Bridging Nature and Finance

2025 KB Financial Group

Nature-related Financial Disclosure Report



KB Financial Group

Overview

At the Intersection of Nature and Industry — Advancing Finance's Role in Building a Sustainable Future

As natural capital and biodiversity emerge as critical factors in corporate sustainable growth, KB Financial Group systematically manages nature-related risks and opportunities across our operations and financial portfolio.

Based on the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), this report presents the current status of KB Financial Group's natural capital-related portfolio, together with our key risks and opportunities, response strategies, and performance.

Through this report, we aim to transparently disclose how natural capital issues affect KB Financial Group's management and financial activities, and to communicate our direction for action toward sustainable value creation with our stakeholders.

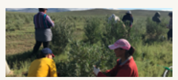
CONTENTS

KB's Journey

Global Natural Capital Trends

~'20	'21	'22	'23	'24	'25
· PBAF (Partnership for Biodiversity Accounting Financials) established to develop biodiversity impact assessment and measurement standards for the financial sector	· Taskforce on Nature-related Financial Disclosures (TNFD) launched · Establishment of Korea's Green Taxonomy (K-Taxonomy), incorporating six environmental objectives including biodiversity conservation	· COP15 adopted the Kunming-Montreal Global Biodiversity Framework (GBF) to advance global biodiversity targets	· TNFD released its final recommendations on nature-related disclosures · Ministry of Climate, Energy and Environment established the 5th National Biodiversity Strategy (2024-2028)	· EU designated biodiversity as a mandatory disclosure item under the CSRD and ESRS	· The resumed COP16 session established a global financing mechanism to implement the Kunming-Montreal GBF

KB Financial Group Activities

	~'20	'21	'22	'23	'24	'25
Establishment of a Natural Capital Management System and Governance	Became the first domestic financial group to declare "coal phase-out financing" (Group) 	Became the first domestic company to join the Equator Principles (Bank)	Joined the Taskforce on Nature-related Financial Disclosures (TNFD) (Group)	Selected as a core member of the Principles for Responsible Banking (PRB), participating in the establishment of the mid- to long-term operational plan and guidance (Group)	Provided financial support through the "KB Green Wave_ESG Excellent Company Loan" (Group)	Published the first "Nature-related Financial Disclosure Report: Bridging Nature and Finance" (Group) 
Ecosystem Restoration and Biodiversity Conservation	Supported environmental improvement through the launch of the "KB Clear Sky" and "KB Clear Ocean" eco-friendly specialty products (Bank) 	Reduced fine dust and carbon emissions through the "KB Clear Sky Forest" and the Star Friends Garden at Gwangneung National Arboretum (Bank) 	Promoted the "K-Bee Project" to conserve bee ecosystems: created nectar forests and urban bee farms and installed K-Bee hotels (Group) 	Signed an MOU with Seoul Grand Park on biodiversity and endangered species protection (Bank)	Promoted the 2nd "KB Sea Forest Project" along the coast of Sacheon, Gyeongnam Province (Bank) 	Conserved biodiversity and tidal flats through the employee-participatory "Tidal Flat 1-Pyeong Donation Campaign" (Securities) 
Environmental Impact Reduction and Eco-Friendly Management Practices	Promoted resource- and carbon-reduction activities through the "KB Green Wave" campaign (Bank)	Participated in the "K-EV100" (Korea Electric Vehicle 100) initiative, targeting a full transition to zero-emission vehicles by 2030 (Bank)	Conducted the "KB Green Wave Environmental Campaign": Less Paper, No Plastic, Save Energy (Group)	Expanded a resource circulation culture through the operation of recycling vending-machine robots (Card)	Restored urban biodiversity habitat by creating the "Kkaebi Garden" and restoring vegetation in Ttukseom Hangang Park (Securities) 	Reduced physical card usage by strengthening "KB Pay" offline payment services (Card)

Investor Headlines

Governance

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Responsible Oversight and Management of Natural Capital Issues by the Board of Directors and Executive Management

KB Financial Group recognizes natural capital and biodiversity as core risk and opportunity factors for corporate value, and establishes and manages related strategies and targets under governance centered on the Board of Directors and executive management.
In addition, through subsidiary-level consultative bodies and dedicated organizations, we continuously identify and review nature-related risks and opportunities and implement response strategies — reflecting natural capital issues in financial decision-making and supporting long-term portfolio soundness and sustainable value creation.

Natural Capital Governance

Board of Directors	ESG Committee
Executive Management	Group ESG Executive
Working-level Staff	Subsidiary ESG Consultative Bodies

Risk and Impact Management

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Integrated Management of Natural Capital Risk through the ESRM and Equator Principles

Based on the TNFD recommendations, KB Financial Group identifies and manages nature-related risks and opportunities, and reflects these in investment and lending decisions through our Environmental and Social Risk Management (ESRM) framework.
In addition, KB Kookmin Bank applies the Equator Principles to review the environmental and social risks of large-scale Project Financing (PF), and reviewed a total of 20 projects under the Equator Principles in 2025.

Natural Capital Risk and Opportunity Identification and Assessment Process

1	2	3	4
Natural Capital-related Portfolio Analysis	Natural Capital Risk and Opportunity Identification	Natural Capital Scenario Analysis	Natural Capital Response Strategy Development and Monitoring

Strategy

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Focused Management of Core Industry Sectors with High Natural Capital Impact and Dependency (Industrials, Consumer Discretionary, Materials)

Through analysis of natural capital dependency and impact across our portfolio, we identified Industrials, Consumer Discretionary, and Materials as core sectors for management. For strategically significant assets in particular, we conduct location-based analysis to identify natural capital-sensitive factors — such as the presence of endangered species and overlap with the World Database on Protected Areas (WDPA) sites — at each business location, and respond according to each site's specific characteristics.

Contribution to Natural Capital Conservation through Environment-related ESG Financial Products

Building on a robust sustainable finance framework, KB Financial Group systematically classifies and continuously expands our ESG financial products. Through these carefully managed ESG financial products, we strive to drive positive change in natural capital.

Active Engagement in Biodiversity Conservation with Employees and a Range of Stakeholders

Employees and members of the public work together to care for the surrounding environment, and through collaboration with a range of stakeholders, we strive to create sustainable value for both nature and society. KB Financial Group is committed to ensuring these natural capital protection activities are not confined to one-off events, and will continue to expand our biodiversity conservation efforts through sustained participation and collaboration.

Metrics and Targets

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Implementation of Natural Capital-Contributing Financial Product Targets by Leveraging Core Financial Competitiveness

KB Financial Group has set the expansion of natural capital-contributing financial products as a core goal, and systematically manages related metrics and targets. We continuously monitor progress toward this target and strive to expand natural capital-contributing finance and deliver tangible results.

Target and Progress

Achievement Rate: 83%

2025: KRW 20.8 trillion

Target: KRW 25 trillion by 2030

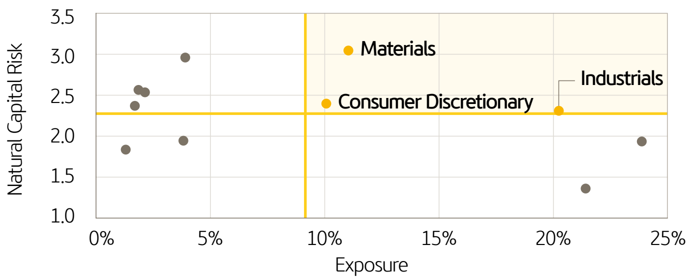
Executive Summary

Sustainable Growth through Connecting Productive and Inclusive Finance with Nature

Natural Capital Risk and Opportunity Analysis

Portfolio Analysis Results

Comprehensive analysis of natural capital impact, dependency, and exposure identified **Industrials, Materials, and Consumer Discretionary** as core sectors



Detailed Asset Analysis Results

Identification of natural capital dependencies, impacts, and physical and reputational risks for 4 individual assets based on LEAP (Locate, Evaluate, Assess, Prepare) analysis

Category	SK REITs SK hynix Water Treatment Facility	Mukdong Transit-Oriented Youth Housing Development Project	Bigeum Island Resident-Participatory Solar Power Project	Jeju Hallim Long-Duration Battery Energy Storage System Project
High-Dependency Ecosystem Services	Rainfall pattern regulation, solid waste remediation, water purification	Visual amenity services	Global climate regulation	Flood mitigation, Storm mitigation
High-Impact Drivers	Area of freshwater use, area of land use	None	None	Area of land use
Physical Risks	Air quality, disease, extreme heat	Forest productivity and distance to markets, air quality, disease	Tropical cyclones	Disease, Tropical cyclones
Reputational Risks	Pollution	Forest canopy loss, pollution, protected/conserved areas, wetlands of international importance	Range rarity	Protected/conserved areas, wetlands of international importance

KB Financial Group's Response and Performance

Key Activities

Sustainable Finance Management Framework	Nature-related Financial Products	Natural Capital Protection Activities	Stakeholder Engagement Activities
Promoting sustainable finance based on the ESG financial product classification and management framework	Developing ESG financial products that create positive impact on nature	Promoting ecosystem conservation and restoration activities based on Nature-based Solutions (NbS)	Creating future value through communication and collaboration with stakeholders

Key Achievements

By managing and operating approximately KRW 21 trillion in environmental financial products, we create a positive impact on changes in natural capital use

ESG Financial Products

KRW **20.8** trillion

Products, investments, and loans in the environmental sector

Group basis

Investments | Loans | Products

Land, freshwater, and ocean use change | Resource use and replenishment | Pollution removal | Climate change

We carry out natural capital conservation activities, contributing to the conservation of natural capital and biodiversity in local communities

Species Conservation and Habitat Protection

(K-Bee Project) Created a habitat environment for approximately 440,000 honeybees

Forest Creation

(KB Clear Sky Forest) Planted 20,000 windbreak trees annually in Mongolia to prevent desertification

Marine Ecosystem Restoration

(KB Sea Forest Project) Sowed 120,000 seagrass seeds in Sacheon, Gyeongnam Province

Local Community Ecological Conservation

(KB Plogging Day) Collected litter across Seoul through the participation of approximately 600 employees and stakeholders

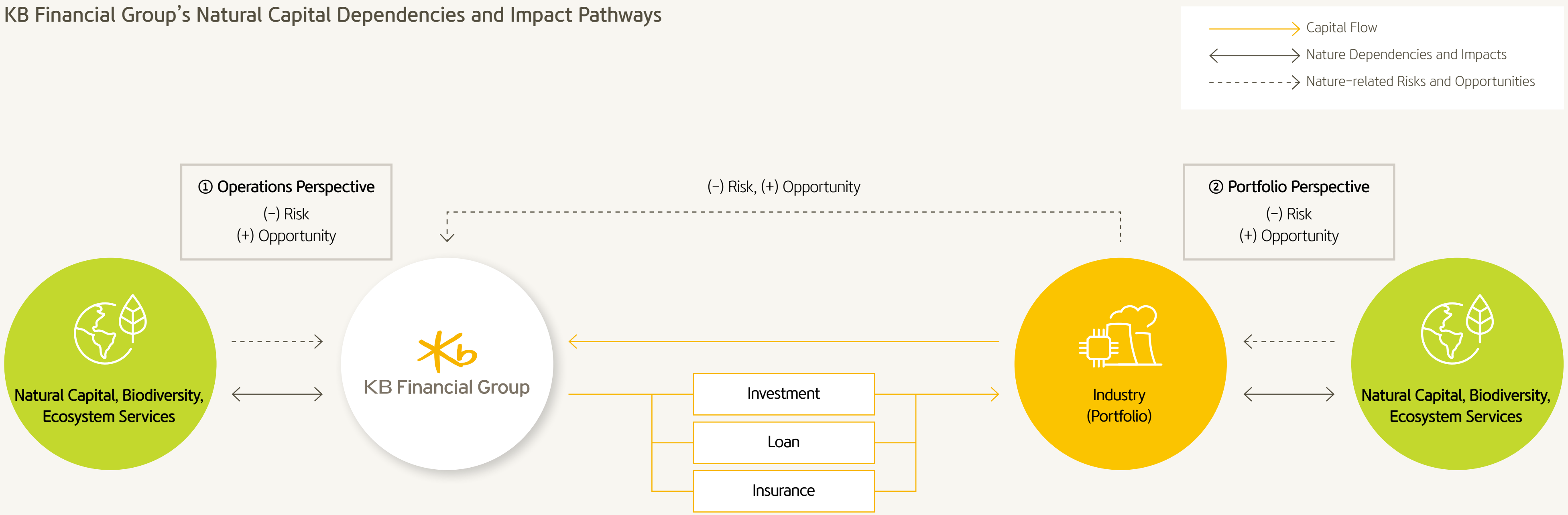
Natural Capital Dependencies and Impact Pathways

Identifying Dependencies and Impact Pathways from an Operational and Portfolio Perspective

Natural capital (land, water, biodiversity, ecosystem services, etc.) is an essential foundation for economic activity, and is directly and indirectly linked to value creation at financial institutions.

Specifically, financial institutions are directly and indirectly connected to natural capital through their business site operations and financial portfolios. From an operational perspective, direct dependencies on and impacts on natural capital arise from business site operations. From a portfolio perspective, indirect dependencies on and impacts on natural capital emerge through the industries to which financing is provided. These two perspectives form the basis for understanding how nature-related risks and opportunities transmit to financial institutions, enabling KB Financial Group to systematically manage natural capital risk while developing strategies to expand our positive impact on nature.

KB Financial Group's Natural Capital Dependencies and Impact Pathways



① Operations Perspective

Business site operations have a direct dependency and impact relationship with natural capital; however, given the nature of the financial industry, the scale of this relationship is limited

② Portfolio Perspective

Through the provision of financial services, we supply capital to industries and generate revenue in the process — indirectly transmitting the natural capital-related risks and opportunities of nature-dependent industries to KB Financial Group

Natural Capital-related Risks and Opportunities

Identification of KB Financial Group's Natural Capital Risk and Opportunity Impacts

KB Financial Group has systematically identified natural capital-related risk and opportunity factors by analyzing the interconnectedness with natural capital from both an operations and a portfolio perspective. From an operational perspective, we analyzed the direct impacts of nature-related factors on the Group's business operations and financial performance. From a portfolio perspective, we assessed their impacts on credit risk, asset values, and financial returns through borrowers and investee companies. Based on these analyses, we identified the pathways through which nature-related risks and opportunities translate into financial impacts and are implementing systematic management and response measures.

