20)	28,919
Construction-in-progress	-	2,769	(170)	-	-	(1,558)	-	1,041
Others	7,749	1,122	-	(2,751)	-	-	(5)	6,115
	₩ 98,625	₩ 13,653	₩ (1,310)	₩ (11,297)	₩ (20,732)	₩ 2,115	₩ (18,943)	₩ 62,111

(in millions of Korean won)

	2024						
	Beginning balance	Acquisitions	Disposals	Amortization	Transfer	Others	Ending balance
Goodwill	₩ 39,782	₩ -	₩ -	₩ -	₩ -	₩ -	₩ 39,782
Development costs	280	160	-	(83)	17,439	98	17,894
Software	1,866	390	-	(743)	7,122	(60)	8,575
Membership deposits	15,444	9,219	-	-	-	(38)	24,625
Others	8,007	2,055	-	(2,339)	-	26	7,749
	₩ 65,379	₩ 11,824	₩ -	₩ (3,165)	₩ 24,561	₩ 26	₩ 98,625

Details of impairment evaluation on intangible assets as of December 31, 2025 are as follows:

The Group performed an impairment test on the following intangible asset acquired through a business combination:

(in millions of Korean won)

	2025	2024
Goodwill	₩ -	₩ 39,782

The Group performed an impairment test by comparing the carrying amount and recoverable amount of cash-generating units to which goodwill was allocated as of December 31, 2025. The recoverable amount was evaluated based on the value in use. According to the impairment assessment result for goodwill, an impairment loss of ₩20,732 million was recognized as the carrying amount exceeded the recoverable amount.

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18. Right-of-use Assets

Details of right-of-use assets as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025		
	Acquisition cost	Accumulated depreciation	Net carrying value
Properties	₩ 207,679	₩ (146,883)	₩ 60,796
Vehicles	3,126	(1,738)	1,388
Others	18	(5)	13
	₩ 210,823	₩ (148,626)	₩ 62,197

(in millions of Korean won)

	2024		
	Acquisition cost	Accumulated depreciation	Net carrying value
Properties	₩ 200,683	₩ (120,219)	₩ 80,464
Vehicles	3,421	(1,882)	1,539
Others	18	(5)	13
	₩ 204,122	₩ (122,106)	₩ 82,016

Changes in right-of-use assets for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025				
	Beginning balance	Added	Terminated	Others	Ending balance
Properties	₩ 200,683	₩ 14,056	₩ (6,600)	₩ (460)	₩ 207,679
Vehicles	3,421	1,126	(1,420)	(1)	3,126
Others	18	19	(19)	-	18
	₩ 204,122	₩ 15,201	₩ (8,039)	₩ (461)	₩ 210,823

(in millions of Korean won)

	2024				
	Beginning balance	Added	Terminated	Others	Ending balance
Properties	₩ 184,325	₩ 26,123	₩ (11,588)	₩ 1,823	₩ 200,683
Vehicles	3,049	900	(583)	55	3,421
Others	12	19	(13)	-	18
	₩ 187,386	₩ 27,042	₩ (12,184)	₩ 1,878	₩ 204,122

Changes in accumulated depreciation of right-of-use assets for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025				
	Beginning balance	Depreciation	Terminated	Others	Ending balance
Properties	₩ 120,219	₩ 32,463	₩ (5,566)	₩ (233)	₩ 146,883
Vehicles	1,882	964	(1,108)	-	1,738
Others	5	19	(19)	-	5
	₩ 122,106	₩ 33,446	₩ (6,693)	₩ (233)	₩ 148,626

(in millions of Korean won)

	2024				
	Beginning balance	Depreciation	Terminated	Others	Ending balance
Properties	₩ 92,879	₩ 32,592	₩ (6,195)	₩ 943	₩ 120,219
Vehicles	1,328	1,028	(508)	34	1,882
Others	4	15	(14)	-	5
	₩ 94,211	₩ 33,635	₩ (6,717)	₩ 977	₩ 122,106

Details of variable lease payments, short-term lease payments and leases payments of low-value assets that are not included in the measurement of lease liabilities for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Lease payments of low-value assets	₩ 7,023	₩ 8,678
Variable lease payments	135	401
Value-added taxes of lease payments	3,064	3,030
	₩ 10,222	₩ 12,109

The Group recognized lease income of ₩ 435 million through subleases for the year ended December 31, 2025.

The Group has determined to apply the recognition exemption in accordance with KIFRS 1116 Leases for leases of low-value assets with fair values of less than KRW 5 million and recognizes lease payments associated with these leases as expenses on a straight-line basis over the lease term.

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19. Other Assets

Details of other assets as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Advance payments	₩ 52,192	₩ 15,509
Prepaid expenses	9,571	13,250
Prepaid taxes	754	1,636
Commodities	420	164
Carbon emissions rights	22,038	16,929
Others	1,012	1,015
Net defined benefit assets	-	60
	₩ 85,987	₩ 48,563

Movements in the carbon emissions rights for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025				
	Beginning balance	Acquisitions	Disposals	Gain on valuation	Ending balance
Carbon emissions rights	₩ 16,929	₩ 38,611	₩ (36,084)	₩ 2,582	₩ 22,038

(in millions of Korean won)

	2024				
	Beginning balance	Acquisitions	Disposals	Loss valuatonion	Ending balance
Carbon emissions rights	₩ 8,591	₩ 65,908	₩ (56,793)	₩ (777)	₩ 16,929

20. Deposits due to Customers

Details of deposits as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Customers' deposits:		
Customers' deposits for brokerage	₩ 8,760,786	₩ 5,623,734
Customers' deposits for derivatives transactions	1,556,726	930,609
Customers' deposits for subscription	27	34
Customers' deposits for savings	39,740	24,582
Customers' deposits for beneficiary certificates	968,823	932,727
Others	1,672,533	460,132
	12,998,635	7,971,818
Collateral of income:		
Collateral of credit lender	2,496	-
	₩ 13,001,131	₩ 7,971,818

21. Financial Liabilities at FVTPL

Details of financial liabilities at FVTPL as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Financial liabilities at FVTPL:		
Securities in short position	₩ 3,225,481	₩ 2,763,804
Financial liabilities designated at FVTPL:		
Derivatives-linked securities sold	2,338,932	2,351,916
Derivatives-linked bonds sold	5,617,353	5,419,318
	7,956,285	7,771,234
Derivative liabilities held for trading[1]	2,027,831	1,628,441
	₩ 13,209,597	₩ 12,163,479

1. See Note 5.

The Group designates a financial liability as at FVTPL, if such designation eliminates or significantly reduces accounting mismatch, and if financial instruments are managed on a fair value basis and its performance is assessed. As of December 31, 2025, the Group designated certain financial liabilities that did not meet the definition of fair value measurement but were managed and assessed by fair value at FVTPL. The designation of financial instruments at FVTPL is irrevocable.

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Details of financial liabilities designated as at FVTPL as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Derivatives-linked securities sold:		
Equity-linked securities	₩ 1,592,983	₩ 1,256,255
Other derivatives-linked securities	548,427	1,074,717
Exchange Traded Notes	197,522	20,944
	2,338,932	2,351,916
Derivatives-linked bonds sold:		
Equity-linked bonds	2,824,276	3,143,216
Other derivatives-linked bonds	2,793,077	2,276,102
	5,617,353	5,419,318
	₩ 7,956,285	₩ 7,771,234

Credit risk adjustments to financial liabilities designated as at FVTPL as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Financial liabilities designated at FVTPL – other comprehensive income		
Changes in fair value for credit risk adjustments	₩ 12,017	₩ 3,071
Accumulated changes in credit risk adjustments	3,093	(8,790)
Financial liabilities designated at FVTPL – profit or loss		
Changes in fair value for credit risk adjustments	117	(10,102)
Accumulated changes in credit risk adjustments	(37)	(245)

Details of fair value changes of financial liabilities designated as at FVTPL attributable to changes in credit risk of the liability for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Beginning balance	₩ (6,470)	₩ (8,730)
Decrease of credit risk recognized in other comprehensive income	12,017	3,071
Effect of corporation tax	(3,305)	(811)
Ending balance	₩ 2,242	₩ (6,470)

The maturity repayment amount, the carrying amount and the difference between the two amounts of the principal under the contractual terms of the financial liabilities designated as at FVTPL as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025		
	Contractual maturity repayment amount	Book amount	Difference
Stock-linked securities	₩ 1,515,762	₩ 1,592,983	₩ (77,221)
Other derivatives-linked securities	519,814	548,427	(28,613)
Exchange Traded Notes	197,522	197,522	-
Stock-linked bonds	2,841,143	2,824,276	16,867
Other derivatives-linked bonds	2,650,299	2,793,077	(142,778)

(in millions of Korean won)

	2024		
	Contractual maturity repayment amount	Book amount	Difference
Stock-linked securities	₩ 1,227,276	₩ 1,256,255	₩ (28,979)
Other derivatives-linked securities	1,051,091	1,074,717	(23,626)
Exchange Traded Notes	20,944	20,944	-
Stock-linked bonds	3,166,919	3,143,216	23,703
Other derivatives-linked bonds	2,114,810	2,276,102	(161,292)

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

22. Borrowings and Debentures

Details of borrowings as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	Lender	Interest rate (%)	2025	2024
Call money	Kookmin bank, etc.	2.38 ~ 2.83	₩ 1,145,000	₩ 560,000
Borrowings	Korea Securities Finance Corp., etc.	1.30 ~ 9.50	9,590,263	6,497,644
Bonds sold under repurchase agreements	Hana Bank Trust, etc.	0.10 ~ 8.00	11,613,663	10,073,440
Others		-	998,703	786,912
Issued notes	Individuals, etc.	2.05 ~ 5.25	9,431,209	6,606,585
Present value discount			(105,408)	(78,068)
			₩ 32,673,430	₩ 24,446,513

Details of debentures as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

		Issuance date	Maturity date	Interest rate (%)	2025	2024
Corporate bonds	Series 61-2nd corporate bonds	2020-09-28	2025-09-28	1.55	-	150,000
	Series 62-2nd corporate bonds	2020-11-27	2025-11-27	1.64	-	130,000
	Series 62-3rd corporate bonds	2020-11-27	2027-11-26	1.86	70,000	70,000
	Series 63rd corporate bonds	2021-02-16	2026-02-13	1.55	110,000	110,000
	Series 64-2nd corporate bonds	2021-04-29	2026-04-29	1.95	80,000	80,000
	Series 64-3rd corporate bonds	2021-04-29	2028-05-01	2.25	50,000	50,000
	Series 65-2nd corporate bonds	2021-10-27	2026-10-27	2.71	130,000	130,000
	Series 66-1st corporate bonds	2022-04-08	2025-04-08	3.63	-	330,000
	Series 66-2nd corporate bonds	2022-04-08	2027-04-08	3.70	70,000	70,000
	Series 67-1st corporate bonds	2022-07-26	2025-07-25	4.27	-	195,000
	Series 67-2nd corporate bonds	2022-07-26	2027-07-26	4.28	80,000	80,000
	Series 68-1st corporate bonds	2023-09-19	2025-09-19	4.58	-	150,000
	Series 68-2nd corporate bonds	2023-09-19	2026-09-18	4.65	120,000	120,000
	Series 69-1st corporate bonds	2024-02-06	2026-02-06	3.94	50,000	50,000
	Series 69-2nd corporate bonds	2024-02-06	2027-02-05	4.00	200,000	200,000
	Series 70-1st corporate bonds	2024-10-08	2027-10-08	3.42	280,000	280,000
	Series 70-2nd corporate bonds	2024-10-08	2029-10-08	3.52	220,000	220,000
	Series 71-1st corporate bonds	2025-02-21	2028-02-21	3.07	310,000	-
	Series 71-2nd corporate bonds	2025-02-21	2030-02-21	3.19	190,000	-
	Series 72-1st corporate bonds	2025-04-23	2028-04-21	2.80	270,000	-
	Series 72-2nd corporate bonds	2025-04-23	2030-04-23	2.91	130,000	-
	Series 73-1st corporate bonds	2025-07-22	2028-07-21	2.76	190,000	-
	Series 73-2nd corporate bonds	2025-07-22	2030-07-22	2.95	110,000	-
	Series 74-1st corporate bonds	2025-09-26	2028-09-26	2.83	180,000	-
	Series 74-2nd corporate bonds	2025-09-26	2030-09-26	2.99	120,000	-
	Less: discounts on bond issue				(5,431)	(3,449)
					2,954,569	2,411,551
Bonds in foreign currency	Series 1st corporate bonds	2021-10-07	2026-10-07	1.88	430,470	441,000
	Series 2-1st corporate bonds	2025-07-10	2028-07-10	4.63	430,470	-
	Series 2-2nd corporate bonds	2025-07-10	2030-07-10	4.75	430,470	-
	Less: discounts on bond issue				(8,388)	(2,149)
					1,283,022	438,851
Asset backed short-term bond	HYUNDAI MOTOR SECURITIES CO.,LTD.	2025-11-13	2026-02-13	2.98	30,000	-
	iM SECURITIES CO., LTD	2025-12-31	2026-01-08	3.21	280,000	-
	Daol Investment & Securities Co., Ltd.	2025-12-31	2026-01-07	3.21	160,000	-
	Less: discounts on bond issue				(403)	-
					469,597	-
					₩ 4,707,188	₩ 2,850,402

23. Other Financial Liabilities

Other financial liabilities as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Accounts payable	₩ 7,793,438	₩ 4,460,675
Accrued expenses	635,036	502,270
Leasehold deposits received	7,874	8,622
Present value discount	(185)	(320)
Lease liabilities	65,241	85,731
Present value discount	(2,800)	(4,709)
Others	1,215,962	1,127,075
	₩ 9,714,566	₩ 6,179,344

The amounts of lease liabilities by maturity as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025					
	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Lease liabilities	₩ 2,930	₩ 5,677	₩ 22,648	₩ 33,986	₩ -	₩ 65,241

(in millions of Korean won)

	2024					
	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Lease liabilities	₩ 2,970	₩ 5,551	₩ 24,188	₩ 52,557	₩ 465	₩ 85,731

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24. Provisions

Details of provisions as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Provision for restoration	₩ 8,928	₩ 8,862
Provision for unused commitment	8,199	15,579
Provision for payment guarantee	-	341
Provision for other losses [1,2]	37,443	80,017
	₩ 54,570	₩ 104,799

1. Of the total of ₩ 432,700 million of Optimus Asset Management Funds with suspension of redemption the Group sold, the Group recognized partial provisions for ₩ 113,900 million of sales principal of professional investors, excluding the amount which Company refunded the entire of sales principal according to the decision on the dispute settlement committee of the Financial Supervisory Service and agreement with individual customers and non-professional investors, the Group will reflect the amounts in the financial statements by reviewing judgement of independent external experts, objective evidence to estimate outflows and the results of related lawsuits of resources in the future.
2. The Group has recognized provisions for a portion of the principal of German Heritage derivative-linked securities sold to institutional investors. The amount of these provisions will continue to be reflected in the financial statements based on ongoing reviews, considering independent external expert assessments, objective evidence of expected resource outflows, and outcomes of related litigation.

Changes in provisions for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025				
	Provision for restoration	Provision for unused commitment	Provision for payment guarantee	Others	Total
Beginning balance	₩ 8,862	₩ 15,579	₩ 341	₩ 80,017	₩ 104,799
Provisions provided	1,938	-	-	32,602	34,540
Provisions used	(225)	-	-	(55,865)	(56,090)
Reversal of unused amount	(1,750)	(7,367)	(341)	(19,567)	(29,025)
Foreign currency translation	-	(13)	-	-	(13)
Write-off	292	-	-	-	292
Additional allocation	(189)	-	-	256	67
Ending balance	₩ 8,928	₩ 8,199	₩ -	₩ 37,443	₩ 54,570

(in millions of Korean won)

	2024				
	Provision for restoration	Provision for unused commitment	Provision for payment guarantee	Others	Total
Beginning balance	₩ 9,885	₩ 6,164	₩ 339	₩ 37,997	₩ 54,385
Provisions provided	2,302	9,346	2	73,608	85,258
Provisions used	(420)	-	-	(41,949)	(42,369)
Reversal of unused amount	(2,206)	-	-	-	(2,206)
Foreign currency translation	-	69	-	-	69
Write-off	380	-	-	-	380
Additional allocation	(1,079)	-	-	10,461	9,382
Others	-	-	-	(100)	(100)
Ending balance	₩ 8,862	₩ 15,579	₩ 341	₩ 80,017	₩ 104,799

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Changes in provision for unused commitment and payment guarantee for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025						
	Provision for unused commitment			Provision for payment guarantee			Total
	12-month expected credit losses	Lifetime expected credit losses	Impairment	12-month expected credit losses	Lifetime expected credit losses	Impairment	
Beginning balance	₩ 15,176	₩ 402	₩ -	₩ 341	₩ -	₩ -	₩ 15,919
Transfer to 12-month expected credit losses	-	-	-	-	-	-	-
Transfer to lifetime expected credit losses	-	-	-	-	-	-	-
Transfer to credit-impaired	-	-	-	-	-	-	-
Allowance for expected credit losses	(6,965)	(402)	-	(341)	-	-	(7,708)
Foreign currency translation	(12)	-	-	-	-	-	(12)
Ending balance	₩ 8,199	₩ -	₩ -	₩ -	₩ -	₩ -	₩ 8,199

(in millions of Korean won)

	2024						
	Provision for unused commitment			Provision for payment guarantee			Total
	12-month expected credit losses	Lifetime expected credit losses	Impairment	12-month expected credit losses	Lifetime expected credit losses	Impairment	
Beginning balance	₩ 5,794	₩ 370	₩ -	₩ 339	₩ -	₩ -	₩ 6,503
Transfer to 12-month expected credit losses	-	-	-	-	-	-	-
Transfer to lifetime expected credit losses	(69)	69	-	-	-	-	-
Transfer to credit-impaired	-	-	-	-	-	-	-
Allowance for expected credit losses	9,383	(37)	-	2	-	-	9,348
Foreign currency translation	68	-	-	-	-	-	68
Ending balance	₩ 15,176	₩ 402	₩ -	₩ 341	₩ -	₩ -	₩ 15,919

Changes in loan arrangement and financial guarantee contract for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025						
	Loan arrangement[1]			Financial guarantee contract[1]			Total
	12-month expected credit losses	Lifetime expected credit losses	Credit-impaired	12-month expected credit losses	Lifetime expected credit losses	Credit-impaired	
Beginning balance	₩ 3,724,844	₩ 15,248	₩ -	₩ 131,500	₩ -	₩ -	₩ 3,871,592
Transfer to 12-month expected credit losses	-	-	-	-	-	-	-
Transfer to lifetime expected credit losses	-	-	-	-	-	-	-
Transfer to credit-impaired	-	-	-	-	-	-	-
Increase (decrease)	(1,907,482)	(15,248)	-	-	-	-	(1,922,730)
Ending balance	₩ 1,817,362	₩ -	₩ -	₩ 131,500	₩ -	₩ -	₩ 1,948,862

1. The exposures of the loan agreement and the financial guarantee contract exclude the contracts for the purchase and sale of beneficiary certificates and non-fulfillment commitment.

(in millions of Korean won)

	2024						
	Loan arrangement[1]			Financial guarantee contract[1]			Total
	12-month expected credit losses	Lifetime expected credit losses	Credit-impaired	12-month expected credit losses	Lifetime expected credit losses	Credit-impaired	
Beginning balance	₩ 1,905,197	₩ 9,781	₩ -	₩ 32,800	₩ -	₩ -	₩ 1,947,778
Transfer to 12-month expected credit losses	-	-	-	-	-	-	-
Transfer to lifetime expected credit losses	(16,118)	16,118	-	-	-	-	-
Transfer to credit-impaired	-	-	-	-	-	-	-
Increase (decrease)	1,835,765	(10,651)	-	98,700	-	-	1,923,814
Ending balance	₩ 3,724,844	₩ 15,248	₩ -	₩ 131,500	₩ -	₩ -	₩ 3,871,592

1. The exposures of the loan agreement and the financial guarantee contract exclude the contracts for the purchase and sale of beneficiary certificates and non-fulfillment commitment.

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25. Other Liabilities

Other liabilities as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Net defined benefit liabilities	₩ 108,436	₩ 71,638
Accrued expenses	18,659	20,723
Advance received	397	151
Unearned revenue	65,973	105,016
Withholding income taxes	106,816	93,133
Others	-	46
	₩ 300,281	₩ 290,707

26. Net Defined Benefit Liabilities

Details of net defined benefit liabilities as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Present value of defined benefit obligations	₩ 392,602	₩ 329,692
Fair value of plan assets	(284,166)	(258,115)
Net defined benefit liability	₩ 108,436	₩ 71,577

Changes in the carrying value of defined benefit obligation for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Beginning balance	₩ 329,692	₩ 275,863
Past service cost	-	4,570
Current service cost	25,580	22,604
Interest expense	11,244	11,205
Transfer succession	1,417	1,094
Actuarial losses (gains)	60,198	55,418
Benefits paid	(34,855)	(40,058)
Others	(674)	(1,004)
Ending balance	₩ 392,602	₩ 329,692

Changes in plan assets for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Beginning balance	₩ 258,115	₩ 245,223
Expected return on plan assets	9,068	10,267
Actuarial gains	3,183	2,854
Employer's contributions	36,172	20,294
Transfer succession	1,417	1,094
Benefits paid	(22,301)	(20,722)
Others	(1,488)	(895)
Ending balance	₩ 284,166	₩ 258,115

Plan assets as of December 31, 2025 and 2024 consist of:

(in millions of Korean won)

	2025	2024
Deposits and others	₩ 4,967	₩ 44,699
Insurer's guaranteed interest deposits and others	279,199	213,416
	₩ 284,166	₩ 258,115

Expenses included in the statements of comprehensive income for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Retirement pension benefits	₩ 26,552	₩ 23,830
Past service cost	-	4,570
Current service cost	25,580	22,604
Interest expense	11,244	11,205
Expected return of plan assets	(9,068)	(10,267)
Others	961	2,006
	₩ 55,269	₩ 53,948

The main actuarial assumptions used in the assessment of the retirement benefit obligation as of December 31, 2025 and 2024 are as follows:

	2025	2024
Discount rate	3.77%~4.22%	3.69%~3.83%
Expected return rate of plan assets	3.77%~4.22%	3.69%~3.83%
Future wage growth rate	2.59%~4.06%	3.41%~4.08%
Mortality ratio	0.02%	0.02%

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The sensitivity of actuarial assumptions used in assessment of defined benefit obligation as of December 31, 2025 and 2024 is as follows

(in millions of Korean won)

	2025		2024	
	Increase by 1% point	Decrease by 1% point	Increase by 1% point	Decrease by 1% point
Discount rate	₩ 368,090	₩ 423,557	₩ 306,143	₩ 354,998
Future wage growth rate	422,714	367,466	354,490	304,573

The sensitivity analysis indicates the amounts of defined benefit obligation when each assumption changes without change in the remaining assumptions. The sensitivity of defined benefit obligations is determined by the projected unit credit method used in calculating net defined benefit liability recognized in the statements of financial position.

The expected maturity analysis of undiscounted pension benefits as of December 31, 2025 is as follows:

(in millions of Korean won)

	Year 1	Year 2	Years 3~4	Year 5~9	After Year 10	Total
Pension benefits	₩ 53,258	₩ 55,324	₩ 81,329	₩ 191,786	₩ 495,881	₩ 877,578

As of December 31, 2025, the expected contribution to pay to defined benefit plan for the next fiscal year amounts to ₩ 30,123 million, and the weighted-average maturity of defined benefit obligation is 7.22 years.

27. Equity Attributable to Equity Holders of the Parent

Details of equity attributable to equity holders of the parent as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Capital stock:		
Common share	₩ 1,844,496	₩ 1,683,205
Preferred stock	99,355	99,355
	1,943,851	1,782,560
Capital surplus:		
Capital in excess of par value	2,339,405	1,851,566
Gains on sale of treasury stock	15,297	15,297
Other capital surpluses	15,582	15,582
Treasury stock[1]	(14,565)	(14,565)
Losses on sale of treasury stock	(1,567)	(1,567)
Other capital adjustments	867	867
	2,355,019	1,867,180
Components of other equity:		
Gain on valuation of financial assets at FVOCI	475,673	400,220
Provision for expected credit loss of financial assets at FVOCI	3,671	1,998
Gain (loss) on financial liabilities designated at FVTPL due to the change of credit risk	2,242	(6,470)
Gain (loss) on equity method investments	(178)	330
Loss on valuation of derivative held for hedging	(10,449)	(10,449)
Gain on translation of overseas operations	215,658	244,329
Remeasurement of the defined benefit plan	(147,507)	(106,166)
	539,110	523,792
Retained earnings:		
Legal reserve[2]	298,594	265,760
Regulatory reserve for credit losses	99,943	118,280
Voluntary reserve	2,721,981	2,487,328
Unappropriated retained earnings	1,467,494	1,062,135
Other retained earnings[3]	7,345	7,345
	4,595,357	3,940,848
	₩ 9,433,337	₩ 8,114,380

1. Treasury stocks that the Group holds as of December 31, 2025 are acquired to stabilize the stock price, increase the shareholder value, and compensate for the employees' performance.
2. Commercial Act requires the Group to appropriate a minimum of 10% of profit dividends as a legal reserve until the legal reserve equals 50% of capital stock. The reserve may not be utilized for cash dividends but only be used to offset a deficit, or be transferred to capital.
3. Gain on revaluation of the assets in accordance with Assets Revaluation Law may not be utilized for cash dividends but only be used to offset a deficit, or be transferred to capital.

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Details of changes in the number of shares issued and capital stock for the year ended December 31, 2025 are as follows:

(shares, in millions of Korean won)

	Number of shares issued	Capital stock
Beginning balance	₩ 346,363,267	₩ 1,782,560
Treasury shares retired[1]	(3,405,994)	-
Issuance of shares[2]	32,258,064	161,291
Ending balance	₩ 375,215,337	₩ 1,943,851

1. The Group resolved at the Board of Directors on March 6, 2025 to acquire 3,405,994 treasury shares (common shares, approximately ₩ 48,700 million) and to retire such shares. Accordingly, the Group completed the acquisition of treasury shares from March 10 to May 15, 2025 (based on the trade date), and completed the retirement of 3,405,994 treasury shares on May 28, 2025. The above retirement of shares was conducted as a share retirement pursuant to the proviso of Article 343(1) of the Commercial Act of the Republic of Korea, and as the retirement was made for treasury shares to be acquired within the limit of distributable profits, the total number of issued shares (common shares) decreased, while capital did not decrease.
2. The Group resolved at the Board of Directors on July 31, 2025 to issue 32,258,064 common shares (par value of ₩5,000 per share) on August 8, 2025 at an issue price of ₩20,150 per share through a paid-in capital increase, and the capital deduction costs incurred in connection with the paid-in capital increase amounted to ₩871 million.

Details of the capital stock as of December 31, 2025 and 2024 are as follows:

(in Korean won)

	2025	2024
Authorized shares of capital stock	900,000,000 shares	900,000,000 shares
Par value per 1 share	₩ 5,000	₩ 5,000
Issued shares of capital stock:	375,215,337 shares	346,363,267 shares
Common share	356,344,369 shares	327,492,299 shares
Preferred stock	18,870,968 shares	18,870,968 shares

The Group may retire its own shares by a resolution of the Board of Directors in accordance with applicable laws and regulations, within the scope of distributable earnings. As of December 31, 2025, the difference between the Group's capital and the total par value of issued shares resulting from the retirement of shares amounted to ₩ 67,774 million (2024: ₩ 50,744 million).

Dividend

Details of dividends and ratio related to dividends for each of the two years in the period ended December 31, 2025 are as follows:

1) Details of dividends

(in shares and in Korean won)

	2025		2024	
	Common stock	Preferred stock	Common share	Preferred stock
Shares outstanding[1]	355,660,698	18,870,968	326,808,628	18,870,968
Par value per share	₩ 5,000	₩ 5,000	₩ 5,000	₩ 5,000
Dividend rate	26.00%	27.00%	19.00%	20.00%
Total cash dividend (in millions of Korean won)	₩ 462,359	₩ 25,476	₩ 310,468	₩ 18,871

1. Amounts exclude treasury shares held by the Group as of December 31, 2025 and 2024.

2) Payout ratio

(in millions of Korean won)

	2025	2024
Total cash dividend	₩ 487,835	₩ 328,342
Net profit attributable to the equity holders of the parent	1,031,599	686,659
Payout ratio	47.29%	47.82%

3) Dividend yield ratio

(in Korean won)

	2025		2024	
	Common stock	Preferred stock	Common share	Preferred stock
Dividend per share	₩ 1,300	₩ 1,350	₩ 950	₩ 1,000
Average closing price[1]	21,200	19,532	14,026	12,302
Dividend yield ratio	6.13%	6.91%	6.77%	8.13%

1. It is the arithmetic average of the closing price announced in the past one week from the closing date for voting rights at general shareholders' meeting

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Planned regulatory reserve for credit losses

In accordance with Article 3 Clause 8 of the Regulation on Supervision of Financial Investment, if the estimated allowances for credit losses under KIFRS are lower than those in accordance with the Regulation on Supervision of Financial Investment, the Group shall account for the difference in the Regulatory reserve for credit losses.

The planned regulatory reserve for credit losses for each of the two years in the period ended December 31, 2025 is as follows:

(in millions of Korean won)

	2025	2024
Beginning balance	₩ 99,943	₩ 118,280
Required reserve for credit losses (reversal)	25,536	(18,337)
Ending balance	₩ 125,479	₩ 99,943

Planned reserves provided, adjusted net income after the planned reserves provided and adjusted earnings per share after the planned reserves provided for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Planned transfer provided (reversal)	₩ 25,536	₩ (18,337)
Adjusted net income after the planned reserves provided	1,006,062	704,998
Adjusted earnings per share after the planned reserves provided (in Korean won)	2,814	2,022

28. Net Fee and Commission Income

Fee income and expenses for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Fee income:		
Brokerage commissions	₩ 758,742	₩ 543,295
Underwriting commissions	72,161	70,804
Brokerage commissions on beneficiary certificates	53,069	42,255
Management fee on wrap account and asset management	39,286	27,617
Commissions on merger and acquisition	16,073	28,349
Trust fees and commissions received from trust account	32,425	36,589
Financial guarantee fee	348,873	282,517
Remittance fee	110	111
Fee of lending securities	89,037	19,580
Others	142,913	126,908
	1,552,689	1,178,025
Fee expenses:		
Trading commissions	111,693	84,391
Discretionary fees	7,286	3,226
Remittance fee	358	335
Securities lending and borrowing fee	70,491	18,561
Others	151,135	116,836
	340,963	223,349
	₩ 1,211,726	₩ 954,676

Notes to the Consolidated Financial Statements

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29. Net Gains and Losses on Financial Instruments

Details of net gains and losses on financial instruments for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025						
	Financial assets				Financial liabilities		
	Financial assets at FVTPL	Financial assets at amortized cost	Financial assets at FVOCI	Derivative assets	Financial liabilities at FVTPL	Financial liabilities designated at FVTPL	Derivative liabilities
Gains on financial instruments:							
Changes in value of financial assets	₩ 1,404,491	₩ -	₩ -	₩ 1,017,183	₩ 63,209	₩ 71,437	₩ 374,049
Disposal of financial assets	1,889,478	68	22,384	3,607,783	349,554	46,441	915,525
	3,293,969	68	22,384	4,624,966	412,763	117,878	1,289,574
Losses on financial instruments:							
Changes in value of financial assets	₩ 427,529	₩ -	₩ -	₩ 161,516	₩ 35,023	₩ 265,505	₩ 1,233,232
Disposal of financial assets	780,106	19,552	6,440	1,198,480	999,968	303,232	4,120,420
	1,207,635	19,552	6,440	1,359,996	1,034,991	568,737	5,353,652
Net Gains and losses on financial instruments	₩ 2,086,334	₩ (19,484)	₩ 15,944	₩ 3,264,970	₩ (622,228)	₩ (450,859)	₩ (4,064,078)

(in millions of Korean won)

	2024						
	Financial assets				Financial liabilities		
	Financial assets at FVTPL	Financial assets at amortized cost	Financial assets at FVOCI	Derivative assets	Financial liabilities at FVTPL	Financial liabilities designated at FVTPL	Derivative liabilities
Gains on financial instruments:							
Changes in value of financial assets	₩ 663,129	₩ -	₩ -	₩ 673,172	₩ 54,406	₩ 70,642	₩ 90,207
Disposal of financial assets	931,885	-	10,785	3,203,100	360,324	72,481	425,008
	1,595,014	-	10,785	3,876,272	414,730	143,123	515,215
Losses on financial instruments:							
Changes in value of financial assets	₩ 402,251	₩ -	₩ -	₩ 56,949	₩ 36,402	₩ 209,149	₩ 783,728
Disposal of financial assets	702,840	275	1,459	396,864	405,953	310,526	3,388,374
	1,105,091	275	1,459	453,813	442,355	519,675	4,172,102
Net Gains and losses on financial instruments	₩ 489,923	₩ (275)	₩ 9,326	₩ 3,422,459	₩ (27,625)	₩ (376,552)	₩ (3,656,887)

Apart from the above, the amounts of gains and losses related to changes in credit risk recognized in other comprehensive income in relation to financial liabilities designated as at fair value through profit or loss for each of the two years in the period ended December 31, 2025 amounted to gains of ₩12,017 million and gains of ₩3,071 million, respectively.