Natural Capital-related Risks and Opportunities

O Operations Perspective P Portfolio Perspective

Type		Risk/Opportunity Factor (External Environment Change)	KB Financial Group Impact Pathway	Potential Financial Impact
Risk	Acute	Increase in the occurrence of natural disasters such as floods and wildfires	Damage to borrowers and investee companies' production facilities and supply chain disruption caused by natural disasters	P Reduced investment portfolio returns resulting from declines in the enterprise value of borrowers and investee companies
	Policy	Reinforcement of regulations related to biodiversity protection and restoration	Increased likelihood of permitting restrictions and delays for development and PF projects in ecologically sensitive areas	P Losses arising from delays or disruptions to project finance (PF) projects P Increased uncertainty over investment recovery
	Market	Reinforcement of consumer and investor aversion to companies causing nature degradation	Growing need for investment portfolio adjustment in response to declining corporate value among high natural capital-risk clients	P Decline in investment portfolio value and performance
	Reputational	Expansion of criticism regarding financial support for projects involved in nature degradation controversies	Reputational risk exposure from investments linked to nature degradation	O Damage to brand value due to declining stakeholder trust P Financial losses resulting from delays in business implementation
	Legal	Reinforcement of laws, regulations, and liability standards related to biodiversity protection	Increased investment and lending risk associated with companies in violation of relevant laws, or with development projects in high-risk areas	O Increased litigation and sanction risk O Risk of administrative action or investment losses
Opportunity	Products and services	Expansion of nature conservation projects such as Nature-based Solutions (NbS) and ecological restoration	Expansion of natural capital-related project financing and investment products	P Generation of new financial revenue
	Market	Growth of the natural capital conservation and ecosystem restoration industry	Increased financial support opportunities for natural capital-related industries and companies	P Growing demand for natural capital-related finance and expanded investment opportunities
	Reputational	Increase in social expectations regarding corporate responsibility and role in natural capital protection	Enhanced stakeholder trust through ecosystem conservation and the promotion of nature-based value	O Increased brand value, strengthened long-term partnerships and customer loyalty

Portfolio Analysis

KB Financial Group Portfolio Analysis

KB Financial Group assessed the portfolio's dependencies and impacts on natural capital using ENCORE. The assessment identified the Materials, Consumer Discretionary, and Industrials sectors as priority sectors requiring enhanced management, given their relatively high levels of both nature-related risk and exposure. Through ongoing monitoring of these three priority sectors, we continue to strengthen the portfolio's natural capital risk management framework.

Analysis Methodology

Scope of Analysis

Input Data

- Approximately 70%* of the Climate Population (assets subject to financed emissions calculation)

* Excluding sovereign bonds

KB Financial Group Asset List

- · Corporate finance
- · Commercial real estate
- · Residential real estate
- · Vehicle loans
- · Power generation PF

Details

Data Derived from the Analysis Results

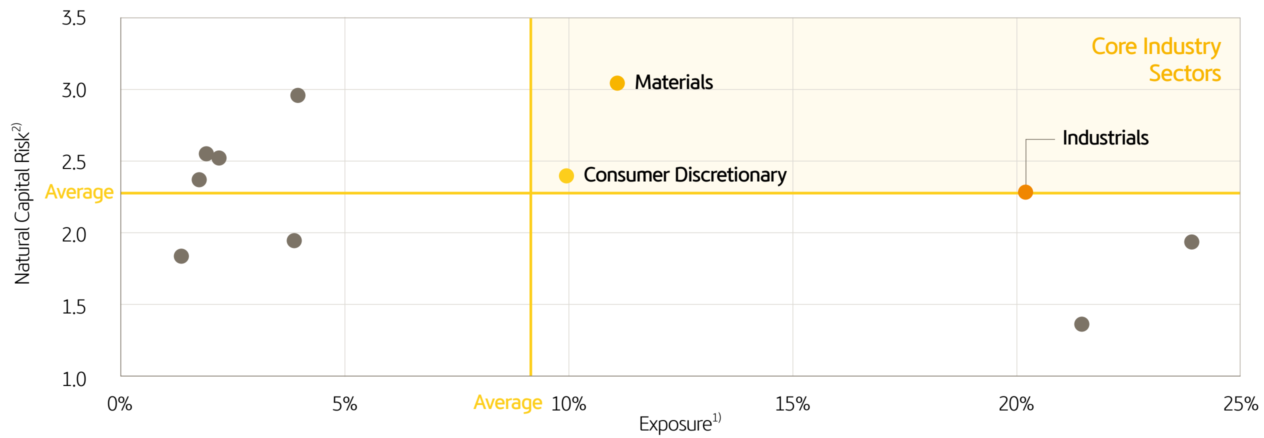
· (X-axis) Exposure
- Exposure of assets in the relevant industry sector within KB Financial Group's portfolio

· (Y-axis) Natural Capital Risk
- Average of impact and dependency by industry

Exposure by Industry ✕ Impact and Dependency by Industry (ENCORE-based)

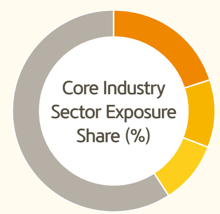
→ Identification of core industry sectors with high dependency and high impact

Portfolio Analysis Results



Core Industry Sectors

Materials	Consumer Discretionary	Industrials
Industries that produce and process basic raw materials and intermediate goods, such as metals, chemicals, plastics, paper, and glass	Industries that provide products and services consumers purchase on a discretionary basis according to their needs, such as apparel, leisure, and travel	Industries involved in building industrial infrastructure and supplying capital goods, such as machinery, construction, transportation, aviation, shipbuilding, and electrical equipment



Industrials	20%	Materials	11%
Consumer Discretionary	10%	Others	59%

(*) Among all assets covered by the analysis

1) Exposure: (FY24 balance of the relevant industry) / (FY24 total balance)
2) Natural Capital Risk: Average of industry-level impact (1.0-5.0) and dependency (1.0-5.0) scores

Portfolio Analysis

Transmission Pathways of External Natural Capital Changes by Industry

External natural capital-related changes facing core industries transmit through the portfolio into KB Financial Group's financial performance. We identify and analyze the transmission pathways of nature-related external drivers to develop a more comprehensive understanding of the portfolio's nature-related risks.

External Environment by Industry
(Natural Capital-related Change Factors)

Materials
- Resource depletion and stricter environmental regulations
- Regulations related to pollution and ecosystem degradation
- Growing demand for a shift to eco-friendly materials

Consumer Discretionary
- Spread of eco-friendly consumption trends
- Natural capital degradation upstream in the supply chain
- Growing demand for brand environmental responsibility

Industrials
- Stricter environmental permitting and development regulations
- Natural disasters and ecosystem change
- Growing demand for eco-friendly infrastructure

Financial Impact by Industry
(KB Financial Group Portfolio)

- Revenue ▽
- Asset value ▽
- Share price / net asset value ▽
- Operating costs ▲
- Compliance costs ▲
- Liabilities ▲
- Early write-off of fixed assets

Financial Impact on KB Financial Group

- Value of financial assets ▽
- Investment income ▽
- Interest income ▽
- Provision for credit losses ▲
- Reputation ▽

Detailed Asset Analysis

Location-Based Identification and Management of Individual Asset Risk

KB Financial Group analyzed nature-related risks associated with projects essential to the sustainable development of industries and society, including water infrastructure for advanced industries, youth housing infrastructure, and renewable energy projects. By analyzing the interrelationships among project locations, surrounding ecosystems, protected areas, and species, we systematically manage relevant nature-related risks.

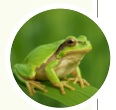
Projects Analyzed

Case 1 SK REITs SK hynix Water Treatment Facility — Productive Finance

Project Overview
- Financial support for the operation of the SK hynix water treatment facility located in Icheon, Gyeonggi Province
- Productive finance supporting continued production activities in Korea's semiconductor industry
- Support for water treatment infrastructure to secure a stable supply and enable efficient management of water resources — a core natural capital input for semiconductor processes

Species
A total of 12 species, including Suwon treefrog, eel, and scaly-sided merganser

Protected Areas
Special Countermeasure Area for Water Quality Conservation of the Paldang Lake Water Source



Case 2 Mukdong Transit-Oriented Youth Housing Development Project — Inclusive Finance

Project Overview
- Financial support for a publicly supported private rental housing development project to expand youth housing supply near the Mukdong transit hub in Jungnang-gu
- Inclusive finance to establish stable housing foundations for housing-vulnerable groups such as young people and newlywed couples
- Expansion of social value by connecting housing welfare, urban regeneration, and demographic response

Species
A total of 3 species — Kentish plover, great knot, and far eastern curlew

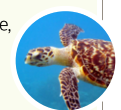
Protected Areas
Not applicable

Case 3 Bigeum Island Resident-Participatory Solar Power Project — Inclusive Finance

Project Overview
- Support for the construction and operation of a solar power plant near Gasan-ri, Bigeum-myeon, Sinan-gun, Jeollanam-do Province
- Korea's first profit-sharing solar power project for local residents — a model for shared community benefit
- Incorporation of local residents' input into the project plan and establishment of mitigation measures based on the characteristics of protected vegetation

Species
A total of 45 species, including hawksbill sea turtle, sand tiger shark, and pufferfish

Protected Areas
Dadohaehaesang National Park | Sinan Tidal Flat Wetland Protected Area, and others

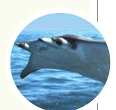


Case 4 Jeju Hallim Long-Duration Battery Energy Storage System (BESS) Project — Productive Finance

Project Overview
- Expansion of Korea's renewable energy supply through the deployment of renewable energy-related facilities in Dongmyeong-ri, Hallim-eup, Jeju City
- Expected to reduce greenhouse gas emissions by 6,702 tCO_2 annually through the optimization of grid-related emissions
- Ongoing process of resident consultation and (planned) establishment of a village development fund related to the project

Species
A total of 54 species, including mobula ray, large yellow croaker, and sturgeon

Protected Areas
Forest Genetic Resource Reserve | Nature Environment Conservation Area



Analysis Methodology

Locate — Identifying the Asset's Natural Capital Interface
Established multiple radii (10-50 km) centered on QGIS-based asset locations, and conducted spatial overlap analysis against WDPA[1], KBA, and IUCN Red List[2] data

Evaluate — Identifying Natural Capital Dependency and Impact
Identified dependencies and impacts and reviewed key factors using ENCORE, based on global industry classification standards

Assess — Assessing Nature-related Risk
Comprehensively assessed physical and reputational risks using the WWF Biodiversity Risk Filter, and quantified risk exposure by project

Prepare — Reflecting Response Status and the Management Framework
Linked analysis results with the existing review system, and advanced the ongoing management of natural capital risk and related response activities

1) WDPA (The World Database on Protected Areas): A data source providing up-to-date information on protected areas worldwide
2) IUCN Red List (International Union for Conservation of Nature Red List of Threatened Species): A list of threatened species maintained by the International Union for Conservation of Nature

Detailed Asset Analysis

Case 1 SK REITs SK hynix Water Treatment Facility

The SK hynix Water Treatment Facility Collateral Loan is a leading example of productive finance supporting water security and water resource management for the semiconductor industry — a core driver of national growth. KB Financial Group comprehensively reviewed the project's contribution to a nationally strategic industry and its linkage to natural capital, selected it for LEAP assessment, and identified the associated natural dependency and impact factors.

Dependency and Impact Analysis

The assessment of natural capital dependency and impact for the SK REITs SK hynix Water Treatment Facility Collateral Loan found relatively high dependency on rainfall pattern regulation, solid waste remediation, and water purification functions. All other factors were assessed at a moderate level.

In terms of impact on nature, the analysis confirmed a high level of impact related to area of freshwater use and area of land use. Accordingly, biodiversity risks arising from changes in freshwater and land use need to be reviewed in advance.

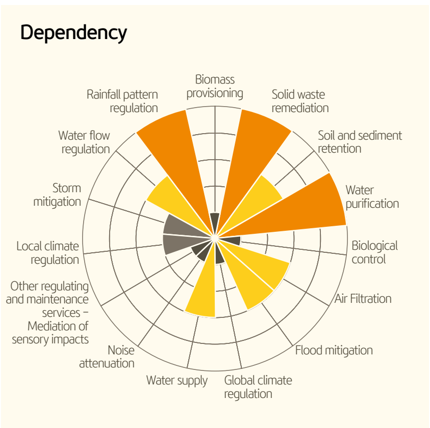
Risk Assessment and Response

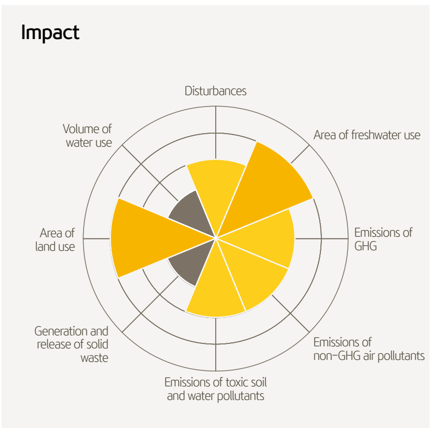
The identification of natural capital risk for the SK REITs SK hynix Water Treatment Facility Collateral Loan showed that most physical risk indicators were rated High or above. Among these, disease — under Regulating Services (Mitigating) — showed the highest level of risk. In addition, for reputational risk, all indicators except invasive species and pollution were identified at a moderate level or below.

Based on these results, KB Financial Group comprehensively reviewed the risk characteristics and project-level impact, systematically identifying areas that require priority management. Going forward, we plan to continuously accumulate and supplement related data to enhance our assessment. We will also continue to practice responsible finance at the intersection of key advanced and strategic industries and natural capital, further expanding KB Financial Group's role.