30. Interest Income and Expense

Interest income and expense for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Interest income:		
Interest on broker's loans	₩ 343,713	₩ 294,017
Interest on loan purchased	6,493	10,428
Interest on loans	457,813	354,250
Interest on bonds	847,270	766,399
Interest on securities loaned	55	3
Interest on corporate commercial papers	54,914	64,648
Interest on deposits with KSFC	92,709	61,133
Interest on certificate of deposit	5,790	4,602
Interest on deposits of financial institutions	28,689	7,482
Interest on bonds purchased under resale agreements	9,037	38,883
Interest on deposits	95,928	80,385
Interest on receivables	739	516
Amortization of present value discounts on interest on bonds at FVOCI	(20,350)	(2,355)
Others	46,390	60,046
	1,969,190	1,740,437
Interest expense:		
Interest on borrowings	274,006	263,333
Interest on proceeds from customers' short sale	2,205	642
Interest on customers' deposits	54,881	53,598
Interest on bonds sold under repurchase agreements	282,174	270,159
Interest on call money	10,178	12,714
Interest on debentures	123,347	83,659
Interest on issued notes	238,871	222,343
Interest on lease liabilities	2,574	3,413
Others	27,193	28,801
	1,015,429	938,662
	₩ 953,761	₩ 801,775

Interest income accrued from impaired loan is₩ 5,266 million and ₩ 5,350 million for each of the two years in the period ended December 31, 2025, respectively.

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31. Provision (reversal) of allowance for credit losses

Provision (reversal) of allowance for credit losses for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Provision (reversal) of allowance for credit losses		
Financial assets at FVOCI	₩ 2,352	₩ 56
Financial assets at amortized cost	78,259	77,644
Provision (reversal) for off-balance-sheet accounts	(7,707)	9,349
	₩ 72,904	₩ 87,049

32. General and Administrative Expenses

General and administrative expenses for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Salaries:		
Short-term salaries	₩ 640,878	₩ 548,478
Severance benefits	55,269	53,948
Early retirement	9,562	2
Employee benefits	139,932	121,389
	845,641	723,817
Depreciation:		
Depreciation expense	32,087	47,037
Amortization expenses of intangible assets	11,297	3,164
Depreciation expense of right-of-use assets	33,446	33,635
	76,830	83,836
Other general and administrative expenses:		
IT expenses	45,218	44,278
Rent	5,164	6,506
Commission	71,226	61,984
Entertainment expenses	21,023	21,203
Advertisement expenses	29,341	31,122
Training expenses	3,366	2,869
Taxes and dues	66,795	48,321
Commission on consignment	1,439	1,786
Conference expenses	1,500	1,748
Printings	1,690	1,864
Travel	4,898	4,981
Vehicle maintenance	783	808
Supplies	1,349	1,042
Utility expenses	3,462	2,982
Insurance premium	15,900	13,797
Event expenses	15,692	17,501
Others	44,310	40,454
	333,156	303,246
	₩ 1,255,627	₩ 1,110,899

The performance-linked share-based payments granted to the Group's employees as of December 31, 2025 and 2024 are as follows:

1) Performance-linked share-based payments

(in millions of Korean won)

	2025	2024
Beginning balance	₩ 2,769,189	₩ 2,595,296
Grant	1,089,461	1,449,542
Payment and others	1,441,689	1,275,649
Ending balance	₩ 2,416,961	₩ 2,769,189

1. Based on stock price-linked share-based payments, the Group paid for the quantities of the granted share options, subject to be deferred, in cash in installments for 3 years by applying base stock price, and evaluated fair value of the base stock price to be paid in the future at arithmetic average closing prices for a base month at the each of time of settlement. Accordingly, the fair value of base stock price as of December 31, 2025 is ₩ 21,098

2) The Group accounts for performance-linked share-based payments according to the cash-settled method and the fair value of the liabilities is reflected in the compensation costs by re-measuring every closing period. As of December 31, 2025, the book value of the liabilities related to the performance-linked share-based payments recognized by the Group amounts to ₩ 51,201 million.

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33. Other Operating Revenue (Expenses)

Other operating revenue and expenses for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Other operating revenue:		
Dividend income	₩ 108,845	₩ 73,527
Other income from debt securities at FVTPL	195,106	188,002
Gain on disposals of commodity	603	2,121
Gain on valuation of commodity	2,808	576
Reversal of provision for restoration	1,750	2,206
Reversal of other provision	19,567	-
Others	11,994	19,501
	340,673	285,933
Other operating expenses:		
Loss on disposals of commodity	504	1,197
Loss on valuation of commodity	228	1,346
Other provision	32,602	73,608
Others	1,377	2,205
	34,711	78,356
	₩ 305,962	₩ 207,577

34. Non-operating Income (Expenses)

Non-operating income and expenses for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Non-operating income:		
Gain on disposals of property and equipment	₩ 138	₩ 53
Gain on disposals of investment property	-	261
Gain on disposals of intangible assets	2,272	-
Rent	17,166	15,239
Share of profit of equity-method investments	35,565	36,611
Gain on disposals of investments in associates	8,365	42,062
Other non-operating income	20,791	18,700
	84,297	112,926
Non-operating expenses:		
Loss on disposals of property and equipment	1,737	1,568
Loss on disposals of intangible assets	186	-
Impairment loss on intangible assets	20,732	-
Share of loss of equity-method investments	15,539	7,468
Loss on disposals of investments in associates	23,747	5,910
Donations	29,508	6,583
Other non-operating expenses	65,691	67,609
	157,140	89,138
	₩ (72,843)	₩ 23,788

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35. Income Tax Expense

Details of income tax expense for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Current income tax payable	₩ 84,541	₩ 409,893
Changes in deferred income taxes due to temporary differences	264,476	7,423
Changes in deferred income taxes adjusted at the time of filing the prior year's finalized tax return	1,400	(175,492)
Income tax expense recognized directly in equity	(19,548)	4,016
Current year adjustment of or prior year tax return	870	(8,544)
Others including income tax refund or surtax	(15,503)	923
Income tax expense	₩ 316,236	₩ 238,219

Income tax expense for each of the two years in the period ended December 31, 2025 can be reconciled to net income as follows:

(in millions of Korean won)

	2025	2024
Income before income tax expense	₩ 1,347,736	₩ 924,857
Tax calculated at statutory tax rate (2025: 25.3%, 2024: 25.0%)	345,440	233,800
Adjustments:		
Expenses not deductible for tax purposes(2025: ₩ 19,654 million, 2024: ₩ 20,840 million)	5,146	5,129
Income not taxable for tax purposes(2025: ₩ 4,970 million, 2024: ₩ 5,196 million)	(1,461)	(1,335)
Effects of unrecognized deferred income taxes due to temporary differences	2,768	(229)
Effect of the tax system for recirculation of corporate income	773	10,174
Adjustment or prior year tax return	870	(8,544)
Others including changes in tax rate	(37,300)	(776)
Income tax expense	₩ 316,236	₩ 238,219
Effect tax rates	23.46%	25.76%

Changes in temporary differences and the related income tax assets and liabilities for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025		
	Beginning balance	Additions and deductions[1]	Ending balance
Accrued retirement benefits	₩ 327,778	₩ 63,584	₩ 391,362
Contribution for retirement benefits	(257,376)	(26,516)	(283,892)
Valuation of financial assets at fair value	(238,999)	(629,478)	(868,477)
Valuation of financial assets at FVOCI	8,790	(11,883)	(3,093)
Valuation of securities in short position	(18,009)	(11,240)	(29,249)
Valuation of securities in short position at OCI	(532,416)	(110,070)	(642,486)
Valuation of derivative	203,838	(324,273)	(120,435)
Gain or loss on valuation of derivative held for hedging	5,276	-	5,276
Accrued interest on receivables	(172,615)	(75,975)	(248,590)
Property and equipment	17,649	716	18,365
Right-of-use assets	(76,860)	19,211	(57,649)
Lease liabilities	75,553	(17,606)	57,947
Other provision for expected credit losses	397,255	18,655	415,910
Estimated cost (annual paid leave)	103,034	(22,557)	80,477
Loss on foreign currency translation	(115,247)	158,352	43,105
Others	103,960	(74,040)	29,920
	(168,389)	(1,043,120)	(1,211,509)
Not recognized as deferred tax assets	(169,661)	(80,426)	(250,087)
Recognized as deferred tax assets	₩ 1,272	₩ (962,694)	₩ (961,422)
Tax rate	26.4%, etc.		26.4%, etc.
Deferred tax assets (liabilities)	₩ 6,362		₩ (258,114)

1. Reflecting the change in the temporary differences arising from the filing of income taxes return for the year ended December 31, 2025.

(in millions of Korean won)

	2024		
	Beginning balance	Additions and deductions[1]	Ending balance
Accrued retirement benefits	₩ 272,945	₩ 54,833	₩ 327,778
Contribution for retirement allowances	(244,356)	(13,020)	(257,376)
Valuation of financial assets at fair value	388,849	(627,848)	(238,999)
Valuation of financial assets at FVOCI	11,861	(3,071)	8,790
Valuation of securities in short position	141,528	(159,537)	(18,009)
Valuation of securities in short position at OCI	(497,080)	(35,336)	(532,416)
Valuation of derivative	(477,633)	681,471	203,838
Gain or loss on valuation of derivative held for hedging	5,276	-	5,276
Accrued interest on receivables	(198,017)	25,402	(172,615)
Property and equipment	10,942	6,707	17,649
Right-of-use assets	(88,618)	11,758	(76,860)

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	2024		
	Beginning balance	Additions and deductions[1]	Ending balance
Lease liabilities	85,106	(9,553)	75,553
Other provision for expected credit losses	312,789	84,466	397,255
Estimated cost (annual paid leave)	85,772	17,262	103,034
Loss on foreign currency translation	7,380	(122,627)	(115,247)
Others	132,236	(28,276)	103,960
	(51,020)	(117,369)	(168,389)
Not recognized as deferred tax assets	(94,532)	(75,129)	(169,661)
Recognized as deferred tax assets	₩ 43,512	₩ (42,240)	₩ 1,272
Tax rate	26.4%, etc.		26.4%, etc.
Deferred tax assets	₩ 13,785		₩ 6,362

1. Reflecting the change in the temporary differences arising from the filing of income taxes return for the year ended December 31, 2024.

Details of temporary differences that are not recognized as deferred tax assets (liabilities) as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024	Reasons for exclusion
Transfer price tax	₩ 1,713	₩ 1,713	Uncertain possibilities of elimination
Subsidiaries	(302,283)	(210,570)	Uncertain possibilities of elimination
Deemed dividend	48,529	39,195	Uncertain possibilities of elimination
	₩ (252,041)	₩ (169,662)	

Details of deferred tax that has been recognized directly in equity for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Gain (loss) on valuation of financial assets at FVOCI	₩ (36,499)	₩ (9,384)
Gain (loss) on credit risk fluctuation of financial liabilities designated at FVTPL	(3,171)	(811)
Gain or loss on valuation of equity-method investments	186	(118)
Actuarial gains and losses	15,714	13,863
Gain or loss on translation of overseas operations	4,222	466
	₩ (19,548)	₩ 4,016

36. Basic and Diluted Earnings per Share

The basic earnings per share is calculated by dividing net income by weighted-average number of common shares outstanding:

(in millions of Korean won)

	2025	2024
Net income attributable to the equity holders of the parent	₩ 1,031,599	₩ 686,659
Dividend on preferred stock	944	944
Net income attributable to common shares	₩ 1,030,655	₩ 685,715
Weighted-average number of common shares outstanding[1]	357,573,779	348,723,913
Basic earnings per share (in Korean won)	₩ 2,882	₩ 1,966
Diluted earnings per share (in Korean won)	2,882	1,966
Basic earnings per share (Preferred stock) (in Korean won)	2,932	2,016

1. Existing preferred stocks which meet the definition under paragraph 5 of KIFRS 1033 are included.

Details of the weighted-average number of common shares outstanding as of December 31, 2025 and 2024 are as follows:

(in shares)

	Accumulated number of shares issued during period	Accumulated number of treasury shares during period	Accumulated number of shares outstanding during period	Days	Weighted-average number of shares outstanding
2025	130,919,691,811	405,262,391	130,514,429,420	365	357,573,779
2024	127,933,396,260	300,444,243	127,632,952,017	366	348,723,913

The diluted earnings per share are the same as the basic earnings per share because there are no dilutive securities granted by the Parent Company for each of the two years in the period ended December 31, 2025.

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37. Statements of Cash Flows

Other adjustments to reconcile net income to net cash used in operating activities for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Income tax expense	₩ 316,236	₩ 238,219
Interest income	(1,969,190)	(1,740,437)
Interest expense	1,015,429	938,662
Dividend income	(303,951)	(261,529)
Gain on valuation of financial instruments at FVTPL	(2,930,369)	(1,551,556)
Loss on valuation of financial instruments at FVTPL	2,122,805	1,488,480
Gain on disposal of financial assets at FVOCI	(22,384)	(10,785)
Loss on disposal of financial assets at FVOCI	6,440	1,459
Transfer to reserve for credit risk loss of financial assets at FVOCI	2,352	56
Provision	78,259	77,644
Loss (gain) on foreign currency translation	27,268	(136,073)
Depreciation of property and equipment / investment property	36,170	50,918
Depreciation of right-of-use assets	33,446	33,635
Amortization	11,297	3,165
Gain on disposal of property and equipment	(138)	(53)
Gain on disposal of investment property	-	(261)
Gain on disposal of intangible assets	(2,272)	-
Loss on disposal of property and equipment	1,737	1,568
Loss on disposal of intangible assets	186	-
Impairment loss on intangible assets	20,732	-
Provisions for credit losses	32,602	82,957
Reversal of provisions	(29,025)	(2,206)
Retirement benefits	28,717	30,162
Gain on disposal of investments in associates	(8,365)	(42,062)
Loss on disposal of investments in associates	23,747	5,910
Share of profit of equity-method investments	(35,565)	(36,611)
Share of loss of equity-method investments	15,539	7,468
Other gain	(3,567)	(14,805)
	₩ (1,531,864)	₩ (836,075)

Changes in operating assets and liabilities for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Increase in financial assets at FVTPL	₩ (2,909,374)	₩ (3,459,081)
Increase in financial assets at amortized cost	(10,918,803)	(377,909)
Decrease (increase) in other assets	(154,251)	184,327
Increase in deposits due to customers	5,068,016	582,796
Decrease in financial liabilities at FVTPL	(496,586)	(1,552,187)
Increase (decrease) in other financial liabilities	3,699,286	(513,971)
Decrease in provisions	(55,816)	(31,995)
Decrease in other liabilities	(43,902)	(3,070)
	₩ (5,811,430)	₩ (5,171,090)

Investing and financing activities not involving cash inflows and outflows for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Loss on valuation of financial assets at FVOCI[1]	₩ (99,184)	₩ (30,056)
Reclassification of financial assets at FVTPL and financial assets at FVOCI to investments in associates	-	153,855
Reclassification of investments in associates to financial assets at FVTPL	-	21,466
Acquisition of financial assets at FVTPL due to dividends-in-kind	-	20,849
Reclassification of financial assets at FVTPL to financial assets at FVOCI	(6,336)	-
Remeasurement of the defined benefit plan[1]	60,963	52,565
Adjustment of valuation of credit risk[1]	(11,883)	(3,071)
Reclassification of constriction-in-progress to furniture and fixtures	(2,464)	(9,793)
Reclassification of constriction-in-progress to development costs	(1,558)	-
Transfers to/from land and buildings from/to investment properties	352	3,347
Reclassification of furniture and fixtures to intangible assets	2,115	24,561
Establishment of provisions for restoration	1,739	1,177
Retirement of treasury shares	48,747	51,532