Dependency and Impact Assessment Results[1)]

Very Low | Low | Moderate | High | Very High





1) ISIC Group/Class Classification: Water collection, treatment and supply

* Excludes 'Not Applicable' and 'No Data'

Risk Assessment Results

Very Low | Low | Moderate | High | Very High

Risk Type	Category	Indicator	Risk Score
Physical Risk	Provisioning Services	Water availability	3.9
	Regulating & Supporting Services (Enabling)	Soil condition	3.0
		Water quality	3.6
		Air quality	4.0
	Regulating Services (Mitigating)	Landslides	3.5
		Wildfires	3.5
		Disease	4.5
		Herbicide resistance	2.5
		Extreme heat	4.0
		Tropical cyclones	3.5
		Flooding	3.8
Reputational risk	Pressures on Biodiversity	Land, freshwater and sea use change	2.0
		Forest canopy loss	2.0
		Invasive species	3.5
		Pollution	4.6
	Environmental Factors	Protected/conserved areas	3.0
		Key biodiversity areas	2.0
		Wetlands of international importance	1.5
		Other important delineated areas	1.5
		Ecosystem condition	1.8
		Range rarity	2.5
	Socioeconomic Factors	Resource scarcity	3.0
		Labor/human rights	2.0
		Financial inequality	1.5

Detailed Asset Analysis

Case 2 Mukdong Transit-Oriented Youth Housing Development Project

The Mukdong Transit-Oriented Youth Housing Development Project is a leading example of KB Financial Group's inclusive finance, improving the living conditions of housing-vulnerable groups such as young people and newlywed couples. KB Financial Group reviewed both the social value this project creates — such as housing stability — and the natural capital and biodiversity risks arising during its development and operation.

Dependency and Impact Analysis

The assessment of ecosystem service dependency for the Mukdong Transit-Oriented Youth Housing Development Project found low levels across most indicators. However, given the nature of a residential real estate project, a high level of dependency was confirmed for visual amenity services.

By contrast, the impact on the natural environment was found to be low or below across all indicators. This indicates that the project's direct impact on ecosystems — such as large-scale land conversion or destruction of natural habitats — was assessed as limited.

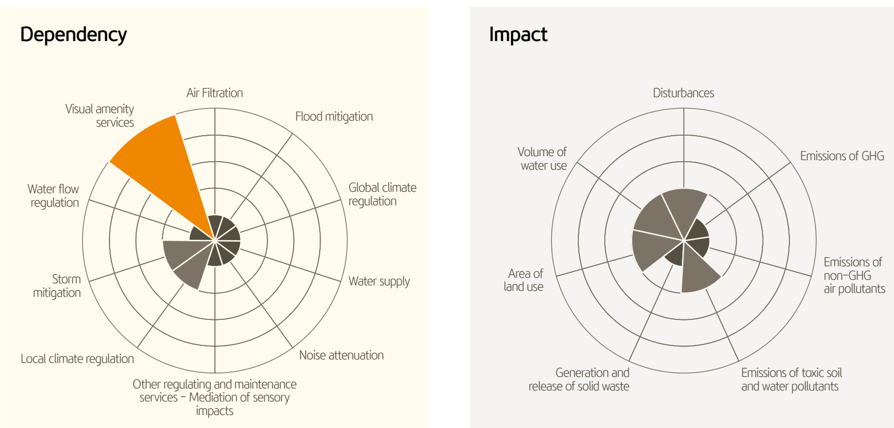
Risk Assessment and Response

The identification of natural capital risk for the Mukdong Transit-Oriented Youth Housing Development Project found moderate or higher levels of risk across both the physical and reputational risk areas overall. At the detailed indicator level, 4 indicators were rated Very High and 8 were rated High, with relatively elevated risk levels concentrated around specific indicators.

Even in promoting inclusive finance, KB Financial Group gives equal consideration to natural capital and biodiversity-related risk factors. By comprehensively reviewing not only the social value a project creates, but also the environmental characteristics of the project site and the potential environmental impacts arising during development, we pursue financial decision-making that balances social value creation with natural capital risk management.

Dependency and Impact Assessment Results[1]

Very Low | Low | Moderate | High | Very High



1) ISIC Group/Class Classification: Real estate activities with own or leased property
* Excludes 'Not Applicable' and 'No Data'

Risk Assessment Results

Very Low | Low | Moderate | High | Very High

Risk Type	Category	Indicator	Risk Score
Physical Risk	Provisioning Services	Water availability	3.1
		Forest productivity and distance to markets	4.0
	Regulating & Supporting Services (Enabling)	Soil condition	3.0
		Water quality	2.6
		Air quality	4.5
	Regulating Services (Mitigating)	Landslides	3.0
		Wildfires	2.5
		Disease	5.0
		Herbicide resistance	2.0
		Extreme heat	3.5
		Tropical cyclones	3.5
		Floods	3.9

Risk Type	Category	Indicator	Risk Score
Reputational risk	Pressures on Biodiversity	Land, freshwater and sea use change	3.8
		Forest canopy loss	4.0
		Invasive species	3.0
		Pollution	4.4
	Environmental Factors	Protected/conserved areas	4.0
		Key biodiversity areas	3.5
		Wetlands of international importance	4.5
		Other important delineated areas	2.5
		Ecosystem condition	2.8
		Range rarity	3.0
	Socioeconomic Factors	Resource scarcity	3.0
		Labor/human rights	3.0
		Financial inequality	1.5

Detailed Asset Analysis

Case 3 Bigeum Island Resident-Participatory Solar Power Project

The Bigeum Island Resident-Participatory Solar Power Project is a 200MW solar power plant construction and operation support PF project being advanced in Bigeum-myeon, Sinan-gun, Jeollanam-do. As Korea's first profit-sharing solar power model for local residents, it exemplifies KB Financial Group's direction toward both productive and inclusive finance. KB Financial Group considered both the project's strategic importance and its points of contact with natural capital and biodiversity, confirming the project's natural capital dependency, impact, and risk through location-based analysis and nature-related risk assessment.

Dependency and Impact Analysis

The analysis of natural capital dependency and impact for the Bigeum Island Resident-Participatory Solar Power Project found that, among dependency factors, global climate regulation stood out as a notably significant dependency. All other factors were assessed at a moderate level or below.

In terms of impact on the natural environment, some potential impact was identified with respect to volume of water use and area of land use. However, these levels were generally assessed as low or below, indicating a limited likelihood of directly leading to significant natural capital degradation.

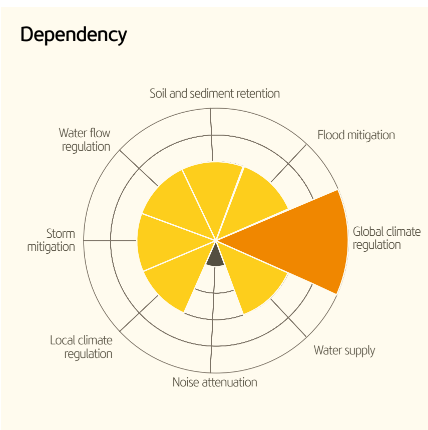
Risk Assessment and Response

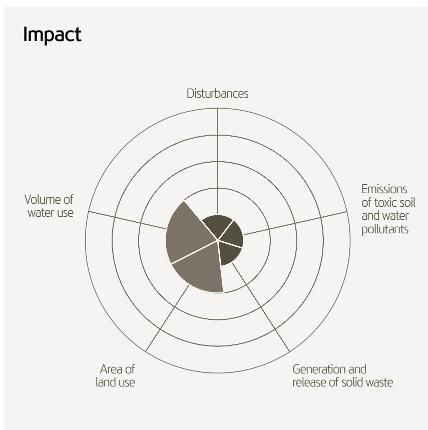
The assessment of natural capital risk for the Bigeum Island Resident-Participatory Solar Power Project found that, within the physical risk area, water quality and tropical cyclones — under Regulating & Supporting Services (Enabling) and Regulating Services (Mitigating), respectively — stood out as relatively significant factors. In addition, on the reputational risk side, land, freshwater and sea use change under Pressures on Biodiversity, and range rarity under Environmental Factors, were identified as key factors.

As this project is subject to the Equator Principles, KB Financial Group comprehensively reviewed its environmental and social impact using a 20-item ESG checklist, and the project was assessed as generally excellent. In addition, local community input was actively gathered during the environmental impact assessment process and reflected in the project plan, and mitigation measures were established and implemented to minimize impact on protected vegetation and the surrounding ecological environment.

Dependency and Impact Assessment Results[1)]

Very Low | Low | Moderate | High | Very High





1) ISIC Group/Class Classification: Solar energy production
* Excludes 'Not Applicable' and 'No Data'

Risk Assessment Results

Very Low | Low | Moderate | High | Very High

Risk Type	Category	Indicator	Risk Score
Physical Risk[1)]	Regulating & Supporting Services (Enabling)	Water quality	3.0
	Regulating Services (Mitigating)	Tropical cyclones	4.0
Reputational risk[2)]	Pressures on Biodiversity	Land, freshwater and sea use change	3.5
		Pollution	2.8
	Environmental Factors	Protected/conserved areas	3.0
		Key biodiversity areas	3.0
		Other important delineated areas	2.5
		Ecosystem condition	2.0
		Range rarity	4.0

1) No risk factors were identified under Provisioning Services within Physical Risk
2) No risk factors were identified under Socioeconomic Factors within Reputational Risk

Detailed Asset Analysis

Case 4 Jeju Hallim Long-Duration Battery Energy Storage System(BESS) Project

The Jeju Hallim Long-Duration BESS Project is a battery energy storage system construction project intended to serve as a renewable energy backup facility, aligned with KB Financial Group's direction toward productive finance aimed at expanding Korea's renewable energy supply. This project contributes to the establishment of core infrastructure that supports the transition to eco-friendly energy by compensating for the intermittency of renewable energy and strengthening the stability of the power grid. KB Financial Group comprehensively assessed the natural capital and biodiversity risks associated with this project, alongside the environmental value it creates.

Dependency and Impact Analysis

The assessment of ecosystem service dependency for the Jeju Hallim Long-Duration BESS Project found moderate or lower levels across most indicators. However, relatively high levels of dependency were confirmed for storm and flood mitigation services.

In addition, among the potential impacts on the natural environment, a moderate level of potential impact was identified with respect to land use change. Accordingly, the financial risk arising from biodiversity loss due to storm and flood events and land use area change needs to be assessed.

Risk Assessment and Response

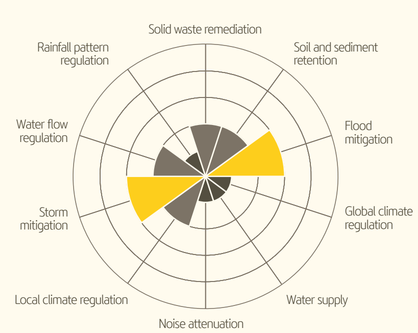
The area in which the Jeju Hallim Long-Duration BESS Project is located is expected to face physical risks from disease, tropical cyclones, and floods under Regulating Services (Mitigating), as well as reputational risk from protected/conserved areas and wetlands of international importance under Environmental Factors.

KB Financial Group has designated this project as subject to the Equator Principles and manages it accordingly. During project implementation, we identified key environmental and social impacts — including biodiversity, resource efficiency, and pollution prevention — and established appropriate management measures. In addition, during the preparatory stage, we conducted a local community consultation process and developed measures for shared benefit with nearby residents, establishing a framework for stakeholder communication and collaboration.

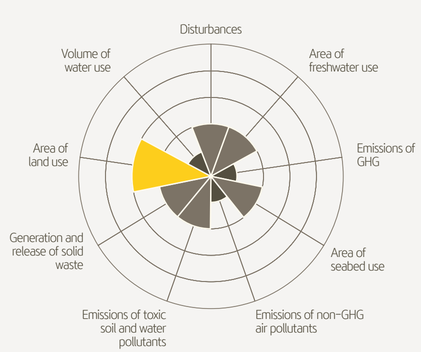
Dependency and Impact Assessment Results[1]

Very Low | Low | Moderate | High | Very High

Dependency



Impact



1) ISIC Group/Class Classification: Transmission and distribution of electricity
* Excludes 'Not Applicable' and 'No Data'

Risk Assessment Results

Very Low | Low | Moderate | High | Very High

Risk Type	Category	Indicator	Risk Score
Physical Risk	Provisioning Services	Water availability	2.4
	Regulating & Supporting Services (Enabling)	Water quality	2.3
		Air quality	3.0
	Regulating Services (Mitigating)	Landslides	2.5
		Wildfires	3.0
		Disease	4.0
		Extreme heat	2.5
		Tropical cyclones	4.0
		Floods	3.5
Reputational risk	Pressures on Biodiversity	Land, freshwater and sea use change	2.5
		Forest canopy loss	1.5
		Pollution	2.4
	Environmental Factors	Protected/conserved areas	4.0
		Key biodiversity areas	3.0
		Wetlands of international importance	4.0
		Other important delineated areas	1.5
		Ecosystem condition	2.5
		Range rarity	3.0
	Socioeconomic Factors	Labor/human rights	2.0
		Financial inequality	1.5

Special Page Connecting Productive and Inclusive Finance with Nature

The Intersection of Productive Finance and Nature

KB Financial Group gives in-depth consideration to natural capital across our overall business strategy. Through productive finance, we provide capital to eco-friendly and transition industries with high growth potential that can reduce the natural dependency and impact of economic activity.

Renewable Energy · National Growth Fund No. 1

Sinan Ui Offshore Wind Power (390MW)

KB Kookmin Bank

As joint lead arranger, KB Kookmin Bank arranged senior and subordinated loans totaling KRW 2.9 trillion. A project that had stalled for 7 years exceeded its funding target by 2.85 times within just one month of fundraising, supplying clean power to a nationally strategic advanced industry through 390MW-class offshore wind power on Ui Island, Sinan-gun, Jeollanam-do. This is a leading example of dormant capital flowing into clean energy infrastructure.

Sinan Ui Offshore Wind Power

"Policy and Agreement Loan" Financing

Future Environmental Industry Development Fund

KB Kookmin Bank

KB Kookmin Bank provides long-term, low-interest loans to companies engaged in the environmental industry and companies investing in eco-friendly facilities. This strengthens the growth foundation of the environmental industry and promotes waste resource circulation, contributing to national environmental conservation and public environmental health. We are adding finance's role in expanding the eco-friendly industrial ecosystem and strengthening the foundation for sustainable growth.

The Intersection of Inclusive Finance and Nature

Grounded in inclusive finance centered on care and shared growth, we pursue harmonious coexistence between nature and young people, local communities, and small business owners. We support the livelihood stability of those vulnerable to natural disasters and environmental change, promoting sustainable shared growth for both people and nature.

• Care: Supporting Small Business Owners Vulnerable to Natural Environmental Change

KB Traditional Market Weather Damage Compensation Insurance KB Insurance

KB Insurance launched the "KB Traditional Market Weather Damage Compensation Insurance (index-based weather insurance)." This product compensates for losses in per-person sales at traditional markets caused by heavy rainfall, heatwaves, cold waves, and similar weather events, helping to mitigate the sales risk faced by small business owners due to changes in the natural environment.

* Obtained the industry's first 18-month exclusive usage right in November 2025

Taean Haetdeulwon Solar Power Project KB Kookmin Bank

In connection with the construction of a 60MW solar power plant on salt-damaged farmland in Taean-gun, Chungcheongnam-do, we are providing financial support to enable local residents to invest in a resident-participatory fund. This contributes to the expansion of renewable energy infrastructure while sharing power generation profits with the local community — increasing residents' income and realizing the value of inclusive shared growth.

• Shared Growth: Supporting the Shared Growth of Local Communities and Nature

Traditional Market Plogging Day KB Financial Group

To improve the surrounding environment of traditional markets — the livelihood base of local small business owners — and protect the local ecosystem, we conduct a plogging campaign in which employees participate. By organically combining the value of inclusive shared growth through small business support with natural environment protection, we create positive synergy across local communities and ecosystems as a whole.

Donation of Trees to Wildfire-Affected Areas KB Kookmin Card

To restore forest ecosystems in the Yeongnam region damaged by large-scale wildfires, we support sapling production by combining customer-donated "Pointree" points with a KRW 300 million donation from KB Financial Group. This helps restore biodiversity in wildfire-affected areas while proactively preventing secondary damage — such as landslides — from natural disasters in the Gyeongbuk and Gyeongnam regions.

KB Financial Group’s Natural Capital Response Strategy

Natural Capital Response Strategy Framework

As both a financial institution and a corporate entity, KB Financial Group pursues a two-pronged response strategy to contribute to natural capital conservation and sustainable value creation. As a financial institution, we expand natural capital-contributing finance based on our core financial business, supporting the sustainable transition of our customers and industries. As a corporate entity, we act as a responsible member of society, advancing a range of activities for natural capital and biodiversity conservation, and contributing to building a sustainable society together with our stakeholders.

ESG Mission

Finance that Changes the World
We create happiness for our customers and a better world

Strategic Goal

Enhancing sustainable value and customer trust through responsible environmental and social management and sound governance

Global Financial Institution (Business-side Response)		Global Corporation (Corporate-side Response)	
Creating natural capital opportunities through productive and inclusive finance		Conducting natural capital conservation activities based on stakeholder trust	
1 Sustainable Finance Management Framework	2 Nature-related Financial Products	3 Natural Capital Protection Activities	4 Stakeholder Engagement Activities

KB Financial Group's Natural Capital Response Strategy

❶ Sustainable Finance Management Framework

KB Financial Group advances the Group's sustainable finance based on an ESG financial product management framework that takes natural capital and biodiversity into consideration. We reflect nature-related risks in the ESG financial product screening process, and actively identify and support projects that improve biodiversity and ecosystem services.

Group ESG Financial Product Council

KB Financial Group operates the Group ESG Financial Product Council, which conducts suitability assessments of ESG financial products and reviews ESG-washing risk. Relevant departments from the Holding Company and major subsidiaries participate to determine whether products qualify as ESG financial products, and to monitor their operational status.

Group-level ESG Financial Product Management Framework

ESG Financial Product Classification and Determination Criteria

KB Financial Group operates ESG financial product classification criteria across the Environmental, Social, Governance, and Integrated ESG categories. Based on this, we comprehensively review whether a product corresponds to an eligible use-of-proceeds project, the clarity of the project description, and ESG-washing risk to determine whether it qualifies as an ESG financial product.

Active Identification and Support of Natural Capital Projects that Contribute to Improving Biodiversity and Ecosystem Services

Key Management Areas of Sustainable Finance Management Framework

Sector / Industry Risk	Exclusion Sector Management	· Excluding financial support for projects with significant negative environmental or social impacts (e.g., new/expanded coal mining and power generation, illegal products/activities, child labor, etc.)
	Climate Change WatchList Sector Management	· Designating high-carbon industries heavily exposed to negative climate impacts as watchlist sectors; monitoring exposure, greenhouse gas (GHG) emissions, and industry trends · Supporting companies in watchlist sectors to implement low-carbon strategies and achieve carbon neutrality targets
	Green Industry Support Sector Management	· Selecting sectors contributing to climate crisis resolution and eco-friendly green growth as support sectors; operating financial support and preferential treatment programs
Lending & Investment	ESG Risk Management	· Comprehensively considering eco-friendly management, social responsibility, and ethical business practices during credit evaluation in accordance with the 「Corporate Lending Guidelines」 · Reviewing environmental and social risks using an 'ESG Checklist' for domestic real estate PF or SOC lending of KRW 30 billion or more · Reviewing eligibility for exclusion or watch-list sectors based on the 「Group Environmental and Social Risk Management Standards」 during investment asset screening · Evaluating the ESG integration capabilities of GPs and funds during blind fund investments
Large-Scale Projects	Application of the Equator Principles	· In accordance with the 「Equator Principles Operational Guidelines」, project finance advisory services and project finance transactions are applicable to projects with a total project cost of USD 10 million or more · Corporate loans related to projects are subject to the Equator Principles when the total loan amount and the committed amount by each Equator Principles Financial Institution are both USD 50 million or more, with a maturity of two years or longer, along with other applicable criteria · Reviewing projects by calculating environmental and social risk ratings and applying differentiated Equator Principles requirements for each grade

ESG Checklist Items (Environmental)

Category		Content
Air	Weather	Has a mitigation plan been established for weather changes such as temperature, evaporation, sunshine hours, and heat emission?
	Air Quality	Has a mitigation plan been established for impacts on air quality, such as the volume of air pollutants generated?
	Odor	Has a mitigation plan been established for odor-related impacts, such as odor generation, affected area, and concentration?
	Greenhouse gases	Has a mitigation plan been established for the impact of greenhouse gas emissions?
Water Quality	Water Quality	Has a mitigation plan been established for impacts on water quality, such as changes in water pollution levels and groundwater conditions?
Land	Land Use	Has a mitigation plan been established for impacts on land use?
	Soil	Has a mitigation plan been established for impacts on the soil environment, such as soil contamination?
	Topography/Geology	Has a mitigation plan been established for impacts on topography and geology, such as terrain changes and land degradation?
Natural Ecology	Flora and Fauna	Has a mitigation plan been established for impacts on flora and fauna, such as species distribution and damage to migration routes and habitats?
	Natural Environmental Assets	Has a mitigation plan been established for impacts on natural environmental assets, such as wetland conservation areas and wildlife protection areas?
Living Environment	Eco-Friendly Resource Circulation	Has a mitigation plan been established for impacts on eco-friendly resource circulation, such as waste generation and the use of eco-friendly materials?
	Noise and Vibration	Has a mitigation plan been established for changes in noise and vibration?
	Landscape & Amenities	Has a mitigation plan been established for impacts on the landscape and amenities, such as changes to local and scenic views?
	Sunlight Obstruction	Has a mitigation plan been established for impacts related to sunlight obstruction?

KB Financial Group's Natural Capital Response Strategy

❷ Nature-related Financial Products

KB Financial Group continuously identifies and expands financial products and investment solutions that support natural capital protection and sustainable use. Through this, we aim to contribute to the conservation and restoration of natural capital and support the creation of positive impact on nature.

Strengthening Core Competitiveness

KB Financial Group's 11 Subsidiaries

Bank	KB Kookmin Bank
Financial Investment	KB Securities
	KB Asset Management
	KB Real Estate Trust
	KB Investment
Insurance	KB Insurance
	KB Life Insurance
Specialized Credit	KB Kookmin Card
	KB Capital
Savings Bank	KB Savings Bank
Other	KB Data Systems

Supplying Capital

Key Product Types

ESG Financial Products

KRW **20.8** trillion

Products, investments, and loans in the environmental sector

Group basis

Investment (Asset Management, PF)

Loans (Corporate Loans, Retail Loans, etc.)

Products (Personal deposits and savings, trusts, funds, etc.)

Creating Positive Impact on Nature

Key Drivers of Nature Change

① Land, freshwater, and ocean use change

② Resource use and replenishment

③ Pollution Removal

④ Climate Change

Key Performance

Offshore Wind Investment

KRW **500** billion

Sinan-Ui offshore wind power investment

KB Kookmin Bank, KB Insurance

Solar PF

KRW **84.5** billion

Taepyeong Salt Farm solar power generation PF

KB Kookmin Bank

Energy Infrastructure Fund

KRW **20** billion

Domestic energy infrastructure fund

KB Insurance, Committed amount

Each of the 11 subsidiaries **carries out its own core business.** Asset management, risk protection, and capital markets intermediation — the core financial businesses themselves — serve as the **starting point for our natural capital response.**

Capital raised through these core businesses **is supplied to the real economy** in the form of investment, lending, and retail products.

The capital supplied flows into real-world projects that reduce negative impacts associated with **the key drivers of nature change**, as defined by the TNFD. In particular, given the close interconnection between natural capital and climate change, **we integrate our climate finance performance with natural capital management.**

KB Financial Group's Natural Capital Response Strategy

❷ Nature-related Financial Products

① Finance Supporting Sustainable Water Resource Management — Land, Freshwater, and Ocean Use Change

Water resources are a core form of natural capital that underpins both human survival and industrial development.
As climate change and industrial advancement heighten the risks of water scarcity and pollution, the importance of infrastructure investment for water purification and securing alternative water resources continues to grow.
KB Financial Group takes a leading role in supplying capital to "Sustainable Water Resource Management" infrastructure — including advanced water treatment facilities, sewer system upgrades, and seawater desalination — contributing to the conservation of water ecosystems and the enhancement of natural resilience.

Key Financial Products

Sector: Sustainable water resource management

KB Kookmin Bank

Project G.Silver

Through an acquisition loan for a business unit producing and selling reverse osmosis membranes for freshwater desalination, KB Kookmin Bank is expanding seawater desalination infrastructure — mitigating the risk of natural freshwater resource depletion and promoting the sustainability of inland freshwater ecosystems.

Balance[1)]
KRW 110.5 billion

KB Insurance

Daegu Sewage Sludge Treatment Facility Loan

Through financial support for the Daegu sewage sludge treatment facility, KB Insurance supports the proper treatment and resource recovery of sludge. This helps prevent water pollution and reduce the environmental impact of freshwater use, contributing to the conservation of freshwater ecosystems and sustainable water resource use.

Balance[1)]
KRW 35.5 billion

KB Asset Management

KB Land Love BTL Private Special Asset Investment Trust

By investing in nationwide sewer system improvement projects, KB Asset Management supports water pollution reduction and more efficient water resource management. This promotes the restoration of the health of rivers and aquatic ecosystems, contributing to the creation of a sustainable water environment and the conservation of natural capital.

Balance[1)]
KRW 119 billion

KB Asset Management

KB Pohang Water Reuse Facility Private Special Asset Investment Trust

KB Asset Management provided the private investment funding needed to construct the Pohang reclaimed wastewater reuse facility. By reusing treated wastewater as industrial water, this project improves the efficiency of water resource use and reduces the burden on freshwater intake — contributing to the establishment of a sustainable water cycle system and the conservation of water resources.

Balance[1)]
KRW 34.9 billion

1) As of the end of 2025

KB Financial Group's Natural Capital Response Strategy

❷ Nature-related Financial Products

② Finance Supporting the Transition to a Circular Economy — Resource Use and Replenishment

The conventional linear economy — one of simply consuming and discarding resources — places an enormous burden on natural ecosystems and has reached its limits.
As the risk of resource depletion intensifies due to mass production, the transition to a circular economy that maximizes the lifespan of resources and reduces environmental burden has become more important than ever.
Through financial support for the "Expanding Eco-Friendly Buildings" and "Creating a Circular Economy" sectors, KB Financial Group is leading efforts to reduce the environmental burden of urban infrastructure, build a sustainable resource circulation ecosystem, and enhance the resilience of nature.

Key Financial Products

Sector: Expanding eco-friendly buildings, creating a circular economy

KB Kookmin Bank

Green Remodeling Agreement Loan

KB Kookmin Bank provides financial support to improve the energy performance of buildings, including housing insulation and window upgrades. This reduces building energy consumption and greenhouse gas emissions, and promotes the efficient use of existing buildings.

Balance[1)]

KRW 13.5 billion

KB Kookmin Bank

UK Rookery South Waste-to-Energy Plant

KB Kookmin Bank made an investment in the Rookery South waste-to-energy plant in the UK, which generates electricity from heat produced during waste treatment and incineration. This promotes resource circulation for waste and displaces fossil fuel use, contributing to the efficient use of resources and the realization of a circular economy.

Balance[1)]

KRW 103.2 billion

KB Asset Management

KB WiseStar General Private Real Estate Investment Trust

KB Asset Management invests in buildings certified at the highest LEED level (Platinum), the eco-friendly building certification system, supporting the spread of eco-friendly buildings. This reduces energy use and environmental burden during building operations, underpinning the creation of sustainable urban infrastructure.

Balance[1)]

KRW 268 billion

KB Capital

KB Chachacha

KB Capital supports the reuse and circulation of used vehicles through KB Chachacha, its online used-car trading platform. This extends the useful life of vehicles and promotes the efficient use of resources — minimizing waste generation from aging vehicles and encouraging resource recirculation.

Performance[1)]

KRW 670 million

1) As of the end of 2025

KB Financial Group's Natural Capital Response Strategy

❷ Nature-related Financial Products

③ Finance Supporting Pollution Reduction and the Eco-Friendly Transition — Pollution Removal

To protect natural ecosystems from environmental pollution, proactive pollution removal efforts are essential — cutting off pollutant emissions at the source and reducing the overall environmental burden. This requires an urgent, society-wide structural shift toward eco-friendly transportation, reorganizing fossil fuel-centered transport systems into zero-emission mobility infrastructure such as electric vehicles, secondary batteries, and bicycles.
Beyond supplying capital for large-scale corporate eco-friendly infrastructure expansion, KB Financial Group also supports pollution removal and a successful eco-friendly transition together with individual customers through products that promote green practices in daily life.