1. Presenting amounts not reflecting the effect of deferred income tax.

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Cash and cash equivalents as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Cash on hand	₩ 21,457	₩ 41,955
Current deposits	7,011	6,255
Deposits in foreign currency	1,641,837	1,093,102
Certificate of deposit	-	43,748
Other deposits	960,525	399,409
	₩ 2,630,830	₩ 1,584,469

Changes in financial liabilities for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025				
	Beginning balance	Cash flows from financing activities	Fluctuation of foreign exchange rate	Others	Ending balance
Borrowings	₩ 24,446,513	₩ 7,578,333	₩ (36,610)	₩ 685,194	₩ 32,673,430
Debentures	2,850,402	1,826,295	25,861	4,630	4,707,188
Lease liabilities	81,021	(34,776)	-	16,196	62,441
Leasehold deposits received	8,621	(748)	-	-	7,873
Accrued dividends	-	(328,342)	-	328,342	-
Non-controlling liabilities	549,158	(159,001)	-	(22,899)	367,258
	₩ 27,935,715	₩ 8,881,761	₩ (10,749)	₩ 1,011,463	₩ 37,818,190

(in millions of Korean won)

	2024				
	Beginning balance	Cash flows from financing activities	Fluctuation of foreign exchange rate	Others	Ending balance
Borrowings	₩ 18,919,143	₩ 5,446,364	₩ 176,217	₩ (95,211)	₩ 24,446,513
Debentures	2,914,953	(123,451)	53,860	5,040	2,850,402
Lease liabilities	90,222	(35,262)	-	26,061	81,021
Leasehold deposits received	7,596	895	-	130	8,621
Accrued dividends	-	(278,946)	-	278,946	-
Non-controlling liabilities	767,349	(198,771)	-	(19,420)	549,158
	₩ 22,699,263	₩ 4,810,829	₩ 230,077	₩ 195,546	₩ 27,935,715

38. Contingencies and Commitments

The Group has entered into several arrangements with the financial institutions, and details of arrangements including the line of credit as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won and in USD, VND, IDR and HKD)

Confirmed guarantee	Financial institution	Limits			
		2025		2024	
Intra-day-credit	NH Bank	₩	500,000	₩	500,000
	Woori Bank, etc.		180,000		180,000
	JP Morgan Chase Bank.[2]	USD	10,000,000	USD	10,000,000
	Euro-Clear[2]	USD	100,000,000	USD	100,000,000
	Korea Securities Depository	USD	10,600,000	USD	10,600,000
Deposit collateralized overdrafts commitment	Woori Bank etc.	₩	47,500	₩	47,500
	NH Bank		150,000		150,000
Unsecured Credit Line Loan	Standard Chartered Bank Korea Ltd		130,000		130,000
Performance payment guarantee	Seoul Guarantee Insurance		7,747		7,470
Discounting notes arrangement (Securities Finance General Fund)	Korea Securities Finance Corp.[1]		200,000		200,000
Discounting notes arrangement (Deposit margin deposit)	Korea Securities Finance Corp.[1]		Subscription deposits		Subscription deposits
Borrowing from KSFC	Korea Securities Finance Corp.[1]		1,750,000		1,750,000
Borrowing securities from KSFC	Korea Securities Finance Corp.[1]		300,000		300,000
Borrowing for support to guarantee finance	Korea Securities Finance Corp.[1]		1,900,000		1,900,000
Borrowing for operating fund	Korea Securities Finance Corp.[1]		268,000		268,000
Borrowing for operating fund (customers)	Korea Securities Finance Corp.[1]		Customer's deposits		Customer's deposits
Borrowing for bond dealer	Korea Securities Finance Corp.[1]		260,000		260,000
Daily money trading	Korea Securities Finance Corp.[1]		200,000		200,000
Foreign currency liquidity supply agreement	JP Morgan Chase Bank	USD	100,000,000	USD	100,000,000
	ICBC	USD	100,000,000	USD	-
Term loans	NH Bank	USD	-	USD	14,000,000
	NH Bank (HN Branch)	VND	260,000,000,000	VND	260,000,000,000
	Hana Bank	VND	280,350,000,000	VND	162,000,000,000
	Industrial Bank of Korea	VND	249,000,000,000	VND	250,000,000,000
	Wooribank	VND	370,000,000,000	VND	250,000,000,000
	iMbank-HCM branch	VND	120,000,000,000	VND	-
	Vietcombank	VND	-	VND	300,000,000,000
	VPB-HO	VND	450,000,000,000	VND	-
	ACB	VND	500,000,000,000	VND	-

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Confirmed guarantee	Financial institution	Limits			
		2025		2024	
Overdraft loans	BIDV Bank	VND	841,526,000,000	VND	708,785,000,000
	UOB	IDR	-	IDR	30,000,000,000
	CIMB NIAGA	IDR	80,000,000,000	IDR	125,000,000,000
	KEB HANA	IDR	50,000,000,000	IDR	50,000,000,000
	WOORI Saudara	IDR	30,000,000,000	IDR	-
	OK BANK	IDR	30,000,000,000	IDR	-
	Taishin International Bank Hong Kong Branch	USD	80,000,000	USD	50,000,000
	E.SUN COMMERCIAL BANK, LTD., HONG KONG BRANCH	USD	10,000,000	USD	10,000,000
	Malayan Banking Berhad Hong Kong Branch	EUR	100,000,000	EUR	100,000,000
	NongHyup Bank Hong Kong Branch	USD	-	USD	10,000,000
	Standard Chartered Bank (Hong Kong) Limited	EUR	88,000,000	EUR	-
	Standard Chartered Bank (Hong Kong) Limited	USD	60,000,000	USD	60,000,000
Limited loans, etc.	Industrial Bank of Korea	₩	-	₩	370
	NH Bank		700		2,600
	Kookmin Bank		-		3,000
	Seoul Guarantee Insurance		1,617		5,737
	Hana Bank, etc.	USD	101,790,000	USD	-

1. This arrangement may be suspended during the term of the contract due to changes in the financial situation or the judgment of the lender.
2. This arrangement is subject to change based on the size of the assets / transactions of the Group and internal standards of financial institutions.

Details of the number of lawsuits and the aggregated amounts of litigations as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	Content	2025		2024	
		Number of cases	Amount	Number of cases	Amount
As defendant[1,2]	Outstanding lawsuits etc.	70	₩ 380,716	70	₩ 398,427
As plaintiff	Outstanding lawsuits etc.	11	370,111	17	117,940

1. Major ongoing lawsuits as of December 31, 2025 include a claim for return of unjust enrichment related to DLS amounting to ₩ 163,994 million (2024: ₩ 171,151 million), a claim for return of unjust enrichment related to Optimus amounting to ₩ 123,600 million (2024: ₩ 123,600 million), a claim for return of unjust enrichment related to deposits amounting to ₩ 479 million (2024: ₩ 647 million), a claim for transfer of shares amounting to ₩ 426 million (2024: ₩ 6,400 million), and other claims for damages amounting to ₩ 92,217 million (2024: ₩ 96,629 million). The final outcome and impact of these litigations cannot be predicted as of December 31, 2025.
2. Two cases among the litigations filed, relating to claims for return of unjust enrichment in connection with DLS amounting to ₩137,033 million, were concluded before December 31, 2025.

Details of contingent liabilities regarding guarantees and loan commitments as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	Counter party	Amount of guarantees			
		2025		2024	
Purchases and acquisitions commitment	Macquarie Korea Infrastructure Fund, etc.	₩	607,537	₩	618,318
Loan commitments[1]	Cube SN, etc.		1,533,292		3,717,092
Unfulfilled contribution commitment	JKL 10th Private Equity Fund, etc.		624,826		421,776
		₩	2,765,655	₩	4,757,186

1. Including commitment to acquisition of private equity bonds.

As of December 31, 2025, NH Futures Co., Ltd., a subsidiary, has been undergoing litigation pursuant to the dual punishment provisions prescribed in Article 31 of the Foreign Exchange Transactions Act in connection with an abnormal foreign currency remittance transaction. In the first trial, the prosecution was dismissed, and the appellate trial is currently in progress. As of December 31, 2025, the final outcome of the investigation and its impact cannot be predicted.

Details of securities deposited by customer as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025		2024		Details of evaluation
Securities for brokerage	₩	366,528,416	₩	261,182,112	Fair value
Securities for savings		290,427		221,682	Fair value
Beneficiary securities		77,800,348		63,034,107	Base price[1]
Other securities		83,683		83,619	Fair value
	₩	444,702,874	₩	324,521,520	

1. The base price is announced by Korea Financial Investment Association and corresponds to the fair value.

The Parent Company is under investigation by the Korea Fair Trade Commission in connection with alleged bid-rigging related to Korean Treasury Bond auctions, and the outcome of the investigation cannot be reasonably estimated as of December 31, 2025.

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39. Related Party Transactions

The related parties of the Group as of December 31, 2025 are as follows:

	Related parties
Ultimate parent company:	NACF
Parent company:	NongHyup Financial Group Inc.
Entities under common control:	NH Bank Co., Ltd., NH Life Insurance Co., Ltd., NH Property and Casualty Insurance Co., Ltd., NH Capital Co., Ltd., NH Saving Bank Co., Ltd., NongHyup REITs Management Co., Ltd., NH Venture Investment Co., Ltd., NH-Amundi Global TPG Asia VII Private Master Fund(USD)[FOF], NH-Amundi MBKP Special Situations I Private Fund 1, NH-Amundi Global Infra Fund No.13, VOGO U.S. Buyout Private Fund IV, NH-Amundi BCP VIII Private Fund 2, Kiwoom Strada General Investment Trust, Consus Seoul Chuncheon Highway General Private Special Asset Investment Trust, DB Corporate Private Investment Trust 1[Bond] and 30 other fund Structured Entities , KAMCO Value Recreation 4th Securitization Specialty Ltd., Personal Pension Trusts and 10 other consolidated trusts, NongHyup Finance Myanmar Co., Ltd., NongHyup Finance Cambodia Co., Ltd., NH AERO 1st Co.,Ltd., NH CHEMICAL 2nd Co.,Ltd. , NH HR 1st Co.,Ltd., NH-Amundi AXI Private Fund 3[FoF], NH-Amundi BXD Private Fund 1 [FoF], NH office Private Real Estate Investment Trust No.2(Professional), NH-Amundi Hanaro Infra Private Fund 2, NH DK 1st Co.,Ltd, Startup Korea Open Innovation NH-G Fund, NH Castle 2nd Co.,Ltd, NH Hansup 1st Co.,Ltd.
Associates:	Blue Ocean Corporate Financial Stability 1st Privately Placed Investment Company, NH-LB Growth Champ 2011-4th PEF, NH Agri-Biz Value Creative 1st PEF, TRUBEN-Global Healthcare Private Equity Joint Co., Ltd., Starset-DA value Healthcare Investment Fund No. 2, NH_AJU Digital Fund, NH-AJU KOSDAQ SCALEUP FUND, NH-OPUS Corporate Financial Stability Private Equity Fund, Square-DA value Fund No.1, MK Ventures-K Clavis Growth capital Venture Fund 1, Mastern No.51 Yeouido PFV Co.,Ltd, Smilegate Vietnam Kairos Private Equity Fund #1, NH-Soo Investment innovative growth M&A fund, NH-OPUS II Corporate Financial Stability Private Equity Fund, NH Co-Investment Private Equity Fund, Korea Investment-Brick Investment New Technology Investment Fund 1st, NH-Horizon Secondary Fund, The Lakebridge-Samsung Securities Growth Fund I, Recovery Partners Co., Ltd, Meritz-NH Healthcare No. 1, Smilegate Aphrodite Serve One Fund, Smart Quaternary Industry Square Investment Fund No. 2, NH-OPUS III Corporate Financial Stability Private Equity Fund, LB Private Equity Fund III-1, Pentastone Bridge I Funds, SJGP YG Fund No.1, NH- Alpha 1st Fund, NH-J&-IBKC Label Technology Fund, NH Absolute Pre IPO General Private Placement Investment Trust No.1, NH Absolute Mezzanine General Private Placement Investment Trust No.3, NH Absolute Mezzanine General Private Placement Investment Trust No.4, NH-Principle Private Equity Fund, NH-U&S-Brain Pre-IPO Investment Fund, NH Digital Alliance Fund, NH Agtec Innovation Private Equity Fund, Nextrade Co., Ltd., NH Woori Newdeal Growth Alpha Private Equity Fund I, ESG leaders 1st Private Equity Fund, Global Materials Parts Equipment Fund, NH-IBKC EV Fund, Newmain-Wanted Lab I Funds, BNW Recharge Private Equity Fund, Pine Tree III VC Private Equity Fund, Pectus-IBKC Fund No.1, KNT_Daishin New Technology Investment Fund 3rd, NH- Susung No.1 Mezzanine New Technology Investment Fund, NH-IBKS KONEX SCALEUP FUND, Daishin-Atman Healthcare New Technology Investment Fund 1th, SKF&NHIS Timor Holdings Ltd., NH SPECIAL PURPOSE ACQUISITION 31 COMPANY, HI YG Win-win Fund No.2, SKYWALK-KAI Titan Fund 1, NH SPECIAL PURPOSE ACQUISITION 29 COMPANY, NH SPECIAL PURPOSE ACQUISITION 30 COMPANY, Edupalace Co., Ltd., Seoul Sungbo Development Co., Ltd., Younggu Daekwang Bangjisan Co., Ltd., Shandong Hangsang Development Co., Ltd., Edupalace Inc., NH Absolute Project K Private Equity Fund, NH Absolute Mezzanine General Private Placement Investment Trust No.5, NH-Moorim Dental Care Investment Fund No.1, NH-ARA Value-add No.1 Private Equity Fund, NH Woori New Deal Co-Investment No.1 Private Equity, Kbank, NH-Susung No.2 Mezzanine New Technology Investment Fund, Dayli Bio Healthcare No.6 Start-up Venture Specialized Private Equity Fund, Hope Agriculture Innovation Private Equity Fund, Magna K-Beauty-I Fund, IBKS-YG Turn around Fund, Changzhou Alan NH, Changzhou Alan NH Equity Investment Management Ltd, NH Absolute Kosdaqventure Mezzanine Private Equity fund No.2, NH hedge Kosdaq SPAC Private Equity, GnM Performance Co., Ltd., NH-Miracle No.1 New Technology Investment Fund, Gentium One Eighth Private Equity Fund, NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.2, NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust, SJG Pre-IPO Fund No.2, NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.3, Samsung-NH-Dunamu-Quantum Investment Fund No.1, NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.2, Novorsec Eco-friendly K-Shipbuilding Venture Fund, NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.3, NH SPECIAL PURPOSE ACQUISITION 32 COMPANY, NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.4, NH-TS Culture New Technology I Fund, NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.4, NH-AONE No.1 Mezzanine New Technology Investment Fund, NH Woori Dino Co-Investment No.2 Private Equity Fund, Fluoro Material Fund, NH-Findvlaue No.1 Mezzanine Investment Fund, NH Amber Tree Fund, NH-IBKC Value Fund, IBKS-NEWGEN Kfood Fund, NH- Meritz Bio Investment Fund No.1, Woori NH Co-Growth Private Equity Fund I, NH SPECIAL PURPOSE ACQUISITION 33 COMPANY, NH Hedge Project I General Private Placement Investment Trust, Daechi Complex Development PFV Co.,Ltd., NH Hedge EB Selection Private Investment Trust No.1, Yongin Sindae PFV Co.,, NH Hedge Project CH Private Placement Investment Trust, NH Hedge Equity Alpha Target Return Private Investment Trust No.3, NH Hedge EB Selection Private Investment Trust No.4, NH Hedge Dynamic Equity Target Return Private Investment Trust No.2, NH Hedge EB Selection Private Investment Trust No.3, NH Hedge Mezz Selection Private Investment Trust No.1.
Other related parties [1] :	NH-Amundi Assets Management Co., Ltd., Korea Credit Bureaus Co., Ltd., Samjin ehwa Co.,Ltd, Seasons Shipping Co., Ltd., Korea Growth Opportunity Private Equity Fund I, IFFCO-Kisan Finance Ltd., NHC-DTNI Agrifood ABC Investment Fund No. 1, NHC-DTNI Agrifood General Investment Fund No. 2, NH Agribusiness Group, NH Networks Co., Ltd., NH Information System Co., Ltd., Agricultural Cooperative Asset Management Co., Ltd., Nonghyup Partners, Nonghyup Hanaro Mart Inc., Agricultural Corporation Nonghyup Food Grain Inc., Korea Agricultural Cooperative Marketing Inc., Nonghyup Logistics Service Inc., NongHyup Chemical Co., Ltd., NH Trading Co., Ltd., Nonghyup-Agro, Inc., Nonghyup RedGinseng Co., Ltd., Namhae Chemical Corporation, Nonghyup Moguchon Inc., Nonghyup Feed Inc., NONG WOO BIO CO., LTD., Agricultural Corporation Nonghyup Food Inc., PUBLIC HOMESHOPPING, Orion Nonghyup Agri, Inc., NH-Hay Inc., Nonghyup TMR Agricultural Co., Ltd., Nisso-namhae Agro Co., Ltd., Korea Nonghyup International, Nonghyup America Inc., Eunaegi (Shanghai) Trading Co., Ltd., Beijing Shinong Seed Co., Ltd., Nongwoo Seed America Inc., PT. Koreana Seed Indonesia, Nongwooseed India Pvt. Ltd., Beijing shinong International Trading Co., Ltd., Nongwooseed Myanmar Co., Ltd., NONGWOOBIO TOHUMCULUK SANAYI TICARET ANONIM SIRKETI, Daewoo Logistics Corp., NH-NAU Agro Food 1st Private Equity Fund, GNO Co.,Ltd, NH- NAU Agro Food 2nd Private Equity Fund, NH-UON Fund No.1, NH Agri-Food Venture Fund, Home and Shopping Co., Ltd., NH Venture - AJU IB New Growth Fund, OL Va Ran. Inc., TS Daesung H Professional Investment Type Private IInvestment Company, Tosoh Namhae Silica Co., Ltd., GARAK SUSAN CO.,LTD, PROTEK KOREA CO.,LTD, KDAC, NH-Iris ESG Fund, NH-Deep Dive Smart Logistics Fund, PARADISE CO., LTD., NES Materials Corporation, Korea-ASEAN Technology Fund 2, MEDI LAB CO., LTD, NH-DX Open Innovation Fund, Highland 2022 9th Private Equity Fund, NH Young-Farmers Venture Fund, NH-NICE Venture Fund-1, IFC KOREA INC., Hangukmed Co., Ltd., Envitech co. LTD, Farmco Inc, Evermount Harbor Bricks Private Equity Fund, POCHEON GIGONG CO., LTD, NH-OC Global Open Innovation Fund, Hangukmed Co., Ltd., NH-Amundi Logis Real Estate General Private Investment Company, 2024 Tethys Venture Fund, Central Hub PFV Co., Ltd., NH- MAGNA AGRIFOODTECH SCALE UP FUND No.1, NH-DAYLI Bio Health Private Equity Fund, NH Agri Future Venture Fund-1, Salus Private Equity Fund.

1. Companies affiliated with large-scale business groups other than parent companies, subsidiaries, associates, and other special parties are included in other related parties.

Assets and liabilities from transactions with the related parties as of December 31, 2025 and 2024 are as follows:

<Assets>

(in millions of Korean won)

Related parties	Accounts	2025	2024
Entities under common control:			
NH Bank Co., Ltd.	Deposits	₩ 1,261,222	₩ 815,190
	Derivative assets	493	12,294
	Other assets	9,050	-
NH Life Insurance Co., Ltd.	Derivative assets	4,772	3,036
NH Property and Casualty Insurance Co., Ltd.	Derivative assets	33,408	4,225
NH office Private Real Estate Investment Trust No.2(Professional)	Other assets	1	-
Associates:			
NH Agri-Biz Value Creative 1st PEF	Other assets	80	76
NH-OPUS Corporate Financial Stability Private Equity Fund	Other assets	67	145
NH-OPUS II Corporate Financial Stability Private Equity Fund	Other assets	48	93
NH Co-Investment Private Equity Fund	Other assets	6,476	4,901
NH-J&-IBKC Label Technology Fund	Other assets	232	140
NH-OPUS III Corporate Financial Stability Private Equity Fund	Other assets	232	216
NH-Soo Investment innovative growth M&A fund	Other assets	137	214

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Related parties	Accounts	2025	2024
NH Digital Alliance Fund	Other assets	246	245
NH-Principle Private Equity Fund	Other assets	47	47
NH Agtec Innovation Private Equity Fund	Other assets	154	153
NH Woori Newdeal Growth Alpha Private Equity Fund I	Other assets	1,006	381
Meritz-NH Healthcare No. 1	Other assets	275	166
NH-IBKS KONEX SCALEUP FUND	Other assets	141	141
ESG leaders 1st Private Equity Fund	Other assets	294	-
NH Woori New Deal Co-Investment No.1 Private Equity	Other assets	226	127
Samsung-NH-Dunamu-Quantum Investment Fund No.1	Other assets	31	-
NH Woori Dino Co-Investment No.2 Private Equity Fund	Other assets	26	-
Woori NH Co-Growth Private Equity Fund I	Other assets	595	-
NH-ARA Value-add No.1 Private Equity Fund	Other assets	-	177
Hope Agriculture Innovation Private Equity Fund	Other assets	148	-
NH SPECIAL PURPOSE ACQUISITION 23 COMPANY [1]	Other assets	-	2,948
NH SPECIAL PURPOSE ACQUISITION 24 COMPANY [1]	Other assets	-	1,394
NH SPECIAL PURPOSE ACQUISITION 25 COMPANY [1]	Other assets	-	1,003
NH SPECIAL PURPOSE ACQUISITION 26 COMPANY [1]	Other assets	-	1,760
NH SPECIAL PURPOSE ACQUISITION 27 COMPANY [1]	Other assets	-	1,446
NH SPECIAL PURPOSE ACQUISITION 29 COMPANY	Other assets	4,105	3,865
NH SPECIAL PURPOSE ACQUISITION 30 COMPANY	Other assets	2,059	1,851
NH SPECIAL PURPOSE ACQUISITION 31 COMPANY	Other assets	2,088	2,004
NH SPECIAL PURPOSE ACQUISITION 32 COMPANY	Other assets	2,037	-
NH SPECIAL PURPOSE ACQUISITION 33 COMPANY	Other assets	950	-
NH Absolute Pre IPO Mezzanine General Private Placement Investment Trust No.1 [1]	Other assets	-	2,543
NH Absolute Mezzanine General Private Placement Investment Trust No.1 [1]	Other assets	-	1,477
NH Absolute Pre IPO General Private Placement Investment Trust No.1	Other assets	1,024	1,052
NH Absolute Project H General Private Placement Investment Trust [1]	Other assets	-	24
NH Absolute Mezzanine General Private Placement Investment Trust No.3	Other assets	22	126
NH Absolute Mezzanine General Private Placement Investment Trust No. 4	Other assets	27	60
Mastern No.51 Yeouido PFV Co.,Ltd	Loan receivables	27,099	27,117
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.1 [1]	Other assets	-	16
NH Absolute Mezzanine General Private Placement Investment Trust No.5	Other assets	33	31
NH Absolute Kosdaqventure Mezzanine Private Equity fund No.2	Other assets	24	21
NH Absolute Project K Private Equity Fund	Other assets	498	602
NH hedge Kosdaq SPAC Private Equity	Other assets	21	18
NH Hedge Project HD Plus General Private Placement Investment Trust [1]	Other assets	-	15
NH Absolute Project C General Private Placement Investment Trust [1]	Other assets	-	10
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.2	Other assets	25	-
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust	Other assets	49	-
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.3	Other assets	5	-
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.2	Other assets	30	-
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.3	Other assets	19	-
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.4	Other assets	16	-
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.4	Other assets	23	-
NH Hedge Project I General Private Placement Investment Trust	Other assets	45	-
NH Hedge EB Selection Private Investment Trust No.1	Other assets	33	-
NH Hedge Project CH Private Placement Investment Trust	Other assets	44	-
NH Hedge EB Selection Private Investment Trust No.3	Other assets	28	-
NH Hedge EB Selection Private Investment Trust No.4	Other assets	30	-
NH Hedge Equity Alpha Target Return Private Investment Trust No.3	Other assets	41	-
NH Hedge Dynamic Equity Target Return Private Investment Trust No.2	Other assets	26	-
NH Hedge Mezz Selection Private Investment Trust No.1	Other assets	2	-
Other related parties:			-
NH-DAYLI Bio Health Private Equity Fund	Other assets	151	-
Central Hub PFV Co., Ltd.	Other assets	267	-
		₩ 1,360,228	₩ 891,350

1. Excluded from the Group's related parties for the year ended December 31, 2025.

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

<Liabilities>

(in millions of Korean won)

Related parties	Accounts	2025	2024
Entities under common control:			
NH Bank Co., Ltd.	Deposits due to customers	₩ -	₩ 6
	Derivative liabilities	156	-
	Other liabilities	233,049	123,120
NH Life Insurance Co., Ltd.	Deposits due to customers	5,114	1,560
	Other liabilities	-	2
NH Property and Casualty Insurance Co., Ltd.	Derivative liabilities	1,589	21,998
NH Capital Co., Ltd.	Deposits due to customers	5,248	3,639
Associates:			
NH-Horizon Secondary Fund	Other liabilities	16	16
NH EBEST MATERIALS Fund No.1 [1]	Other liabilities		16
NH-IBKC EV Fund	Other liabilities	4	4
NH-Susung No.1 Mezzanine New Technology Investment Fund	Other liabilities	112	112
NH-Findvlaue No.1 Mezzanine Investment Fund	Other liabilities	111	-
NH-IBKC Value Fund	Other liabilities	192	-
NH Amber Tree Fund	Other liabilities	62	-
Other related parties:			
NH Networks Co., Ltd.	Other liabilities	8	7
NONG WOO BIO CO., LTD.	Deposits due to customers	4,038	7,066
Nonghyup Partners	Other liabilities	-	8
Nonghyup Feed Inc.	Deposits due to customers	-	447
		₩ 249,699	₩ 158,001

1. Excluded from the Group's related parties for the year ended December 31, 2025.

The amount of right-of-use assets recognized from lease transactions with the related parties such as NH Information System Co., Ltd. as of December 31, 2025 and 2024 is ₩ 1,989 million and ₩ 2,860 million, and lease liabilities are ₩ 1,935 million and ₩ 2,893 million, respectively.

Transactions occurred with related parties for each of the two years in the period ended December 31, 2025 are as follows:

<Revenue>

(in millions of Korean won)

Related parties	Accounts	2025	2024
Ultimate parent company:			
NACF	Commission	₩ -	₩ 6
Entities under common control:			
NH Bank Co., Ltd.	Interest income	23,233	15,224
	Other operating revenue	4,352	959
	Commission	581	607
NH Life Insurance Co., Ltd.	Commission	-	16
	Other operating revenue	11,119	3,384
NH Property and Casualty Insurance Co., Ltd.	Commission	5	1
	Other operating revenue	49,712	4,225
NH office Private Real Estate Investment Trust No.2(Professional)	Commission	38	1,005
Associates:			
NH Agri-Biz Value Creative 1st PEF	Commission	-	13
Aeneas-NH Private Equity Fund [2]	Commission	-	4,256
NH-AJUIB SME Growth 2013 Private Equity Fund [2]	Commission	-	828
IBK-NH Small-Giant PEF [1]	Commission	13	60
NH-Paxtone Private Equity Fund [1]	Commission	5,622	275
NH-OPUS Corporate Financial Stability Private Equity Fund	Commission	403	618
NH-OPUS II Corporate Financial Stability Private Equity Fund	Commission	268	422
NH Co-Investment Private Equity Fund	Commission	1,711	1,904
NH-AJU KOSDAQ SCALEUP FUND	Commission	-	36
NH-Soo Investment innovative growth M&A fund	Commission	137	218
NH-SYNERGY BIO Fund [2]	Commission	-	862
NH SYNERGY M.C.E. New Technology Investment Fund [2]	Commission	-	7
NH-Meritz Contents 1 Fund [2]	Commission	-	262
NH-IBKC Bio New Technology Fund [2]	Commission	-	160
KYOBO-NH Healthcare New Technology Investment Association No. 1 [2]	Commission	-	69
NH IBKC Dental Solution Investment Fund [2]	Commission	-	115
NH-Horizon Secondary Fund	Commission	31	31
NH-Brain EV Fund [2]	Commission	-	507
Meritz-NH Healthcare No. 1	Commission	109	109
NH-Alpha 1st Fund	Commission	52	44
NH-J&-IBKC Label Technology Fund	Commission	88	105
NH EBEST MATERIALS Fund No.1 [1]	Commission	35	77
NH-OPUS III Corporate Financial Stability Private Equity Fund	Commission	875	769
NH-Meritz Hightech Fund [1]	Commission	24	135

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

Related parties	Accounts	2025	2024
NH-Daishin-Kyobo Healthcare 1 Fund [2]	Commission	-	90
NH Digital Alliance Fund	Commission	975	975
NH-Principle Private Equity Fund	Commission	223	188
NH-U&S-Brain Pre-IPO Investment Fund	Commission	136	142
NH Agtec Innovation Private Equity Fund	Commission	610	610
NH Woori Newdeal Growth Alpha Private Equity Fund I	Commission	1,002	1,132
NH-Susung No.2 Mezzanine New Technology Investment Fund	Commission	162	18
Hope Agriculture Innovation Private Equity Fund	Commission	588	437
NH-IBKC EV Fund	Commission	477	478
NH-Susung No.1 Mezzanine New Technology Investment Fund	Commission	123	123
NH-IBKS KONEX SCALEUP FUND	Commission	561	561
ESG leaders 1st Private Equity Fund	Commission	1,461	1,145
Yeouido Cultural Broadcasting Site Development PFV [2]	Commission	-	11
Mastern No.51 Yeouido PFV Co.,Ltd	Commission	1,050	595
NH Absolute Pre IPO Mezzanine General Private Placement Investment Trust No.1 [1]	Commission	548	1,232
NH Absolute Mezzanine General Private Placement Investment Trust No.1 [1]	Commission	31	150
NH Absolute Pre IPO General Private Placement Investment Trust No.1	Commission	543	750
NH Absolute Project H General Private Placement Investment Trust [1]	Commission	52	99
NH Absolute Mezzanine General Private Placement Investment Trust No.3	Commission	342	1,169
NH Absolute Mezzanine General Private Placement Investment Trust No.4	Commission	212	354
NH Absolute Project L General Private Placement Investment Trust [2]	Commission	-	688
NH Absolute Project C General Private Placement Investment Trust [1]	Commission	150	61
	Other operating revenue	46	-
NH-Moorim Dental Care Investment Fund No.1	Commission	157	58
NH Woori New Deal Co-Investment No.1 Private Equity	Commission	99	127
NH-Miracle No.1 New Technology Investment Fund	Commission	70	-
Samsung-NH-Dunamu-Quantum Investment Fund No.1	Commission	31	-
NH Woori Dino Co-Investment No.2 Private Equity Fund	Commission	97	-
NH-Findvlaue No.1 Mezzanine Investment Fund	Commission	66	-
NH-IBKC Value Fund	Commission	77	-
NH-TS Culture New Technology I Fund	Commission	77	-
NH-AONE No.1 Mezzanine New Technology Investment Fund	Commission	25	-
NH Amber Tree Fund	Commission	8	-
NH-Meritz Bio Investment Fund No.1	Commission	11	-
Woori NH Co-Growth Private Equity Fund I	Commission	595	-
Kbank	Commission	10	-
NH-ARA Value-add No.1 Private Equity Fund	Commission	1,726	2,347
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.1 [1]	Commission	57	84
	Other operating revenue	18	-
NH Absolute Mezzanine Private Equity fund No.5	Commission	138	55
NH Absolute Kosdaqventure Mezzanine Private Equity fund No.2	Commission	89	22
NH Absolute Project K Private Equity Fund	Commission	2,360	924
NH hedge Kosdaq SPAC Private Equity	Commission	113	26
NH Hedge Project HD Plus General Private Placement Investment Trust [1]	Commission	123	15
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.2	Commission	132	-
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust	Commission	180	-
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.3	Commission	19	-
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.2	Commission	87	-
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.3	Commission	56	-
NH Hedge high yield IPO Alpha General Private Placement Investment Trust No.4	Commission	47	-
NH Hedge KOSDAQ Venture PRE-IPO Mezzanine General Private Placement Investment Trust No.4	Commission	64	-
NH Hedge Equity Alpha Target Return Private Investment Trust No.1 [1]	Commission	16	-
	Other operating revenue	569	-
NH Hedge Equity Alpha Target Return Private Investment Trust No.2 [1]	Commission	26	-
	Other operating revenue	954	-
NH Hedge Dynamic Equity Target Return Private Investment Trust No.1 [1]	Commission	47	-
	Other operating revenue	866	-
NH Hedge Project I General Private Placement Investment Trust	Commission	54	-
NH Hedge EB Selection Private Investment Trust No.1	Commission	48	-
NH Hedge Project CH Private Placement Investment Trust	Commission	48	
NH Hedge EB Selection Private Investment Trust No.3	Commission	28	-
NH Hedge EB Selection Private Investment Trust No.4	Commission	33	-
NH Hedge Equity Alpha Target Return Private Investment Trust No.3	Commission	40	-
NH Hedge Dynamic Equity Target Return Private Investment Trust No.2	Commission	45	-
NH Hedge Mezz Selection Private Investment Trust No.1	Commission	4	-
Other related parties:			
Nonghyup Feed Inc.		135	80
NH-DAYLI Bio Health Private Equity Fund		151	-
Central Hub PFV Co., Ltd.		186	-
		₩ 117,482	₩ 52,055

1. Excluded from the Group's related parties for the year ended December 31, 2025.
2. Excluded from the Group's related parties for the year ended December 31, 2024.