Key Financial Products

Sector: Pollution prevention and control, utilizing eco-friendly transportation/shipping

KB Kookmin Bank

KB Clear Sky Installment Savings Deposits

KB Kookmin Bank offers preferential interest rates for eco-friendly lifestyle practices such as opting out of paper passbooks, and provides insurance coverage related to public transportation use and bicycle accidents — linking specialized benefits that encourage the use of public transportation. This encourages citizens' voluntary participation in eco-friendly practices, spreading a culture of everyday carbon reduction.

Balance[1)]
KRW 520.3 billion

KB Kookmin Bank

LG Energy Solution Overseas Facility Refinancing

KB Kookmin Bank participated in a global syndicated loan to expand a key production site for EV and ESS batteries (LG Energy Solution Michigan Inc.). This provides solid support for the future eco-friendly mobility ecosystem and leads efforts to achieve substantive reductions in air pollution by reducing reliance on fossil fuels.

Balance[1)]
USD 16 million

KB Securities

Financial Support for a Cathode Material Manufacturer for EV Secondary Batteries

KB Securities provided an asset-backed loan (ABL) to a manufacturer of cathode materials for EV secondary batteries. By supporting a stable supply base for core eco-friendly mobility materials, this contributes to building a low-carbon industrial ecosystem and reducing air pollution in the transportation sector.

Balance[1)]
KRW 100 billion

KB Kookmin Card

Eco-Friendly Vehicle Financing

KB Kookmin Card operates a range of auto financing services that support the purchase of low-emission vehicles, including electric and hydrogen vehicles, to expand the adoption of eco-friendly vehicles. Installment products, general loans, and leasing options ease customers' upfront financial burden, and cashback benefits are provided on card payments. Through this, KB Kookmin Card has supported the purchase of approximately 42,000 low-emission vehicles, supporting the growth of the eco-friendly vehicle market.

Balance[1)]
KRW 999.1 billion

1) As of the end of 2025

KB Financial Group's Natural Capital Response Strategy

❷ Nature-related Financial Products

④ Finance Supporting the Low-Carbon Energy Transition — Climate Change

To respond to the climate crisis and build a sustainable environment, the existing carbon-intensive energy paradigm must be fundamentally transformed. This requires not only expanding clean energy-centered power generation infrastructure, but also introducing high-efficiency systems that reduce transmission losses and minimize waste. Through capital supplied to global eco-friendly funds and distributed generation projects, among others, in the "Enhancing Energy Efficiency" and "Renewable Energy Production" sectors, KB Financial Group is driving the successful low-carbon transition of our society.

Key Financial Products

Sector: Enhancing energy efficiency, renewable energy production

KB Kookmin Bank

Paju Fuel Cell Power Generation Project

KB Kookmin Bank supported the construction and operating funds for a 30.99MW fuel cell power plant being developed in Tanhyeon-myeon, Paju City. This establishes distributed power sources near urban areas, raising national energy efficiency and contributing to improved air quality in the local community.

Commitment Amount[1)]

KRW 27.5 billion

KB Kookmin Bank

ICG Asia Pacific Infrastructure Fund

KB Kookmin Bank invests in renewable energy projects across the Asia region (Korea, Japan, India, and others) that meet global ESG standards. We are broadening the scope of our capital investment across the board to lead the way in building green infrastructure both domestically and globally.

Balance[2)]

USD 20 million

KB Securities

Naepo New Town Integrated Energy Project

KB Securities executed a senior loan refinancing for Naepo Green Energy Co., Ltd., a combined heat and power generation operator. This creates infrastructure that recycles waste heat otherwise discarded during power generation, actively accelerating the transition to a regionally centered circular economy.

Commitment Amount[1)]

KRW 100 billion

KB Insurance

Australia Distributed Generation Project Fund

KB Insurance executed a joint equity investment in Pacific Energy Group Holdings, an Australian distributed power generation company. This minimizes losses during transmission to improve energy efficiency, driving the successful green transition of the global industrial supply chain.

Balance[2)]

USD 34.5 million

1) Commitment amount for 2025 2) As of the end of 2025

KB Financial Group's Natural Capital Response Strategy

❸ Natural Capital Protection Activities

KB Financial Group manages its natural capital and biodiversity conservation activities in accordance with the AR3T framework (Avoid, Reduce, Restore& Regenerate, Transform). We advance ecosystem conservation and restoration activities based on Nature-based Solutions (NbS), while also contributing to reduced resource use and the spread of an eco-friendly culture through raising environmental awareness and expanding participatory culture.

Activity Area	Activity Name	Key Content and Achievements	Subsidiary	Avoid	Reduce	Restore	Regenerate	Transform
Species Conservation and Habitat Protection	K-Bee Project	· Provided honeybee habitats in the city and helped restore the urban ecosystem while raising citizens' biodiversity awareness, through the operation of 3 urban bee farms	KB Kookmin Bank			●	●	
Marine Ecosystem Restoration	KB Sea Forest Project	· Created a seagrass colony by sowing 120,000 seagrass seeds — a marine carbon sink — in the waters off Sacheon, Gyeongnam Province	KB Kookmin Bank			●	●	
	Kkaebi's Hope Tidal Flat	· Conserved approximately 0.07ha of tidal flat in Buan, Jeonbuk Province through the employee-participatory "Tidal Flat 1-Pyeong Donation Campaign"	KB Securities			●		
Forest Creation	KB Clear Sky Forest No. 2	· Created a forest of windbreak trees and fruit trees (20,000 saplings planted) in Mongolia to prevent desertification and reduce fine dust	KB Kookmin Bank				●	
	Rainbow Forest Tree-Planting Project	· Planted 200,000 mangrove trees in the Kapuk Muara area of Indonesia	KB Securities				●	
	Donation of Air-Purifying Trees and Protection of Endangered Plants	· Donated 2,000 endangered air-purifying trees to childcare facilities and cultivated an equal number of endangered plant seedlings	KB Kookmin Card			●	●	
	Donation of Trees to Wildfire-Affected Areas	· Supported approximately 20,000 saplings for wildfire-damaged areas using KB Kookmin Card's smart greenhouse, and carried out forest restoration activities across approximately 9.5ha	KB Kookmin Card			●	●	
Raising Environmental Awareness and Expanding Participatory Culture	Less Paper : Carbon Neutrality Practice Point System	· Reduced paper use by providing 100 KRW in points per transaction to customers using e-receipts (cumulative 1.14 million e-receipts)	KB Kookmin Bank	●	●			●
	No Plastic : "Nephron," — A Recycled Resource-Collecting Robot	· Spread a resource circulation culture through the installation of recyclable resource collection robots inside and outside the workplace (collecting cans and PET bottles)	KB Kookmin Bank KB Kookmin Card		●			
	Save Energy : Energy-Saving Campaign	· Conducted weekly energy-saving challenge missions at 2 departments/branches and raised employees' awareness of energy conservation	KB Securities		●			

AR3T Framework

Avoid	Preventing adverse impacts on natural ecosystems
Reduce	Minimizing unavoidable nature loss and environmental impacts
Restore	Restoring degraded ecosystems to their original condition
Regenerate	Enhancing ecosystem function and resilience
Transform	Driving systemic change across the value chain to address the root causes of nature loss

KB Financial Group's Natural Capital Response Strategy

❸ Natural Capital Protection Activities

① Species Conservation and Habitat Protection

Honeybees are a critical species responsible for pollinating 70% of the top 100 crops humans cultivate for food. As environmental challenges such as climate change intensify, honeybee populations are rapidly declining both in Korea and around the world.

In response, KB Financial Group has advanced the "K-Bee Project" since 2022 to prevent the extinction of honeybees and help rebuild their populations.

As a responsible financial institution, KB Financial Group aims to lead efforts in restoring terrestrial ecosystems and conserving biodiversity.

2025 Key Achievements

Created a habitat environment for approximately **440,000 honeybees** through the installation and operation of a total of **22 beehives**

Operating urban bee farms at KB Kookmin Bank Headquarters, the Seoul Forest Honeybee Garden, and the rooftop of Seodaemun-gu Office

K-Bee Urban Bee Farms

Honeybee Experience Events

K-Bee Project Activities

K-Bee Urban Bee Farms

· Maintained honeybee populations and enhanced urban biodiversity and pollination function by establishing apiaries within the city.

- Apr. 2022 — Opened K-Bee Urban Apiary No. 1 (rooftop of KB Kookmin Bank Headquarters)
  Created the first urban bee farm to restore honeybee ecosystems
- Sep. 2022 — Held the first employee-participatory honey harvest event
- May 2023 — Opened K-Bee Urban Bee Farm No. 2 (Seoul Forest)
  Expanded urban ecological education and honeybee habitats
- Sep. 2023 — Opened K-Bee Urban Bee Farm No. 3 (rooftop of Seodaemun-gu Office)
  Created a habitat environment for approximately 200,000 honeybees

K-Bee Hotels

· Created artificial habitats for bees and insects
· Installed K-Bee Hotels at Seoul Botanic Park and Seoul Forest to provide breeding and resting spaces for bees, which have declined due to urbanization.

No.1 Seoul Botanic Park

No.2 Seoul Forest

Nectar Forest Creation Project

· Secured food sources for honeybees by planting honey trees and plants, focusing on wildfire-damaged areas and degraded forests.

- 2022 — Planted honey trees around Changgyeonggung Palace
  Improved urban ecosystems and habitats for pollinators
- 2023 — Planted a total of 100,000 honey trees in Hongcheon, Gangwon-do
- 2024 — Planted approximately 45,000 trees (approx. 10ha) in the wildfire-damaged area of Uljin, Gyeongbuk Province
  Provided honeybee habitats while simultaneously advancing wildfire restoration

Honeybee Experience Events

· Ran educational and hands-on programs for citizens to raise awareness of honeybees' ecological importance and the value of biodiversity.

Event	Details
Honey Harvest Experience Event	· Linked to a campaign raising awareness of honeybee protection
K-Bee Video Campaign Series	· Promoted awareness of honeybee decline and the need for biodiversity conservation to mark World Bee Day
"Hello, Honeybee" Children's Experience Program	· Conducted biodiversity conservation education at the Seoul Forest Honeybee Garden through honeybee ecology lessons, beehive observation, and smoker experience activities

KB Financial Group’s Natural Capital Response Strategy

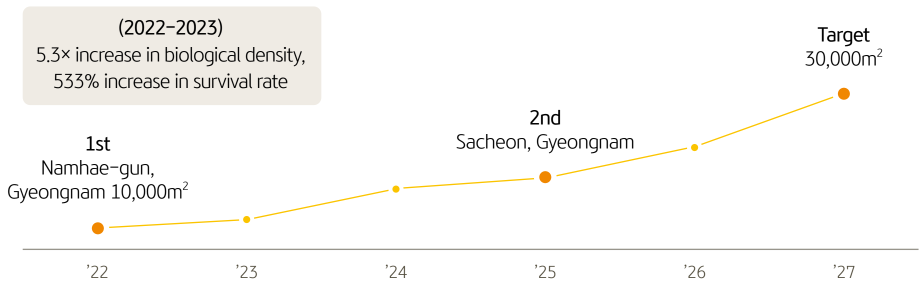
❸ Natural Capital Protection Activities

② Marine Ecosystem Restoration

Marine ecosystems provide core ecosystem services, including the supply of fisheries resources, carbon sequestration, and coastal disaster mitigation. However, biodiversity loss and ecosystem degradation are accelerating due to climate change and coastal development.
In response, KB Financial Group is leading efforts in marine ecosystem restoration and biodiversity protection through initiatives such as the “KB Sea Forest Project” and “Kkaebi’s Hope Tidal Flat.”

CASE :: KB Sea Forest Project Outcome Trend

Unit: Area (m²)



KB Sea Forest Project & Kkaebi’s Hope Tidal Flat

KB Sea Forest Project

Activity	Sowed 120,000 seagrass seeds through the “2nd Sea Forest Project” in Sacheon, Gyeongnam Province
Outcome	Achieved ecological results including **an average increase of more than 6-fold** in the growth density and survival rate of seagrass within the sea forest
Cumulative Outcome	The “1st Sea Forest Project,” launched in 2022, created a 10,000m² sea forest in Namhae-gun, Gyeongnam Province
Target	Aim to create a total of 30,000m² of sea forest by 2027

Kkaebi’s Hope Tidal Flat

Purpose	Protecting marine ecosystems and biodiversity and raising environmental conservation awareness through tidal flat conservation
Activity	**Conserved a total of 0.07ha of tidal flat** through the “1 Person, 1-Pyeong Tidal Flat Ownership Campaign,” and operated tidal flat ecological experience and local exploration programs
Outcome	Carried out the first marine ecosystem conservation project based on employee participation, **raising KRW 20 million in tidal flat conservation donations**

KB Financial Group's Natural Capital Response Strategy

❸ Natural Capital Protection Activities

③ Forest Creation

KB Financial Group operates afforestation projects to address environmental issues such as fine dust — both domestically and internationally — and to conserve biodiversity. In this effort, the Group and its subsidiaries carry out a range of forest creation projects, actively participating in eco-friendly activities aimed at carbon neutrality.