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

<Expenses>

(in millions of Korean won)

Related parties	Accounts[1]	2025	2024
Ultimate parent company:			
NACF	Commission	₩ 56,598	₩ 59,051
	Other operating expenses	950	219
Parent company:			
NongHyup Financial Group Inc.	Other operating expenses	-	14
Entities under common control:			
NH Property and Casualty Insurance Co., Ltd.	Interest expense	225	-
	Commission	708	-
	Other operating expenses	269	15,287
NH Life Insurance Co., Ltd.	Interest expense	159	186
	Commission	489	-
NH Capital Co., Ltd.	Interest expense	27	61
	Commission	7	-
NH Bank Co., Ltd.	Interest expense	1,710	1,779
	Commission	3,353	1,154
	Other operating expenses	11,257	1,181
Associates:			
Nextrade Co., Ltd.	Other operating expenses	100	-
NH Hedge Project HD Plus General Private Placement Investment Trust [2]	Other operating expenses	25	-
NH Absolute Mezzanine General Private Placement Investment Trust No.3	Other operating expenses	66	-
NH Hedge EB Selection Private Investment Trust No.1	Other operating expenses	3	-
GnM Performance Co., Ltd.	Interest expense	11	-
Other related parties:			
NH Agribusiness Group	Commission	-	200
	Interest expense	92	62
NH Networks Co., Ltd.	Other operating expenses	620	267
Korea Agricultural Cooperative Marketing Inc.	Other operating expenses	37	33
NH Information System Co., Ltd.	Other operating expenses	6,547	5,705
	Commission	1	1
Nonghyup Hanaro Mart Inc.	Other operating expenses	7	16
Nonghyup Logistics Service Inc.	Other operating expenses	114	123
Agricultural Corporation Nonghyup Food Inc.	Other operating expenses	2,100	358
Agricultural Corporation Nonghyup Food Grain Inc.	Other operating expenses	37	3
Nonghyup Partners	Other operating expenses	2,626	2,675
Nonghyup RedGinseng Co., Ltd.	Other operating expenses	122	1
NONG WOO BIO CO., LTD.	Commission	27	-
		₩ 88,287	₩ 88,376

1. Dividends to NH Financial Group (the largest shareholder of the Group) for each of the two years in the period ended December 31, 2025 are ₩ 179,030 million and ₩ 150,762 million, respectively.
2. Excluded from the Group's related parties for the year ended December 31, 2025.

The amount of lease expenses recognized from lease transactions with the related parties such as NH Information System Co., Ltd for each of the two years in the period ended December 31, 2025 is ₩ 1,607 million and ₩ 1,819 million, respectively.

Details of major fixed asset transactions with the related parties for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025			
	Purchase of fixed assets		Disposal of fixed assets	
	Property and equipment	Intangible assets	Property and equipment	Intangible assets
NACF	₩ 841	₩ -	₩ -	₩ -

(in millions of Korean won)

	2024			
	Purchase of fixed assets		Disposal of fixed assets	
	Property and equipment	Intangible assets	Property and equipment	Intangible assets
NACF	₩ 631	₩ -	₩ -	₩ -

Details of compensation to key management for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025	2024
Short-term salaries	₩ 19,466	₩ 21,558
Severance benefits	9,496	9,859
Other long-term salaries	2,154	1,986
Share-based payment	22,913	16,787
	₩ 54,029	₩ 50,190

1. The key management includes directors, executive officers and executives who have authority and responsibilities for decision making of the business plan, operations and control over the Group.

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

Credit commitments provided by the related parties as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won, USD, VND)

	Related party	Agreement	2025		2024	
Entity under common control	NH Bank	Intra-day-credit (included retail payment)	₩	500,000	₩	500,000
	NH Bank	Deposit-secured overdraft loan		150,000		150,000
	NH Bank	Term loan	USD	-	USD	14,000,000
	NH Bank	Term loan	VND	260,000,000,000	VND	260,000,000,000
	NH Bank	Overdraft loan	USD	-	USD	10,000,000
	NH Bank	Limit loan	₩	700	₩	2,600
	NH Bank	Limit loan	USD	40,000,000	USD	-

There are no credit commitments provided to related parties as of December 31, 2025 and 2024.

Details of capital contribution commitments provided to related parties as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	Related party	Agreement	2025	2024
Entities under common control	NH-Amundi MBKP Special Situations I Private Fund 1	Purchase agreement of beneficiary certificate	₩ 19,693	₩ 20,175
	NH-Amundi Global Infra Fund No.13	Purchase agreement of beneficiary certificate	7,467	8,622
	NH-Amundi BCP VIII Private Fund 2	Purchase agreement of beneficiary certificate	28	41
	NH-Amundi Global TPG Asia VII Private Master Fund(USD)[F0F]	Purchase agreement of beneficiary certificate	5,198	5,876
	VOGO U.S. Buyout Private Fund IV	Purchase agreement of beneficiary certificate	11	50
Associates	NH-OPUS Corporate Financial Stability Private Equity Fund	Contribution commitment	775	1,101
	NH Co-Investment Private Equity Fund	Contribution commitment	47	47
	NH-OPUS II Corporate Financial Stability Private Equity Fund	Contribution commitment	19	36
	NH-OPUS III Corporate Financial Stability Private Equity Fund	Contribution commitment	289	1,273
	NH Digital Alliance Fund	Contribution commitment	8,748	21,948
	NH Agtec Innovation Private Equity Fund	Contribution commitment	3,490	7,542
	NH-U&S-Brain Pre-IPO Investment Fund	Contribution commitment	720	3,700
	NH Woori Newdeal Growth Alpha Private Equity Fund I	Contribution commitment	275	5,669
	NH-IBKS KONEX SCALEUP FUND	Contribution commitment	5,500	5,500
	NH-ARA Value-add No.1 Private Equity Fund	Contribution commitment	8,226	31,753
	Hope Agriculture Innovation Private Equity Fund	Contribution commitment	13,059	14,302
Other related parties:	NH-DX Open Innovation Fund	Contribution commitment	-	800

Details of unsettled derivative instrument contracts for the major related parties as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	Related party	Agreement	2025	2024
Entities under common control	NH Bank	Unsettled derivative instrument contracts	₩ 132,850	₩ 45,000
	Nonghyup Property & Casualty Insurance Co. Ltd	Unsettled derivative instrument contracts	597,718	349,198
	NH Life Insurance Co., Ltd.	Unsettled derivative instrument contracts	64,085	88,752

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

Details of monetary transactions with major related parties for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025				
	Transaction of contents[1]	Beginning balance	Increase	Decrease	Ending balance
Entity under common control:					
NH Bank Co., Ltd.	Borrowings	₩ 98,907	₩ 150,000	₩ (25,715)	₩ 223,192
Associates:					
NH SPECIAL PURPOSE ACQUISITION 23 COMPANY[2]	Purchase of bonds	₩ 1,390	₩ -	₩ (1,390)	₩ -
NH SPECIAL PURPOSE ACQUISITION 24 COMPANY[2]	Purchase of bonds	670	-	(670)	-
NH SPECIAL PURPOSE ACQUISITION 25 COMPANY[2]	Purchase of bonds	480	-	(480)	-
NH SPECIAL PURPOSE ACQUISITION 26 COMPANY[2]	Purchase of bonds	850	-	(850)	-
NH SPECIAL PURPOSE ACQUISITION 27 COMPANY[2]	Purchase of bonds	700	-	(700)	-
NH SPECIAL PURPOSE ACQUISITION 29 COMPANY	Purchase of bonds	2,441	61	-	2,502
NH SPECIAL PURPOSE ACQUISITION 30 COMPANY	Purchase of bonds	950	-	-	950
NH SPECIAL PURPOSE ACQUISITION 31 COMPANY	Purchase of bonds	985	-	-	985
NH SPECIAL PURPOSE ACQUISITION 32 COMPANY	Purchase of bonds	-	985	-	985
NH SPECIAL PURPOSE ACQUISITION 33 COMPANY	Purchase of bonds	-	950	-	950
Mastern No.51 Yeouido PFV Co.,Ltd	Loan execution	28,325	-	(1,145)	27,180
GnM Performance Co., Ltd.	Borrowings	1,500	-	(1,500)	-
		₩ 137,198	₩ 151,996	₩ (32,450)	₩ 256,744

1. Payment transactions occurring for the operational purposes between the related parties are excluded.
2. Excluded from the Group's related parties for year ended December 31, 2025.

For the year ended December 31, 2025, the Parent Company issued new shares through a capital increase, of which ₩649,130 million was subscribed by NongHyup Financial Group Inc., the Group's largest shareholder.

(in millions of Korean won)

	2024				
	Transaction of contents[1]	Beginning balance	Increase	Decrease	Ending balance
Entity under common control:					
NH Bank Co., Ltd.	Borrowings	₩ 87,689	₩ 161,218	₩ (150,000)	₩ 98,907
Associates:					
NH SPECIAL PURPOSE ACQUISITION 19 COMPANY[2]	Purchase of bonds	₩ 9,850	₩ -	₩ (9,850)	₩ -
NH SPECIAL PURPOSE ACQUISITION 20 COMPANY[2]	Purchase of bonds	3,750	-	(3,750)	-
NH SPECIAL PURPOSE ACQUISITION 23 COMPANY	Purchase of bonds	1,390	-	-	1,390
NH SPECIAL PURPOSE ACQUISITION 24 COMPANY	Purchase of bonds	670	-	-	670
NH SPECIAL PURPOSE ACQUISITION 25 COMPANY	Purchase of bonds	480	-	-	480
NH SPECIAL PURPOSE ACQUISITION 26 COMPANY	Purchase of bonds	850	-	-	850
NH SPECIAL PURPOSE ACQUISITION 27 COMPANY	Purchase of bonds	700	-	-	700
NH SPECIAL PURPOSE ACQUISITION 29 COMPANY	Purchase of bonds	2,600	-	(159)	2,441
NH SPECIAL PURPOSE ACQUISITION 30 COMPANY	Purchase of bonds	950	-	-	950
NH SPECIAL PURPOSE ACQUISITION 31 COMPANY	Purchase of bonds	-	985	-	985
Mastern No.51 Yeouido PFV Co.,Ltd	Loan execution	29,208	-	(883)	28,325
Yeouido Cultural Broadcasting Site Development PFV [2]	Loan execution	4,399	-	(4,399)	-
		₩ 142,536	₩ 162,203	₩ (169,041)	₩ 135,698

1. Payment transactions occurring for operational purposes between the related parties are excluded.
2. Excluded from the Group's related parties for year ended December 31, 2024.

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

Details of pledged assets to major related party as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

Related party	2025			
	Pledged assets		Book amount	Reason of pledged
Entity under common control:				
NH Bank	Deposits	₩	155,800	Others
	Investment properties[1]		87,748	Others

1. The amount divided proportionally based on the loan participation ratio of the lenders.

As of December 31, 2025, the Group has received ₩ 16,000 million of securities from the NH Bank, an entity under common control, for the purpose of securing derivatives transactions. The amount is the amount of proprietary transactions between the Group and its related parties and excludes collateral receivables due to brokerage transactions.

(in millions of Korean won)

Related party	2024			
	Pledged assets		Book amount	Reason of pledged
Entity under common control:				
NH Bank	Deposits	₩	155,950	Others
	Investment properties[1]		91,308	Others

As of December 31, 2024, the Group has received ₩ 16,000 million of securities from the NH Bank, an entity under common control, for the purpose of securing derivatives transactions. The amount is the amount of proprietary transactions between the Group and its related parties and excludes collateral receivables due to brokerage transactions.

40. Risk management

The Group's operating activity is exposed to various financial risks; hence, the Group is required to analyze and assess the level of complex risks, determine the level of risks to be accepted, or to manage the risks. The Group's risk management procedure is set for improvement in the quality of assets held and investments by making a decision about how to avoid or mitigate risks through the identification of the cause of the potential risk and its scope.

The Group takes the approach to minimize risk and maximize its profit by managing risks to an acceptable level and eliminating excessive risks of financial instruments. For this, the following procedures are performed: risk recognition, measurement and assessment, control, and monitoring and reporting.

The risk is managed by the risk management department based on the Group's policy. The Risk Management Committee of the Group makes the decision on the risk strategy such as allocation of risk assets and limit settlement.

40.1 Credit risk

Credit risk represents the possibility of financial losses incurred when the counterparty fails to fulfill its contractual obligations. The goal of credit risk management is to maintain the credit risk exposure to a permissible degree and to optimize the rate of return considering such credit risk.

40.1.1 Credit risk management

The Group considers the probability of failure in performing the obligation of its counterparties, credit exposure to the counterparty and the related default risk and the rate of default loss. The Group uses the credit rating model to assess the possibility of counterparty's default risk.

40.1.2 Credit line management

In order to manage credit risk limit, the Group establishes the appropriate credit line per obligor, company or industry and monitors obligors' credit line, total exposures and loan portfolios when approving the loan.

40.1.3 Credit risk mitigation

The Group mitigates credit risk resulting from the obligor's credit condition by using financial and physical collateral, guarantees, netting agreements and credit derivatives.

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

40.1.4 Maximum exposure

The Group's maximum exposure to credit risk refers to net book value of financial assets net of provisions, which shows the uncertainties of maximum changes of net value of financial assets attributable to a particular risk without considering collateral and other credit enhancements obtained. However, the maximum exposure is the fair value amount (recorded on the books) for derivatives, maximum contractual obligation for payment guarantees and unused commitment for loan contracts.

The maximum exposure to credit risk as of December 31, 2025 and 2024 is as follows:

(in millions of Korean won)

	2025	2024
Financial assets at amortized cost:		
Corporates	₩ 18,084,361	₩ 16,097,321
Consumers	12,536,745	3,226,610
	30,621,106	19,323,931
Financial assets at FVTPL:		
Debt securities at FVTPL	14,762,237	13,653,294
Loans at FVTPL	2,374,862	1,337,334
Derivative assets	1,254,837	1,056,993
Others	15,986,833	14,380,356
	34,378,769	30,427,977
Financial assets at FVOCI:		
Debt securities at FVOCI	9,499,366	6,747,703
Off-balance sheet:		
Purchases and long-term acquisitions commitments[1]	607,537	618,318
Loan commitments	1,533,292	3,717,092
Unfulfilled contribution commitment	624,826	421,776
	2,765,655	4,757,186
	₩ 77,264,896	₩ 61,256,797

1. Composed of ABCP purchase agreements and purchase agreements of beneficiary certificate.

40.1.5 Geographical and industrial distribution of credit risk

The geographical distribution of credit risk of financial asset as of December 31, 2025 and 2024 is as follows.