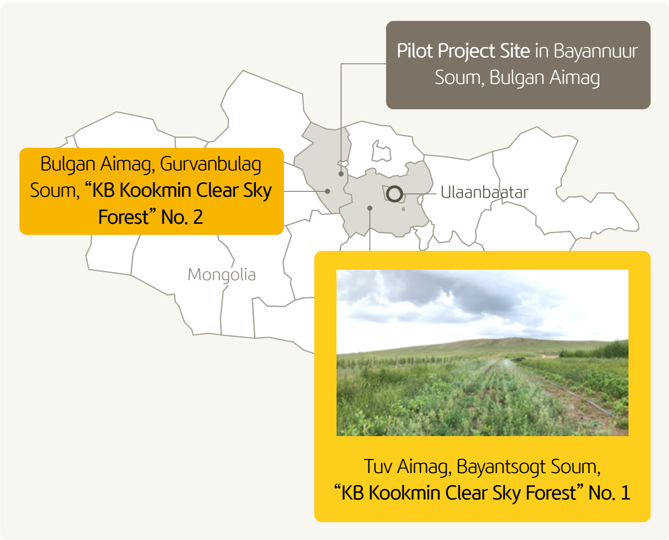

KB Clear Sky Forest


Kkaebi Securities Green Road

Key Forest Creation Projects

Activity	Key Activities	Subsidiary
KB Clear Sky Forest No. 2	· Created a forest of windbreak and fruit trees to prevent desertification and reduce fine dust in Mongolia – Ongoing afforestation project to plant 100,000 trees across 100 hectares from 2024 to 2029	KB Kookmin Bank
Clear Sky Forests at Military Bases	· Promoted environmental improvements at military bases by expanding green spaces around training grounds and firing ranges – Projects completed at the Korea Army Academy at Yeongcheon in 2021 and the Korea Military Academy in 2022	
Star Friends Garden	· Created gardens funded by employee donations to bring nature into urban communities – Since 2018, a total of six Star Friends Gardens have been established	
"KB Green Wave" Palace Forest (Changgyeonggung Palace)	· Restored trees and green spaces around Changgyeonggung Palace through citizen-participatory forest maintenance activities – Since 2023, maintained and managed 2,860m^2 of green space, planted tree species appropriate for the palace	
Kkaebi Securities Green Road	· Created urban green spaces to expand recreational and relaxation areas for the public – Since 2022, planted trees at public campgrounds and Ttukseom Hangang Park	KB Securities
Rainbow Forest Tree Planting Project	· Mangrove forest restoration in Kapuk Muara, Indonesia – Planted approximately 200,000 mangrove trees	
Donation of Trees to Wildfire-Affected Areas	· Utilized the KB Kookmin Card smart greenhouse in Icheon, Gyeonggi Province, donated trees to wildfire-affected areas – Supported approximately 20,000 saplings for wildfire-affected areas, conducted forest restoration activities across approximately 9.5 ha	KB Kookmin Card
Donation of Air-Purifying Trees and Protection of Endangered Plants	· Donated endangered air-purifying trees, cared for by employees for one month, to childcare facilities · Propagated endangered plants in numbers corresponding to the number of air-purifying trees donated – Launched in 2019, the program integrates biodiversity conservation with child welfare	
Hyemyeong Nursing Home Garden Volunteer Activity	· Planted seedlings and trees within nursing home grounds – Planted 248 trees and seedlings	KB Capital

CASE :: KB Clear Sky Forest Outcome Trend



Category	Pilot	KB Clear Sky Forest No. 1	KB Clear Sky Forest No. 2
Year	2018	2019 – 2023	2024 – 2029
Number of Trees Planted	10,000 trees	20,000 trees planted annually (10,000 windbreak trees + 10,000 fruit trees)	

KB Financial Group's Natural Capital Response Strategy

❸ Natural Capital Protection Activities

④ Raising Environmental Awareness and Expanding Participatory Culture

KB Financial Group promotes a range of environmental management practice campaigns to spread an eco-friendly culture across society, built on the voluntary participation of its employees. Centered on three core initiatives — "Less Paper," "Save Energy," and "No Plastic" — the Group continues to practice eco-friendly measures for the sake of future generations.


Kkaebi E-Cup — New Cup Storage and Return Bins

Eco-Friendly Business Cards Made from Non-Wood Pulp

Key Resource Circulation Activities and Eco-Friendly Campaigns

Theme	Activity	Key Activities	Subsidiary
Less Paper	Use of Reusable Cups	· Reduced the use of disposable cups through the use of reusable cups at the in-house café	KB Kookmin Bank KB Securities KB Insurance KB Kookmin Card
	Eco-friendly and Digital Business Cards	· Established a digital business card system to replace paper business cards(KB Kookmin Bank), used a cumulative total of 1.36 million digital business cards as of the end of 2025, since their introduction in May 2023(KB Securities)	KB Kookmin Bank KB Securities
	Reduction in Copy Paper Usage	· Reduced usage of photocopy paper by approximately 5.4%(KB Securities) and 17%(KB Capital) compared to prior year	KB Securities KB Capital
	Eco-friendly Statements	· Reduced mailed statements by approximately 8.43 million pieces compared to prior year (approximately 42.15 million sheets of A4 paper)	KB Kookmin Card
	Electronic Bills and Notices	· Expanded mobile, email, and KB electronic document-based bills and notices	KB Capital
	Mobile-Customized Terms and Conditions System for Long-Term Products	· Launched mobile-customized terms and conditions system for long-term products · Fully discontinued paper-based integrated terms and conditions effective June 1, 2026 (paper-based customized terms and conditions to be provided only in cases involving complaints)	KB Insurance
	Use of Tablet-Based Mobile Consultation Tool	· Achieved 17,143 product subscriptions through the use of "KB Partner" (an increase of 4,194 compared to the prior year)	KB Securities
No Plastic	KB Pay	· Reduced physical card usage through enhanced offline payment services, increasing offline payment amounts by 1.3 times compared to prior year	KB Kookmin Card
Save Energy	Participation in Energy Trading	· Participated in the electricity demand resource trading market(Reduced electrical energy use by 3,783 kWh) · Donated year-end settlement proceeds from participation in the electricity demand resource trading market	KB Kookmin Bank
	Reduction in Electricity Consumption	· Operated an integrated heating and cooling control solution with automatic shutdown across the entire headquarters after 7:00 PM	KB Kookmin Card
	Energy-Saving Practice and Inspection Day	· Performed self-inspections of energy-saving status at branches on the first Friday of every month, improving employee awareness of energy conservation	KB Kookmin Bank

KB Financial Group's Natural Capital Response Strategy

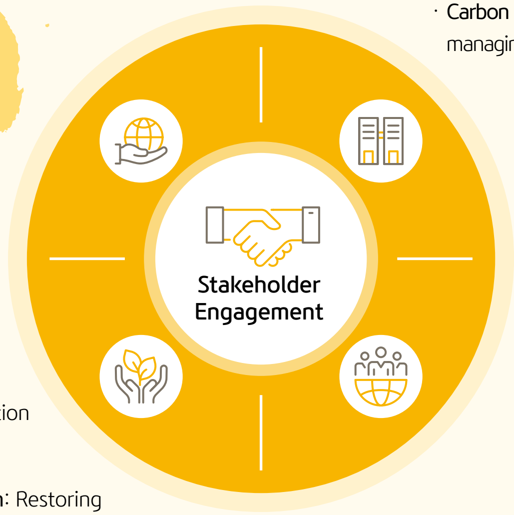
❹ Stakeholder Engagement Activities

KB Financial Group actively engages in natural capital protection activities — both a local and a global issue — in collaboration with a diverse range of stakeholders worldwide. Through multifaceted partnerships with employees, customers, small business owners, government bodies, and a global organization, we will continue to lead efforts in restoring our society's valuable natural capital and creating sustainable future value.

Local Community Ecological Conservation

Employees and local community members work together to care for urban green spaces and marine ecosystems nationwide, contributing to biodiversity conservation and natural capital restoration.

- **Jeju**: Collecting beach and underwater litter and building resource circulation infrastructure
- **Chungnam**: Protecting the UNESCO World Natural Heritage tidal flats
- **Gwangju**: Cleaning up the environment around traditional markets and supporting shared growth with small business owners
- **Seoul/Gyeonggi**: Creating palace forests and volunteering to restore ecosystems in major parks



Support for Shared Growth with SMEs and Mid-Sized Companies

We provide practical, financial and non-financial shared-growth solutions to help SMEs and mid-sized companies grow while responding to natural capital and biodiversity risk.

- **ESG Consulting**: Supporting the transition to sustainable business models by sharing natural capital and ESG management expertise
- **Carbon Management System**: Supporting a data-based platform for calculating and managing carbon emissions to help reduce ecosystem impact

Public-Private Collaboration on Eco-Friendly Practices

Beyond taking a leading role in discussions on natural capital disclosure, we actively participate in urban ecosystem restoration and eco-friendly consumption policy, supporting citizens' voluntary practice of natural capital protection.

- **Natural Capital Conservation Activities through Public-Sector Collaboration**: Restoring urban ecosystems through Less Paper (e-receipt issuance) and creating a corporate accompaniment garden at the Seoul International Garden Expo
- **Participation in Natural Capital Disclosure and Governance Discussions**: Participating in discussions on natural capital, including attendance at the 5th Natural Capital Disclosure Council meeting
- **Participation in Eco-Friendly Policy-Linked Projects**: Promoting the use of eco-friendly cards (K-Pass, Climate Card, Green Card) in connection with policies of the Ministry of Land, Infrastructure and Transport, the Seoul Metropolitan Government, and the Ministry of Environment

Participation in External Initiatives

Beyond proactively joining domestic and international natural capital initiatives, we organically link this participation with our core financial business, building a risk response framework across our entire investment and lending portfolio.

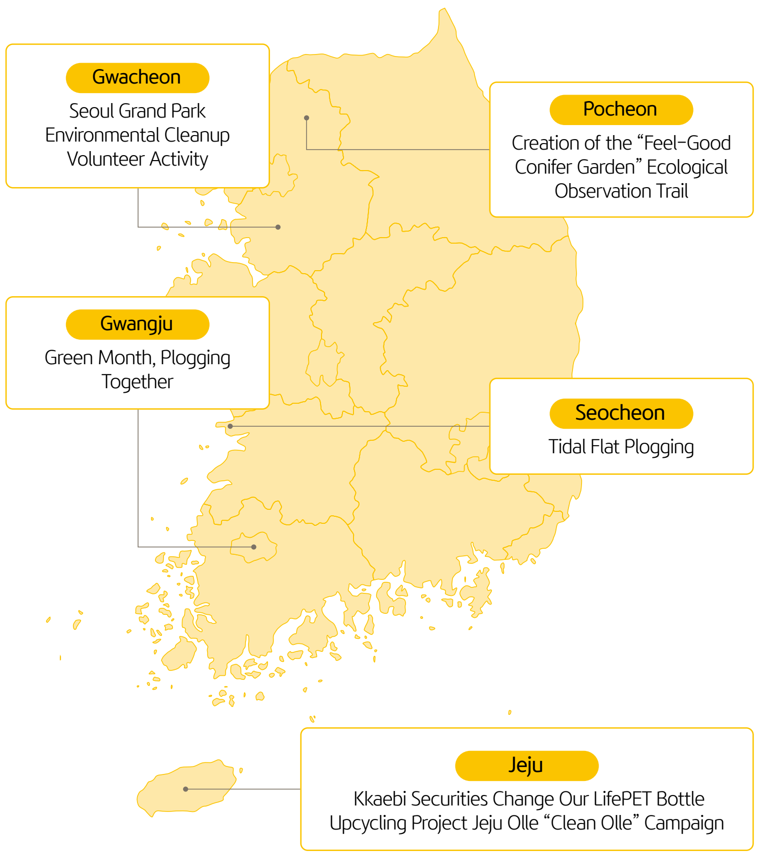
- **Status of Domestic and International Initiative Memberships**: PRB, BNBP, Equator Principles, TNFD, and others

KB Financial Group's Natural Capital Response Strategy

❹ Stakeholder Engagement Activities

Local Community Ecological Conservation

KB Financial Group joins hands with a diverse range of stakeholders — not only employees and their families, but also customers and local community members — to nurture valuable natural capital across the country. From environmental cleanups in urban areas in Gyeonggi-do and Gwangju, to the tidal flats of Seocheon in Chungnam, to the clean beaches of Jeju, we conserve forest and marine ecosystems nationwide, putting shared growth with local communities into practice.



Gyeonggi

Restoring Urban Park Ecosystems through Employee-Participatory Activities

- Seoul Grand Park Environmental Cleanup Volunteer Activity (KB Kookmin Bank)
  - KB Kookmin Bank employees and their families jointly carried out environmental cleanup
- Creation of the "Feel-Good Conifer Garden" Ecological Observation Trail (KB Kookmin Card)
  - Restored a deteriorated and closed conifer garden deck trail at the Korea National Arboretum into a barrier-free trail[1]

Seocheon, Chungnam

Protecting the Ecosystem of a UNESCO World Natural Heritage Site

- Tidal Flat Plogging (KB Insurance)
  - Approximately 200 employees and family members conducted environmental cleanup and collected litter from the tidal flats at Seocheon — a UNESCO World Natural Heritage site

Gwangju

Environmental Cleanup in Urban Areas

- Green Month, Plogging Together (KB Kookmin Bank)
  - Collected litter and cleaned up the surrounding environment at Sangmu Plaza in Gwangju together with approximately 40 customers

Jeju

Conserving Jeju's Pristine Ecosystem and Promoting Resource Circulation

- Kkaebi Securities "Change Our Life - Jeju" (KB Securities)
  - Conducted plogging at major Jeju beaches since 2022
  - Ran a parallel Zero-Waste campaign distributing biodegradable bags to beachgoers
  - Collected underwater litter in partnership with a professional freediving organization
- PET Bottle Upcycling Project (KB Securities)
  - Supplied upcycled PET products (such as parasols) to major Jeju beaches since 2024
  - Created jobs for vulnerable groups (seniors)
- Sponsorship of the Jeju Olle "Clean Olle" Campaign (KB Kookmin Card)
  - Carried out environmental cleanup activities along the Jeju Olle trails