The Group classifies the countries by the control point:

(in millions of Korean won)

	2025				
	Korea	China	USA	Others	Total
Financial assets at amortized cost:					
Corporates	₩ 14,331,044	₩ -	₩ 225,424	₩ 3,527,893	₩ 18,084,361
Consumers	12,381,591	-	-	155,154	12,536,745
	26,712,635	-	225,424	3,683,047	30,621,106
Financial assets at FVTPL:					
Debt securities at FVTPL	13,367,828	37,686	991,018	365,705	14,762,237
Loans receivables at FVTPL	2,187,315	-	59,846	127,701	2,374,862
Derivatives assets	1,130,889	-	53,320	70,628	1,254,837
Others	15,271,680	1,513	12,982	700,658	15,986,833
	31,957,712	39,199	1,117,166	1,264,692	34,378,769
Financial assets at FVOCI:					
Debt securities at FVOCI	8,421,436	-	536,996	540,934	9,499,366
Off-balance sheet:					
Purchases and long-term acquisitions commitments	607,537	-	-	-	607,537
Loan commitments	1,372,113	-	9,381	151,798	1,533,292
Unfulfilled contribution commitments	424,367	-	-	200,459	624,826
	2,404,017	-	9,381	352,257	2,765,655
	₩ 69,495,800	₩ 39,199	₩ 1,888,967	₩ 5,840,930	₩ 77,264,896

(in millions of Korean won)

	2024				
	Korea	China	USA	Others	Total
Financial assets at amortized cost:					
Corporates	₩ 15,043,048	₩ -	₩ 68,844	₩ 985,429	₩ 16,097,321
Consumers	3,139,657	-	-	86,953	3,226,610
	18,182,705	-	68,844	1,072,382	19,323,931
Financial assets at FVTPL:					
Debt securities at FVTPL	13,199,886	49,385	310,424	93,599	13,653,294
Loans receivables at FVTPL	1,103,293	-	137,085	96,956	1,337,334
Derivatives assets	627,455	687	100,973	327,878	1,056,993
Others	13,667,919	10,409	54,118	647,910	14,380,356
	28,598,553	60,481	602,600	1,166,343	30,427,977
Financial assets at FVOCI:					
Debt securities at FVOCI	6,369,087	2,935	241,793	133,888	6,747,703
Off-balance sheet:					
Purchases and long-term acquisitions commitments	330,292	-	-	288,026	618,318
Loan commitments	3,635,049	-	20,627	61,416	3,717,092
Unfulfilled contribution commitments	346,233	-	-	75,543	421,776
	4,311,574	-	20,627	424,985	4,757,186
	₩ 57,461,919	₩ 63,416	₩ 933,864	₩ 2,797,598	₩ 61,256,797

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The industrial distribution of credit risk of financial asset as of December 31, 2025 and 2024 is as follows:

(in millions of Korean won)

	2025						
	Service	Manufacturing	Bank and insurance	Construction	Customers	Others	Total
Financial assets at amortized cost:							
Corporates	₩ 133	₩ 916,886	₩ 14,560,312	₩ 117,990	₩ -	₩ 2,489,040	₩ 18,084,361
Consumers	-	-	-	-	12,536,745	-	12,536,745
	133	916,886	14,560,312	117,990	12,536,745	2,489,040	30,621,106
Financial assets at FVTPL:							
Debt securities at FVTPL	-	3,445,617	6,510,069	-	-	4,806,551	14,762,237
Loans at FVTPL	-	284,488	968,866	-	-	1,121,508	2,374,862
Derivative assets	-	4,788	564,967	-	1,275	683,807	1,254,837
Other	-	-	2,272,752	-	-	13,714,081	15,986,833
	-	3,734,893	10,316,654	-	1,275	20,325,947	34,378,769
Financial assets at FVOCI:							
Debt securities at FVOCI	-	1,279,246	7,670,012	-	-	550,108	9,499,366
Off-balance sheet:							
Purchases and long-term acquisitions commitments	-	-	607,537	-	-	-	607,537
Loan commitments	-	107,612	1,221,710	1,152	-	202,818	1,533,292
Unfulfilled contribution commitments	-	-	624,826	-	-	-	624,826
	-	107,612	2,454,073	1,152	-	202,818	2,765,655
	₩ 133	₩ 6,038,637	₩ 35,001,051	₩ 119,142	₩ 12,538,020	₩ 23,567,913	₩ 77,264,896

(in millions of Korean won)

	2024						
	Service	Manufacturing	Bank and insurance	Construction	Customers	Others	Total
Financial assets at amortized cost:							
Corporates	₩ 160	₩ 492,528	₩ 8,568,537	₩ 122,469	₩ -	₩ 6,913,627	₩ 16,097,321
Consumers	-	-	-	-	3,226,610	-	3,226,610
	160	492,528	8,568,537	122,469	3,226,610	6,913,627	19,323,931
Financial assets at FVTPL:							
Debt securities at FVTPL	567,331	831,305	7,293,578	45,082	-	4,915,998	13,653,294
Loans at FVTPL	-	177,210	557,126	2,000	-	600,998	1,337,334
Derivative assets	5,851	5,319	1,035,034	-	1,657	9,132	1,056,993
Other	118,979	88,754	10,028,890	1,982	-	4,141,751	14,380,356
	692,161	1,102,588	18,914,628	49,064	1,657	9,667,879	30,427,977
Financial assets at FVOCI:							
Debt securities at FVOCI	64,918	102,159	5,447,414	-	-	1,133,212	6,747,703
Off-balance sheet:							
Purchases and long-term acquisitions commitments	-	-	515,818	100,000	-	2,500	618,318
Loan commitments	-	46,687	3,376,389	7,630	-	286,386	3,717,092
Unfulfilled contribution commitments	-	-	421,776	-	-	-	421,776
	-	46,687	4,313,983	107,630	-	288,886	4,757,186
	₩ 757,239	₩ 1,743,962	₩ 37,244,540	₩ 279,163	₩ 3,228,267	₩ 18,003,626	₩ 61,256,797

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40.1.6 Classification of financial instruments based on credit risk

The level of exposures to credit risk of loan receivables at amortized cost based on internal risk level as of December 31, 2025 and 2024 is summarized as follows:

(in millions of Korean won)

Credit risk levels (internal level)	2025									
	Domestic loans receivables			Overseas loans receivables			Other loans receivables			Total
	12-month ECL	Lifetime ECL	Impairment	12-month ECL	Lifetime ECL	Impairment	12-month ECL	Lifetime ECL	Impairment	
Rating 1~6	₩ 11,754,512	₩ 86,528	₩ -	₩ 889,840	₩ -	₩ -	₩ 1,050,000	₩ -	₩ 133	₩ 13,781,013
Rating 7	-	182,347	-	-	-	-	-	-	-	182,347
Rating 8	-	-	72,900	-	-	3,610	-	-	-	76,510
Rating 9~10	-	-	51,660	-	-	-	-	-	2,020	53,680
Unrated	-	-	58,395	-	-	1,520	-	-	15,956	75,871
	₩ 11,754,512	₩ 268,875	₩ 182,955	₩ 889,840	₩ -	₩ 5,130	₩ 1,050,000	₩ -	₩ 18,109	₩ 14,169,421

The above loan receivables exclude the deferred loan loss and present value discount. Meanwhile, the quantification effect of credit risk mitigations by collateral and other credit enhancement for corporates and consumers amounts to ₩ 4,142,044 million and ₩ 5,460,158 million, respectively.

(in millions of Korean won)

Credit risk levels (internal level)	2024									
	Domestic loans receivables			Overseas loans receivables			Other loans receivables			Total
	12-month ECL	Lifetime ECL	Impairment	12-month ECL	Lifetime ECL	Impairment	12-month ECL	Lifetime ECL	Impairment	
Rating 1~6	₩ 7,866,811	₩ 109,378	₩ -	₩ 596,528	₩ 1,670	₩ -	₩ 602,500	₩ -	₩ 160	₩ 9,177,047
Rating 7	-	210,619	-	-	3,699	-	-	-	-	214,318
Rating 8	-	-	98,544	-	-	29,400	-	-	-	127,944
Rating 9~10	-	-	45,790	-	-	-	-	-	-	45,790
Unrated	-	-	63,234	-	-	-	-	-	14,465	77,699
	₩ 7,866,811	₩ 319,997	₩ 207,568	₩ 596,528	₩ 5,369	₩ 29,400	₩ 602,500	₩ -	₩ 14,625	₩ 9,642,798

The above loan receivables exclude the deferred loan loss and present value discount. Meanwhile, the quantification effect of credit risk mitigations by collateral and other credit enhancement for corporates and consumers amounts to ₩ 703,949 million and ₩ 3,137,765 million, respectively.

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The level of exposures to credit risk of loan commitment and financial guarantee contract based on internal risk level as of December 31, 2025 and 2024 is summarized as follows:

(in millions of Korean won)

Credit risk levels (internal level)	2025							
	Loan commitment			Financial guarantee contract			Total	
	12-month ECL	Lifetime ECL	Impairment	12-month ECL	Lifetime ECL	Impairment		
Rating 1~6	₩ 1,817,362	₩ -	₩ -	₩ 131,500	₩ -	₩ -	₩	1,948,862
Rating 7	-	-	-	-	-	-		-
Rating 8	-	-	-	-	-	-		-
Rating 9~10	-	-	-	-	-	-		-
Unrated	-	-	-	-	-	-		-
	₩ 1,817,362	₩ -	₩ -	₩ 131,500	₩ -	₩ -	₩	1,948,862

The credit risk exposures of the above loan commitment and financial guarantee contract excluded the beneficiary certificates purchase agreements and the non-fulfillment commitment.

(in millions of Korean won)

Credit risk levels (internal level)	2024							
	Loan commitment			Financial guarantee contract			Total	
	12-month ECL	Lifetime ECL	Impairment	12-month ECL	Lifetime ECL	Impairment		
Rating 1~6	₩ 3,724,844	₩ 15,247	₩ -	₩ 131,500	₩ -	₩ -	₩	3,871,591
Rating 7	-	-	-	-	-	-		-
Rating 8	-	-	-	-	-	-		-
Rating 9~10	-	-	-	-	-	-		-
Unrated	-	-	-	-	-	-		-
	₩ 3,724,844	₩ 15,247	₩ -	₩ 131,500	₩ -	₩ -	₩	3,871,591

The credit risk exposures of the above loan commitment and financial guarantee contract excluded the beneficiary certificates purchase agreements and the non-fulfillment commitment.

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The Group's maximum level of exposures to credit risk of debt securities as of December 31, 2025 and 2024 is summarized as follows:

(in millions of Korean won)

Credit risk levels (internal level)	2025							
	Financial assets at amortized cost			Financial assets at FVOCI			Financial assets at FVTPL	Total
	12-month ECL	Lifetime ECL	Impairment	12-month ECL	Lifetime ECL	Impairment		
AAA	₩ -	₩ -	₩ -	₩ 6,798,889	₩ -	₩ -	₩ 9,642,794	₩ 16,441,683
AA+~AA-	-	-	-	1,550,885	-	-	12,862,948	14,413,833
A+~BBB-	-	-	-	1,149,592	-	-	1,771,245	2,920,837
Less than BBB-	-	-	-	-	-	-	-	-
Default rating	-	-	-	-	-	-	-	-
	₩ -	₩ -	₩ -	₩ 9,499,366	₩ -	₩ -	₩ 24,276,987	₩ 33,776,353

(in millions of Korean won)

Credit risk levels (internal level)	2024							
	Financial assets at amortized cost			Financial assets at FVOCI			Financial assets at FVTPL	Total
	12-month ECL	Lifetime ECL	Impairment	12-month ECL	Lifetime ECL	Impairment		
AAA	₩ -	₩ -	₩ -	₩ 4,789,202	₩ -	₩ -	₩ 11,275,790	₩16,064,992
AA+~AA-	-	-	-	1,355,462	-	-	9,641,079	10,996,541
A+~BBB-	-	-	-	603,039	-	-	1,151,779	1,754,818
Less than BBB-	-	-	-	-	-	-	-	-
Default rating	-	-	-	-	-	-	-	-
	₩ -	₩ -	₩ -	₩ 6,747,703	₩ -	₩ -	₩ 22,068,648	₩ 28,816,351

The credit quality of debt securities based on external rating agencies' credit ratings is as follows.

	NICE	KIS	Korea Ratings	S&P	FITCH	Moody's
AAA	AAA	AAA	AAA	AAA ~ AA-	AAA ~ AA-	Aaa ~ Aa3
AA+ ~ AA-	AA+ ~ AA-	AA+ ~ AA-	AA+ ~ AA-	A+ ~ A-	A+ ~ A-	A1 ~ A3
A+ ~ BBB-	A+~BBB-	A+~BBB-	A+~BBB-	BBB+ ~ BB-	BBB+ ~ BB-	Baa1 ~ Ba3
Less than BBB-	BB+~	BB+~	BB+~	B+~	B+~	B1 ~

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Financial assets with impaired credit on acquisition as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025			
	Beginning balance	Increase	Decrease	Ending balance
Book value	₩ 159	₩ -	₩ (27)	₩ 132

(in millions of Korean won)

	2024			
	Beginning balance	Increase	Decrease	Ending balance
Book value	₩ 159	₩ -	₩ -	₩ 159

The percentage of allowance for expected credit losses as of December 31, 2025 and 2024 is as follows:

(in millions of Korean won)

	2025			
	Due from customers	Loan receivables[1]	Other receivables[1]	Financial assets at FVOCI
Total amount	₩ 8,099,324	₩ 14,132,693	₩ 8,818,693	₩ 9,499,366
Allowance for expected credit losses	4,425	340,439	84,741	5,063
Ratio	0.05%	2.41%	0.96%	0.05%

1. Deferred loan loss and present value discount are included in the above total amounts.

(in millions of Korean won)

	2024			
	Due from customers	Loan receivables[1]	Other receivables[1]	Financial assets at FVOCI
Total amount	₩ 5,127,788	₩ 9,600,535	₩ 4,973,288	₩ 6,747,703
Allowance for expected credit losses	3,076	289,972	84,632	2,715
Ratio	0.06%	3.02%	1.70%	0.04%

1. Deferred loan loss and present value discount are included in the above total amounts.

40.2 Market risk

Market risk is the possible risk of loss arising from trading activities in the volatility of market factors such as interest rates, stock prices and foreign exchange rates. Market risk occurs as a result of changes in the interest rates and foreign exchange rates for financial instruments that are not yet settled, and all contracts are exposed to a certain level of volatility according to changes in the interest rates, credit spreads, foreign exchange rates and the price of equity securities.

40.2.1 Market risk management

For trading activities, the Group makes judgment to avoid, bear or mitigate risks by identifying the underlying source of the risks: measuring parameters and evaluating their appropriateness.

40.2.2 Market risk measurement

The Group uses both standard risk measurement model and internal risk measurement model approach to measure market risk. A standard risk measurement model is used to calculate individual market risk of owned capital while internal risk measurement model is used to measure internal risk management measure. The risk management committee allocates owned capital to market risk. The risk management department measures the Value at Risk ("VaR", maximum losses) limit by department and risk factor and loss limit on a daily basis and reports regularly to the Risk Management committee.

40.2.3 Risk control

At the beginning of each year, the Risk Management Committee establishes the VaR limit, loss limit and risk capital limit for its management purposes. In addition, depending on management strategies and characteristics, the Group gives the various limits by individual, rate, sensitivity and stress loss limit, etc.

40.2.4 Sensitivity analysis of market risk

The Group performs sensitivity analysis for both trading and non-trading activities. For trading activities, the Group uses a VaR model which uses certain assumptions of possible fluctuations in market condition and, by conducting simulations of gains and losses, under which the model estimates the maximum losses that may occur.

For non-trading activities, it is measured and managed by the interest rate VaR calculations based on a 'Gap' in interest rate per Bank for International Settlements ("BIS") Framework.

In addition, VaR of trading section is calculated based on 99% confidence level and ten days of retention period.

On the other hand, for the case of complex structures instruments like ELS and others that cannot be evaluated by a simple formula, the Group applies the sensitivities of Delta, Gamma, Vega, etc., calculated and derived from the fair value method to the market risk system; hence, it may result in not fully reflecting the fair value of assets and liabilities.