Kkaebi Securities Change Our Life - Jeju

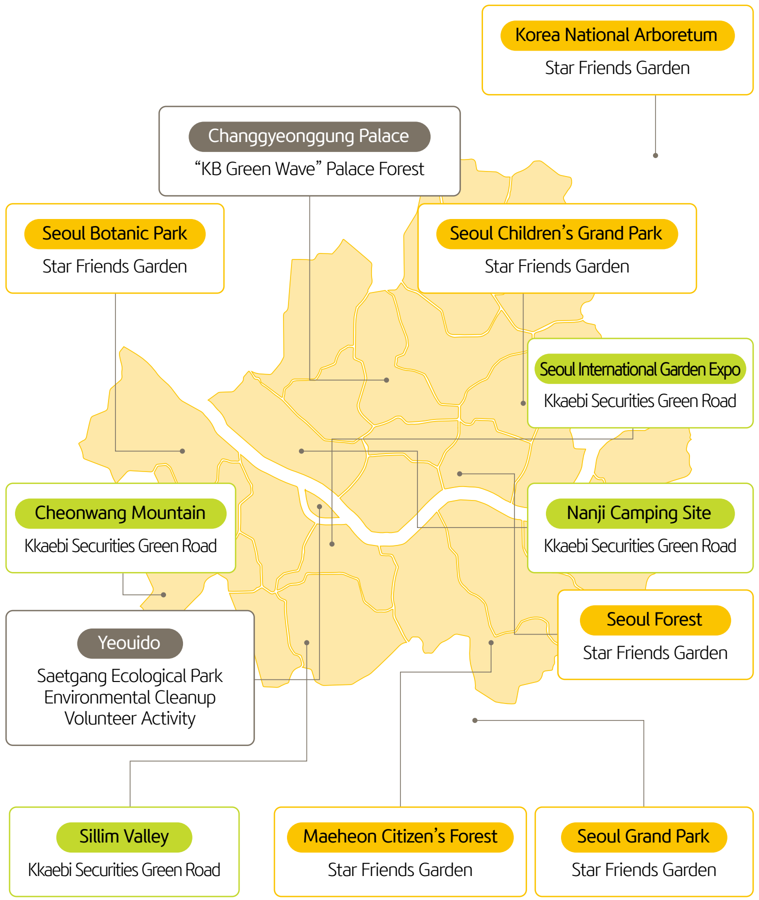
1) Adjusted the slope and width of the observation trail to allow easy access for anyone, including children, the elderly, and people with disabilities

KB Financial Group’s Natural Capital Response Strategy

4 Stakeholder Engagement Activities

Local Community Ecological Conservation

We are greening urban ecosystems centered on Seoul and the Gyeonggi metropolitan area, where citizens’ daily lives unfold. From creating forests in historic royal palaces to rivers, parks, and hands-on experiential gardens, we are expanding green spaces and restoring biodiversity in the city — building a healthy urban environment where nature and citizens coexist.



Seoul

Expanding Urban Green Spaces and Conserving Biodiversity

· KB Plogging Day (KB Financial Group’s Major Subsidiaries[1])
  - Collected litter across Seoul through the participation of approximately 600 employees and stakeholders in 2025

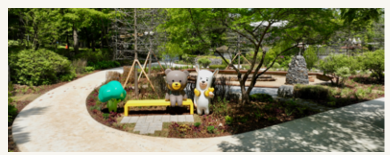
· Star Friends Garden (KB Kookmin Bank)
  - Created a total of 6 experiential children’s gardens in the city since 2018
    * Seoul Grand Park, Korea National Arboretum, Seoul Botanic Park, Seoul Children’s Grand Park, Maeheon Citizen’s Forest, and Seoul Forest

· “KB Green Wave” Palace Forest (KB Kookmin Bank)
  - Created a 2,860m^2 palace forest in a historic and cultural space in the city since 2023
    * In partnership with the Changgyeonggung Palace Management Office (Royal Palaces and Tombs Center) and the Seoul Green Trust
  - Planted 550 trees and approximately 9,900 flowering plants
  - Planted 14 tree species suited to the palace environment, including green maple, Korean rhododendron, and fragrant snowbell
  - Removed invasive species disrupting the ecosystem

· Kkaebi Securities Green Road (KB Securities)
  - Created a total of 4 “Green Roads” since 2022
    * Nanji Camping Site in Seoul, Cheonwangsan Family Camping Site, the Corporate Accompaniment Garden at the Seoul International Garden Expo, and Sillim Valley on Gwanaksan Mountain

· Yeouido Saetgang Ecological Park Environmental Cleanup Volunteer Activity (KB Life Insurance)
  - Managed representative harmful plants[2] such as burcucumber and Japanese hop to create a healthy Saetgang forest


Employees Plogging Day


Star Friends Garden


“KB Green Wave” Palace Forest – Changgyeonggung Palace

1) KB Kookmin Bank, KB Securities, KB Insurance, KB Kookmin Card, KB Life Insurance, and KB Savings Bank
2) Plants that disrupt ecosystems and threaten the habitats of native species

KB Financial Group's Natural Capital Response Strategy

❹ Stakeholder Engagement Activities

Support for Shared Growth with SMEs and Mid-Sized Companies

KB Financial Group provides practical, joint growth solutions — from ESG management support to carbon and natural capital management — to help SMEs and mid-sized companies proactively respond to natural capital and biodiversity risk.

Services Supporting Natural Capital Risk Management for SMEs And Mid-Sized Companies

KB ESG Consulting Service

KB Kookmin Bank has provided the "KB ESG Consulting Service" since 2022 for SMEs and mid-sized companies that struggle due to a lack of ESG management know-how and practical experience. By supporting improvements in non-financial areas and the transition to sustainable business models, this service helps SMEs and mid-sized companies recognize and respond to natural capital risk in advance.

Support Provided
648 cases

(* Cumulative performance since 2022)

KB Carbon Management System

The KB Carbon Management System is an online platform that KB Kookmin Bank provides at no cost to support SMEs and mid-sized companies in calculating and managing their carbon emissions. In 2024, it became the first system in the Korean financial sector to leverage the KEPCO open API and AI-based automatic bill recognition technology to support integrated carbon emissions management for companies.

The systematic accumulation of carbon emissions data helps establish a data foundation that enables companies to quantitatively understand their natural capital impact and proactively respond to biodiversity risk.

Companies using the carbon management system	Companies calculating and managing GHG emissions
572 companies (Stage 1)	162 companies (Stage 3)

(* Cumulative performance since 2024)

KB Financial Group's Natural Capital Response Strategy

❹ Stakeholder Engagement Activities

Public-Private Collaboration on Eco-Friendly Practices

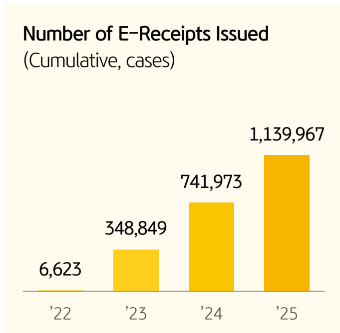
Beyond participating in discussions related to natural capital disclosure, KB Financial Group also participates in initiatives such as public transportation promotion projects, helping citizens engage in natural capital protection.

Natural Capital Conservation Activities through Public-Sector Collaboration

Less Paper - Carbon-Neutral Practice Point Program (KB Kookmin Bank)

KB Kookmin Bank became the first financial institution to sign an MOU with the Ministry of Environment, introducing a program that credits customers who use e-receipts with KRW 100 in carbon-neutral points per transaction. As of June 2025, the cumulative number of enrolled participants reached 59,760, and the scope of point accrual is scheduled to expand starting in 2026.

In addition, in July 2025, KB Kookmin Bank collaborated with the Korea Environmental Industry & Technology Institute to integrate the Carbon-Neutral Point service into the Star Banking app to support the program's adoption, and in September of the same year, implemented service improvements to encourage greater use of e-receipts. Through this, KB Kookmin Bank directly links the natural capital conservation benefits of reduced paper use and carbon reduction with its financial services.



* Ministry of Climate, Energy and Environment (formerly the Ministry of Environment)

10th Seoul International Garden Fair — Corporate Accompaniment Garden (KB Securities)

KB Securities participated as a corporate accompaniment garden partner in the 10th Seoul International Garden Fair, hosted by the Seoul Metropolitan Government, creating the "Kkaebi Garden with KB Securities" (Boramae Park). Contributing to enhanced urban biodiversity and expanded green space, this initiative demonstrated how KB Financial Group is extending natural capital conservation beyond its own business sites to the restoration of local community ecosystems.

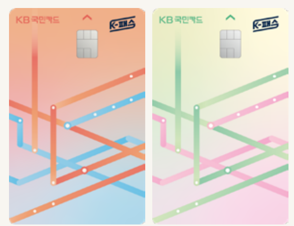
Participation in Natural Capital Disclosure and Governance Discussions

5th Natural Capital Disclosure Council Meeting (Mar. 2025)

KB Financial Group participates as a member of the Natural Capital Disclosure Council, sharing views on the direction and key issues of natural capital disclosure in the financial sector, and actively participating in discussions to advance and expand the natural capital disclosure framework across the industry.

Participation in Eco-Friendly Policy-Linked Projects

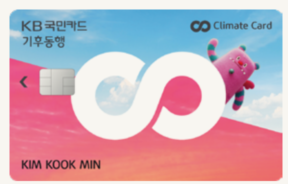
KB Kookmin K-Pass Card



Credit　　Check

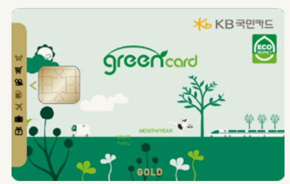
- Participation Project under the Ministry of Land, Infrastructure and Transport's Public Transportation Promotion Policy
- Provides a fixed-rate refund on public transportation fares

KB Kookmin Climate Card



- Participation Project under the Seoul Metropolitan Government's Public Transportation Promotion Policy
- Provides unlimited public transportation use through the purchase of a pass

KB Kookmin Green Card



- Participation Project under the Ministry of Environment's Green Living Practice Initiative
- Provides Eco-Money point accrual upon card use

KB Financial Group's Natural Capital Response Strategy

4 Stakeholder Engagement Activities

Participation in External Initiatives

Beyond proactively participating in domestic and international natural capital initiatives, we are embedding globally recognized principles and standards across our core financial services. Building on this foundation, we are progressively enhancing our management framework to effectively identify, assess, and manage nature- and biodiversity-related risks across our financial portfolio.

Timeline of External Initiative Memberships

2019	2020	2021	2022	2022
KB Financial Group	KB Kookmin Bank	KB Kookmin Bank	KB Financial Group	KB Financial Group
PRB (Principles for Responsible Banking)	BNBP (Biz N Biodiversity Platform)	Equator Principles	GFANZ (Glasgow Financial Alliance for Net Zero)	TNFD (Taskforce on Nature-related Financial Disclosures)
As a Core Group of the PRB, participated in establishing the mid- to long-term operational plan and guidance for global financial institutions.	Became the first financial institution to join, recognizing our social responsibility for biodiversity conservation and use, and supporting its sustainable use.	As the first Korean company to become a signatory, we operate an environmental and social risk management framework for project finance that aligns with international standards.	Serves as an Advisory Board member for the Asia-Pacific region, overseeing the net-zero strategic direction, target-setting, and priorities of Asia-Pacific member institutions.	In accordance with the TNFD framework, continues efforts to recognize and prevent the potential negative impacts of the Group's activities on biodiversity loss and ecosystem destruction.
PRB Implementation Report		Equator Principles Implementation Report		Nature-related Financial Disclosure Report

KB's Changes Driven by Initiative Participation

Embedding Sustainability into the Strategy of Our Core Financial Business

Through PRB participation, KB Financial Group has reflected sustainability not as a separate activity but as a core priority of our core financial business, strengthening the framework that manages our Group-wide products, investment, and lending portfolios in connection with their social and environmental impact. We support the transition of the real economy by expanding financial products and services that support the eco-friendly transition.

Enhancing Environmental and Social Risk Screening for Project Finance

Since adopting the Equator Principles, KB Financial Group has more systematically reviewed the use of proceeds and the environmental and social impact of project finance and large-scale project financing, strengthening risk management standards from the screening stage through post-financing monitoring. This has enhanced the accountability of our financial decision-making and our capacity to respond to risk.

Building a Framework for Identifying, Responding to, and Disclosing Natural Capital Risk

Following our participation in the TNFD, KB Financial Group recognizes natural capital as a financially material risk and opportunity, and is establishing a framework to classify and manage nature-related financial products by driver of nature change. We are gathering data on natural capital risk analysis and response strategies, progressively enhancing the foundation for our nature-related disclosures.

Natural Capital Governance

KB Financial Group Inc. integrates the management and oversight of natural capital-related risks and opportunities through the ESG Committee under the Board of Directors. Major subsidiaries likewise operate C-level executive committees, dedicated ESG organizations, and Subsidiary ESG Consultative Bodies to ensure the execution of the Group's natural capital response strategy.

Board Oversight

The ESG Committee under the Board of Directors establishes and approves the Group's natural capital response strategy and targets, and regularly oversees the status of nature-related risk and opportunity management. Based on this strategy, KB Financial Group operates ESG Councils and dedicated organizations at each subsidiary to identify natural capital and biodiversity-related issues and carry out response initiatives.

KB Financial Group operates a systematic reporting structure to ensure that natural capital issues are reflected in the Group's major decision-making. Key sustainability-related issues — including natural capital — along with response strategies and the implementation status of core initiatives, are regularly reported to the ESG Committee, through which the Group continuously reviews the level of management of nature-related risks and opportunities.

Executive Management's Role

The Group ESG Executive oversees the overall management of subsidiaries' natural capital response status, working with staff to review strategy implementation and key initiatives and support the consistent operation of the Group's natural capital management framework. They review key developments and response performance related to natural capital and biodiversity, and report these to the Board of Directors at least once a year, supporting the effective operation of the Group's natural capital management framework.

In addition, each subsidiary's ESG Consultative Body includes executives and department heads from dedicated ESG organizations, who review key natural capital-related risks and opportunities and establish response strategies and implementation plans specific to each subsidiary.

Board of Directors

ESG Committee
- The highest decision-making body for natural capital response
- Oversee the implementation and management of natural capital strategy

↑

Executive Management

Group ESG Executive
- Establish and implement the Group's natural capital response strategy
- Spread the natural capital agenda across the Group

↑

Working-level Staff

Subsidiary ESG Consultative Bodies
- Report on natural capital disclosure work
- Identify the Group's natural capital-related risks and opportunities
- Implement detailed natural capital response initiatives

Natural Capital Risk and Impact Management

Natural Capital Risk Identification and Management

KB Financial Group recognizes natural capital degradation and biodiversity loss as core risks, and systematically identifies and assesses nature-related risks and opportunities across our asset portfolio in accordance with the TNFD recommendations. Furthermore, we establish response strategies based on dependency and impact analysis, and manage them in connection with our enterprise-wide risk management framework.