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40.2.4.1 Trading activities

The market risk capital requirements under the Basel III standardized approach as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	2024
Sensitivity-based risk	₩ 476,809	₩ 437,244
Default risk	200,553	164,882
Residual risk	1,692	1,591
Total Required Capital	₩ 679,054	₩ 603,717

40.2.4.2 Non-trading activities

The interest rate VaR, calculated based on the BIS Framework of the Group as of December 31, 2025 and 2024 is as follows:

(in millions of Korean won)

	2025	2024
Interest rate VaR	₩ 195,431	₩ 186,715

40.2.5 Interest rate risk

The Group manages the interest-bearing assets and liabilities by measuring the risk of interest rate fluctuation for each maturity of cash flow (Time Bucket). The maturity structure of interest rates by each maturity as of December 31, 2025 and 2024 is as follows:

(in millions of Korean won)

	2025						
	Within 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total[2]
Assets:							
Financial assets at amortized cost[1]	₩ 13,228,029	₩ 3,998,947	₩ 2,986,301	₩ 1,142,494	₩ 3,841,913	₩ 494,950	₩ 25,692,634
Financial assets at FVOCI	576,436	764,898	1,736,323	2,996,980	3,182,062	242,667	9,499,366
	₩ 13,804,465	₩ 4,763,845	₩ 4,722,624	₩ 4,139,474	₩ 7,023,975	₩ 737,617	₩ 35,192,000
Liabilities:							
Borrowings	₩ 19,121,874	₩ 3,605,445	₩ 2,984,409	₩ 7,121,982	₩ 146,058	₩ -	₩ 32,979,768
Debentures	442,530	197,021	101,828	722,736	3,472,565	-	4,936,680
	₩ 19,564,404	₩ 3,802,466	₩ 3,086,237	₩ 7,844,718	₩ 3,618,623	₩ -	₩ 37,916,448

1. Financial assets at amortized cost that did not generate interest, such as accounts receivables and accrued income, are excluded.
2. The above-mentioned maturity analysis includes both principal and interest cash flows by contractual maturities.

(in millions of Korean won)

	2024						
	Within 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total[2]
Assets:							
Financial assets at amortized cost[1]	₩ 8,859,694	₩ 2,325,047	₩ 2,505,596	₩ 923,136	₩ 2,369,271	₩ 509,307	₩ 17,492,051
Financial assets at FVOCI	455,538	866,322	1,408,825	1,578,775	2,480,269	158,148	6,947,877
	₩ 9,315,232	₩ 3,191,369	₩ 3,914,421	₩ 2,501,911	₩ 4,849,540	₩ 667,455	₩ 24,439,928
Liabilities:							
Borrowings	₩ 15,277,689	₩ 1,986,190	₩ 1,779,569	₩ 5,485,020	₩ 22	₩ -	₩ 24,528,490
Debentures	1,899	5,041	349,704	654,631	1,985,894	-	2,997,169
	₩ 15,279,588	₩ 1,991,231	₩ 2,129,273	₩ 6,139,651	₩ 1,985,916	₩ -	₩ 27,525,659

1. Financial assets at amortized cost that did not generate interest, such as accounts receivables and accrued income, are excluded.
2. The above-mentioned maturity analysis includes both principal and interest cash flows by contractual maturities.

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40.2.6 Currency risk

Financial instruments in foreign currencies exposed to currency risk as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025					
	USD	JPY	EUR	CNY	Others	Total
Assets:						
Cash and cash equivalents	₩ 1,137,235	₩ 280,032	₩ 123,376	₩ 15,504	₩ 85,692	₩ 1,641,839
Financial assets at FVTPL	2,217,799	-	153,218	66,923	140,670	2,578,610
Derivative assets[1]	117,429	1,117	11,178	-	590	130,314
Financial assets at FVOCI	1,285,774	-	-	-	-	1,285,774
Financial assets at amortized cost	4,763,085	167,793	418,622	13,547	711,912	6,074,959
Other financial assets	5,173	-	1,054	-	710	6,937
	₩ 9,526,495	₩ 448,942	₩ 707,448	₩ 95,974	₩ 939,574	₩ 11,718,433
Liabilities:						
Deposits due to customers	₩ 3,990,284	₩ 175,409	₩ 11,876	₩ 11,055	₩ 93,136	₩ 4,281,760
Financial liabilities at FVTPL	5,968	-	-	-	3,930	9,898
Financial liabilities designated at FVTPL	1,567,992	3,946	112,583	-	18,784	1,703,305
Derivative liabilities[1]	576,961	3,250	13,065	-	464	593,740
Borrowings	2,015,086	105,487	187,838	143	186,207	2,494,761
Debentures	1,283,022	-	-	-	-	1,283,022
Other financial liabilities	323,713	4,408	3,110	100	25,633	356,964
	₩ 9,763,026	₩ 292,500	₩ 328,472	₩ 11,298	₩ 328,154	₩ 10,723,450

1. The derivative assets and liabilities include both derivatives held for trading purposes and derivatives held for hedging purposes.

(in millions of Korean won)

	2024					
	USD	JPY	EUR	CNY	Others	Total
Assets:						
Cash and cash equivalents	₩ 796,147	₩ 126,787	₩ 49,945	₩ 19,695	₩ 100,539	₩ 1,093,113
Financial assets at FVTPL	2,593,052	48,004	54,901	44,136	109,629	2,849,722
Derivative assets[1]	181,519	3,357	14,458	-	3,061	202,395
Financial assets at FVOCI	1,078,712	-	-	-	-	1,078,712
Financial assets at amortized cost	3,351,859	205,621	209,762	17,111	480,567	4,264,920
Other financial assets	4,975	-	-	-	41	5,016
	₩ 8,006,264	₩ 383,769	₩ 329,066	₩ 80,942	₩ 693,837	₩ 9,493,878
Liabilities:						
Deposits due to customers	₩ 2,145,237	₩ 231,341	₩ 13,045	₩ 10,349	₩ 82,277	₩ 2,482,249
Financial liabilities at FVTPL	13,778	-	-	-	5,355	19,133
Financial liabilities designated at FVTPL	1,123,550	-	120,636	-	16,250	1,260,436
Derivative liabilities[1]	534,000	2,883	24,696	-	3,062	564,641
Borrowings	1,882,089	582	71,902	-	64,383	2,018,956
Debentures	438,851	-	-	-	-	438,851
Other financial liabilities	274,810	1,912	63,600	314	19,239	359,875
	₩ 6,412,315	₩ 236,718	₩ 293,879	₩ 10,663	₩ 190,566	₩ 7,144,141

1. The derivative assets and liabilities include both derivatives held for trading purposes and derivatives held for hedging purposes.

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40.3 Liquidity risk

Liquidity risk refers to the risk that the Group may encounter difficulties in meeting obligations from its financial liabilities.

40.3.1 Liquidity risk management

Liquidity risk management is to prevent potential cash shortage as a result of mismatching the use of funds (assets) and sources of funds (liabilities) or unexpected cash outflows. Of the financial liabilities in the consolidated statements of financial position, financial liabilities in relation to liquidity risk become the objects of liquidity risk management.

Assets and liabilities are grouped by account under Asset Liability Management ("ALM") in accordance with the characteristics of the account. The Group manages liquidity risk by identifying maturity gap and such gap ratio through various cash flows analysis (i.e., based on remaining maturity and contract period); while maintaining the gap ratio at or below the target limit.

40.3.2 Maturity analysis of financial liabilities

The Group's maturity analysis of financial liabilities, cash flows of principals and interests by remaining contractual maturities as of December 31, 2025 and 2024 is as follows:

(in millions of Korean won)

	2025						
	Within 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total[1]
Deposits due to customers	₩ 12,999,093	₩ 2,038	₩ -	₩ -	₩ -	₩ -	₩ 13,001,131
Financial liabilities at FVTPL	3,275,535	170,866	469,325	2,621,418	2,396,805	2,247,817	11,181,766
Borrowings	19,121,874	3,605,445	2,984,409	7,121,982	146,058	-	32,979,768
Debentures	442,530	197,021	101,828	722,736	3,472,565	-	4,936,680
Other financial liabilities	8,616,236	5,677	8,193	14,455	33,986	1,038,819	9,717,366
Derivative liabilities	137,938	151,917	279,023	333,881	544,874	580,198	2,027,831
	₩ 44,593,206	₩ 4,132,964	₩ 3,842,778	₩ 10,814,472	₩ 6,594,288	₩ 3,866,834	₩ 73,844,542

1. The above-mentioned maturity analysis includes both principal and interest cash flows by contractual maturities.

(in millions of Korean won)

	2024						
	Within 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total[1]
Deposits due to customers	₩ 7,971,818	₩ -	₩ -	₩ -	₩ -	₩ -	₩ 7,971,818
Financial liabilities at FVTPL	2,817,023	222,017	577,380	2,953,073	1,851,195	2,114,350	10,535,038
Borrowings	15,277,689	1,986,190	1,779,569	5,485,020	22	-	24,528,490
Debentures	1,899	5,041	349,704	654,631	1,985,894	-	2,997,169
Other financial liabilities	4,923,462	81,768	8,481	15,706	52,557	1,102,079	6,184,053
Derivative liabilities	112,449	98,168	107,268	185,414	448,649	676,493	1,628,441
	₩ 31,104,340	₩ 2,393,184	₩ 2,822,402	₩ 9,293,844	₩ 4,338,317	₩ 3,892,922	₩ 53,845,009

1. The above-mentioned maturity analysis includes both principal and interest cash flows by contractual maturities.

40.3.3 Maturity analysis of off-balance-sheet accounts

Maturity analysis of off-balance-sheet accounts as of December 31, 2025 and 2024 is as follows:

(in millions of Korean won)

	2025						
	Within 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Purchases and acquisitions commitment	₩ 191,967	₩ 500	₩ -	₩ 71,500	₩ 343,570	₩ -	₩ 607,537
Loan commitments	1,533,292	-	-	-	-	-	1,533,292
Non-fulfillment commitment	624,826	-	-	-	-	-	624,826
	₩ 2,350,085	₩ 500	₩ -	₩ 71,500	₩ 343,570	₩ -	₩ 2,765,655

(in millions of Korean won)

	2024						
	Within 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Purchases and acquisitions commitment	₩ 463,818	₩ 500	₩ -	₩ 102,500	₩ 51,500	₩ -	₩ 618,318
Loan commitments	3,717,092	-	-	-	-	-	3,717,092
Non-fulfillment commitment	421,776	-	-	-	-	-	421,776
	₩ 4,602,686	₩ 500	₩ -	₩ 102,500	₩ 51,500	₩ -	₩ 4,757,186

40.4 Capital Management

Capital regulation for financial investment firms is established by the Financial Investment Services Regulation. The Group manages and controls so that net capital ratio is 100% or above to follow the regulation. The Group reports to Financial Supervisory Service for compliance with net capital ratio on a quarterly basis.

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December 31, 2025 and 2024

41. Operating Segments

Disclosures of operating segment were prepared in accordance with KIFRS 1108 Operating Segments. KIFRS requires the chief operating decision maker of the Group to disclose regularly reviewed information by segment for the purpose of resource allocation and performance assessment.

Segment reporting for the Group is composed of sales, investment bank ("IB"), trading, headquarters and other departments, and the reporting segments are categorized based on business activities providing different services.

Reporting segment	Main business activities
Sales	Asset management services including brokerage consignment, financial instrument sales, etc., to individual, domestic or foreign institutional investors
IB	Corporate finance services including corporate finance, M&A, PF, PEF operation, etc.
Trading	Stocks and bonds operations, product operation, supply of derivatives and capital investment
Headquarters and others	Activities other than the above such as headquarters management, etc.

41.1 Financial Information of Segment Reporting

The operating income of the Group for each of the two years in the period ended December 31, 2025 is as follows:

(in millions of Korean won)

	2025				
	Sales	IB	Trading	Headquarters/others	Total
Operating revenue					
Interest income	₩ 611,453	₩ 46,859	₩ 24,350	₩ 86,528	₩ 1,969,190
Non-interest income	5,630,181	1,147,059	3,817,951	2,798,701	13,393,892
	6,241,634	1,693,918	4,542,301	2,885,229	15,363,082
Operating expenses					
Interest expense	226,374	446,503	413,378	(70,826)	1,015,429
Non-interest expense	4,684,425	555,658	3,941,131	2,490,232	11,671,446
Administrative expenses	712,536	230,742	68,779	243,570	1,255,627
	5,623,335	1,232,903	4,423,288	2,662,976	13,942,502
Operating income	₩ 618,299	₩ 461,015	₩ 119,013	₩ 222,253	₩ 1,420,580

(in millions of Korean won)

	2024				
	Sales	IB	Trading	Headquarters/others	Total
Operating revenue					
Interest income	₩ 540,284	₩ 428,033	₩ 637,294	₩ 134,826	₩ 1,740,437
Non-interest income	2,923,021	1,172,745	3,970,003	1,780,887	9,846,656
	3,463,305	1,600,778	4,607,297	1,915,713	11,587,093
Operating expenses					
Interest expense	223,527	309,528	409,236	(3,629)	938,662
Non-interest expense	2,220,362	693,053	4,018,630	1,704,418	8,636,463
Administrative expenses	647,087	205,451	65,675	192,686	1,110,899
	3,090,976	1,208,032	4,493,541	1,893,475	10,686,024
Operating income	₩ 372,329	₩ 392,746	₩ 113,756	₩ 22,238	₩ 901,069

Assets and liabilities by operating segment as of December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025				
	Sales	IB	Trading	Headquarters/others	Total
Assets	₩ 21,317,503	₩ 16,112,426	₩ 25,699,403	₩ 20,256,066	₩ 83,385,398
Liabilities	21,317,503	16,102,628	25,706,915	10,820,248	73,947,294

(in millions of Korean won)

	2024				
	Sales	IB	Trading	Headquarters/others	Total
Assets	₩ 13,025,867	₩ 12,565,396	₩ 22,337,516	₩ 14,498,286	₩ 62,427,065
Liabilities	13,025,867	12,517,448	22,322,063	6,442,318	54,307,696

41.2 Information on Products and Services

As the financial products of the Group are categorized as interest bearing, non-interest bearing and others, and the categorization is reflected in the composition of the operating segments above, revenue from external customers is not separately disclosed.

41.3 Information on Geographical Areas

Within the Group's revenue (interest income and non-interest income) from external services, revenue from the domestic customers for each of the two years in the period ended December 31, 2025 amounted to ₩ 15,149,736 million and ₩ 11,397,384 million, respectively, and revenue from the foreign customers amounted to ₩ 213,346 million and ₩ 189,708 million, respectively. The Group's non-current assets (investments in associates and joint ventures, investment property, property and equipment, and intangible assets) as of December 31, 2025 and 2024 are ₩ 809,794 million, ₩ 831,754 million, respectively, in relation to domestic customers, and ₩ 243,068 million and ₩ 248,951 million, respectively, in relation to foreign customers. The assets in relation to foreign customers are owned by the Group's overseas subsidiaries and branches.

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42. Revenue from Contracts with Customers

The timing of revenue recognition and revenue for each segment under KIFRS 1115 Contracts with customers for each of the two years in the period ended December 31, 2025 are as follows:

(in millions of Korean won)

	2025				
	Sales	IB	Trading	Headquarters/others	Total
Revenue from contracts by segment	₩ 935,602	₩ 422,557	₩ 13,249	₩ 114,214	₩ 1,485,622
Timing of revenue recognition:					
At a point in time	₩ 846,565	₩ 333,336	₩ 308	₩ 32,147	₩ 1,212,356
Services recognized over time	89,037	89,221	12,941	82,067	273,266
	₩ 935,602	₩ 422,557	₩ 13,249	₩ 114,214	₩ 1,485,622

(in millions of Korean won)

	2024				
	Sales	IB	Trading	Headquarters/others	Total
Revenue from contracts by segment	₩ 629,477	₩ 395,376	₩ 5,553	₩ 99,852	₩ 1,130,258
Timing of revenue recognition:					
At a point in time	₩ 608,840	₩ 274,712	₩ 30	₩ 27,773	₩ 911,355
Services recognized over time	20,637	120,664	5,523	72,079	218,903
	₩ 629,477	₩ 395,376	₩ 5,553	₩ 99,852	₩ 1,130,258

43. Approval of Issuance of the Financial Statements

The consolidated financial statements for the year ended December 31, 2025 were approved for issuance by the Board of Directors on January 29, 2026 and are subject to change with the approval of shareholders at their Annual General Meeting on March 26, 2026.


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