Natural Capital Risk and Opportunity Identification and Assessment Process

① Natural Capital-related Portfolio Analysis

- ENCORE-based screening of industry and asset portfolios
- Quantification of risk levels through natural capital dependency and impact analysis
- Identification of high-dependency, high-impact industries and asset types

② Natural Capital Risk and Opportunity Identification

- Identification of high-dependency, high-impact ecosystem services and impact drivers within detailed sub-sectors
- Identification of key physical and transition risks
- Identification of nature-related opportunity factors
- Selection of priority management targets

③ Natural Capital Scenario Analysis

- Identification of priority ecosystem services for significant risk targets, based on physical and transition risk results
- Assessment of potential future policy exposure through alignment with the Global Biodiversity Framework (GBF)
- Comprehensive scenario-based identification of risks and opportunities across KB Financial Group's portfolio, and derivation of potential financial impact

④ Natural Capital Response Strategy Development and Monitoring

- Development of a response strategy based on the AR3T framework
  - Avoid: Avoiding risk from high-risk assets
  - Reduce: Reducing ESG risk and expanding investment
  - Restore & Regenerate: Expanding ecosystem restoration activities based on Nature-based Solutions (NbS)
  - Transform: Expanding natural capital-related ESG financial products
- Monitoring and management of natural capital risk
- Regular review of TNFD-based disclosures and risks

Natural Capital Risk and Impact Management

Natural Capital Risk Management Framework

KB Financial Group operates an “Environmental and Social Risk Management (ESRM)” framework to reflect natural capital factors in our investment and lending decision-making processes. We assess the environmental and social impact of each industry and manage our portfolio. Each subsidiary reflects and applies the Group ESRM in its internal regulations and guidelines.

KB Kookmin Bank has adopted the “Equator Principles” to manage the environmental and social risks of large-scale Project Financing (PF), and implemented the Equator Principles review process for a total of 20 projects in 2025.

Preliminary Checklist for Environmental and Social Risks

· The Preliminary Checklist for Environmental and Social Risks used during the Screening stage includes biodiversity-related assessment items

6. Biodiversity		
6.1	Is the project expected to not have sizable impact on biodiversity and the ecosystem?	Yes/No/ Not applicable
6.2	Is the project expected to have sizable impact on any critical habitat or any protected species preservation area as defined by the country of location and the international standards?	No/Average/Yes/ Not applicable
6.3	In the event any impact described in paragraph 6.1 and 6.2 is anticipated, is there a control plan in place to minimize such impact?	Yes/No/ Not applicable

KBFG Environmental and Social Risk Review Process

Screening	· Identify whether the application is subject to environmental and social risk review (the Equator Principles) · Identify the type and the objective of the project
Risk Categorization	· Categorize target project by environmental and social risk grade (A, B, C)
E&S Impact Assessment	· Assess environmental and social impact for grade A projects and grade B projects whose environmental and social risk is deemed significant · Evaluate environmental and social risks and their impact in detail; conduct due diligence if necessary
Commitment	· Negotiate terms with lender or borrower based on what has been identified during the impact assessment · Reflect the agreement and the requirements of the Equator Principles in the financing contract
Monitoring	· Monitor the lender or borrower on their implementation of the risk and issue mitigation measures using the monitoring means as decided upon during Commitment phase

Equator Principles

· A voluntary international standard adopted by the financial industry to manage the environmental and social risks of large-scale development projects

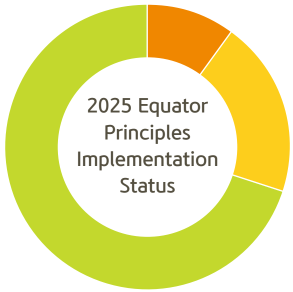
· A framework that rigorously screens whether to provide financial support for projects raising concerns about environmental destruction or human rights violations

· Embedding Equator Principles implementation through close collaboration among dedicated project teams, business departments, and review departments

Equator Principles Implementation Process

Prior Review	Risk Rating Assessment	Commitment	Monitoring
Preliminary review of compliance with the Environmental and Social Risk Management Policy	Classifying risk grades based on the degree of environmental and social risks and impacts	Inclusion of environmental and social covenants in financial transaction agreements	Periodic monitoring of environmental and social issues

2025 Equator Principles Implementation Status



Cat.A 2 (10%)

Projects with potential significant adverse environmental and social risks and/or impacts that are diverse, irreversible or unprecedented

Cat.B 4 (20%)

Projects with potential limited adverse environmental and social risks and/or impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures

Cat.C 14 (70%)

Projects with minimal or no adverse environmental and social risks and/or impacts

Natural Capital Risk and Impact Management

In accordance with the Equator Principles, KB Financial Group comprehensively reviews environmental and social risks — including natural capital — when screening large-scale project finance. We pre-identify key issues such as the environmental and social impact of the target project, pollution prevention, and biodiversity, and verify whether appropriate mitigation and management measures have been established.

Key Cases of Equator Principles Implementation

CASE 1 :: Paju Eco Green Energy Fuel Cell Power Generation Project

This project involves the construction and operation of a 30.99MW fuel cell power plant in Paju City, Gyeonggi-do. In accordance with the Equator Principles, KB Financial Group focused its review on the project's environmental and social risk management framework, air pollutant emissions, and biodiversity impact. The environmental impact assessment found that air pollutant emissions from operations were not significant, and a review of the potential presence of legally protected species and bird habitats confirmed that the project's impact was limited.

Environmental and Social Management Framework

· Conducted a small-scale environmental impact assessment in accordance with relevant laws and confirmed regulatory compliance
· Established a disaster response manual and an emergency organization and role-assignment system
· Held a resident briefing session before project commencement and secured 100% resident consent

Resource Efficiency and Pollution Prevention

· Annual greenhouse gas emissions from fuel cell operations are expected to be approximately 96,544 tCO_2eq or less
· No pollutants or waste generated during power generation other than water and heat
· Managed construction-phase environmental impact through a construction waste management manual

Biodiversity

· Reviewed the potential presence of legally protected species and birds at the project site and surrounding area
· Assessed the ecosystem impact of the project as generally limited
· Established mitigation measures such as using low-noise, low-vibration equipment during construction and minimizing nighttime construction

CASE 2 :: Revolution Wind Offshore Wind Farm Project in the United States

This is a 704MW offshore wind power project being developed in waters near the U.S. states of Rhode Island and Massachusetts. In reviewing financial support for this project, KB Financial Group assessed environmental and social risks in accordance with the Equator Principles, with a particular focus on potential impacts on marine ecosystems and protected species, along with related mitigation measures.

Environmental and Social Management Framework

· Reviewed environmental and social impacts and mitigation measures on ecosystems through an independent Environmental Impact Statement (EIS)
· Confirmed compliance with the permitting and environmental impact assessment procedures of the U.S. Bureau of Ocean Energy Management (BOEM)
· Checked whether a framework for stakeholder consultation and communication with local communities was in operation

Resource Efficiency and Pollution Prevention

· Given the nature of eco-friendly offshore wind projects, direct and indirect greenhouse gas emissions expected to be 100,000 tCO_2eq or less annually
· Conducted assessment and established related management plans in accordance with U.S. BOEM environmental standards
· Established a response framework for marine waste, oil, and other hazardous substances potentially generated during construction and operation

Biodiversity

· Reviewed the potential impact on endangered whale species within the project area
· Established biodiversity and ecosystem protection measures and reported related issues to the relevant regulatory authority
· Established a protected species mitigation and monitoring plan

Metrics & Targets

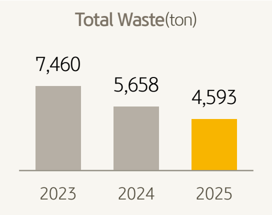
① Operations Perspective

KB Financial Group quantifies and manages the impact of our business site operations on the natural capital and biodiversity of local communities. As a result, over the past three years, waste generation has decreased, while both water reuse volume and the conversion rate to eco-friendly vehicles for business use have steadily increased. Going forward, we will continue to faithfully implement our own greenhouse gas reduction (Net-Zero) targets to minimize the environmental impact of our business activities.

Waste Management[1)]

Indicator	Unit	2023	2024	2025
Landfill and incineration	ton	6,289	4,618	3,531
Recycling	ton	1,171	1,040	1,062
Total	ton	7,460	5,658	4,593

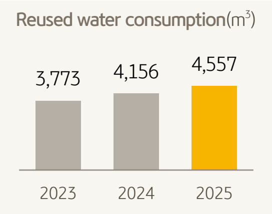
1) Based on KB Financial Group and its subsidiaries (domestic business sites)



Water Management

Indicator	Unit	2023	2024[1)]	2025
Water withdrawal[1)]	m^3	1,791,750	1,959,676	1,655,596
Water reuse volume[2)]	m^3	3,773	4,156	4,557
Wastewater discharge[1)]	m^3	1,787,977	1,955,520	1,651,039

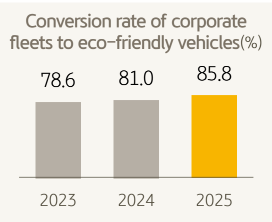
1) Based on KB Financial Group and its subsidiaries (domestic business sites), Recalculated for 2024
2) Based on KB Kookmin Bank annex building



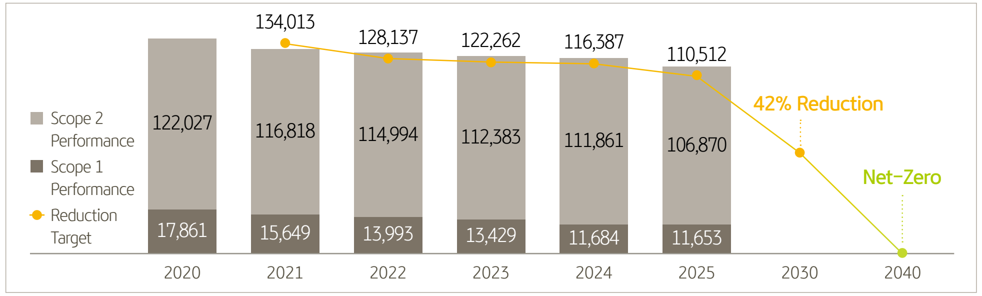
Eco-friendly Vehicle Management[1)]

Indicator		Unit	2023	2024	2025
Eco-friendly Vehicle	Zero-Emission	Vehicles	111	142	123
	Hybrid	Vehicles	1,562	1,480	1,527
	Total	Vehicles	1,673	1,622	1,650
Total corporate fleets		Vehicles	2,129	2,002	1,923
Conversion rate of corporate fleets to eco-friendly vehicles		%	78.6	81.0	85.8

1) Based on KB Financial Group and its subsidiaries (domestic business sites)



Internal GHG Emissions(Scope 1 & Scope 2) & Net-Zero Target Implementation Status



(Unit: tCO_2eq)

Category	Net Zero Pathway and Implementation Status[1)]							
	2020	2021	2022	2023	2024	2025	2030	2040
Direct GHG emissions (Scope 1)	17,861	15,649	13,993	13,429	11,684	11,653		
Indirect GHG emissions (Scope 2) (Location-based)	122,027	116,818	114,994	112,383	111,861	106,870		
Total	139,888	132,467	128,987	125,812	123,545	118,523		
Scope 1&2 Target	-	134,013	128,137	122,262	116,387	110,512	42% reduction vs. base year	NET-ZERO
Reduction rate compared to base year	(Base year)	5.3%	7.8%	10.1%	11.7%	15.3%	(Interim target)	(Final target)

1) SBTi carbon reduction targets (Near-term) (approved Oct. 2021), targets established and emissions calculated based on domestic business sites

Metrics & Targets

② Portfolio Perspective

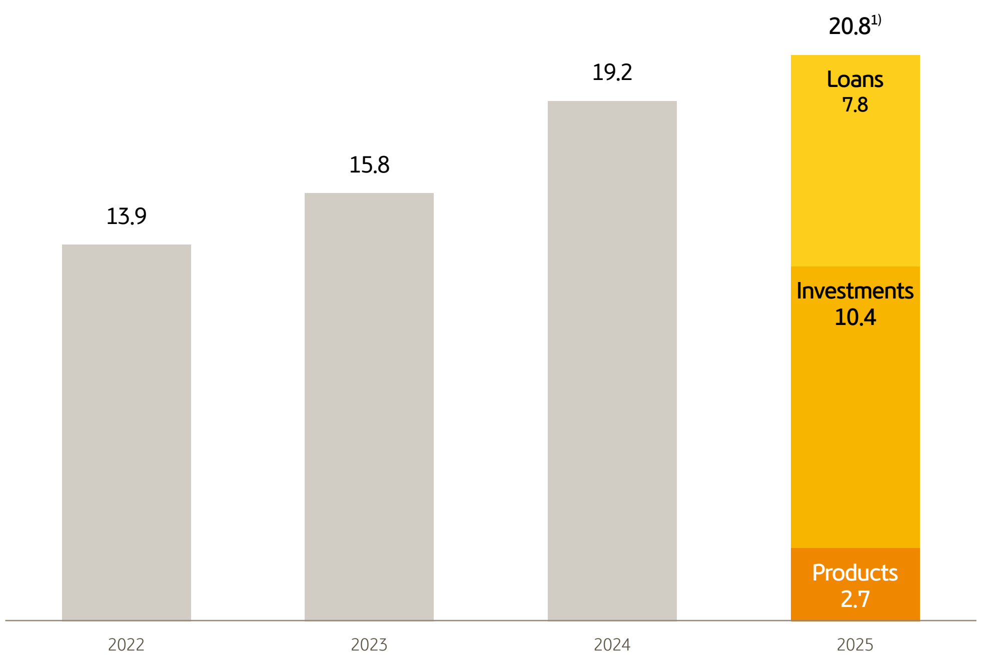
KB Financial Group contributes to natural capital protection and opportunity creation by expanding ESG finance. Our environmental sector financial performance has grown steadily over the past 4 years, achieving 83% of our 2030 natural capital-contributing financial product target.

The balance of ESG financial products in the environmental sector* has grown approximately 1.5-fold compared to 2022.

* Includes environmental products, investments, and loans

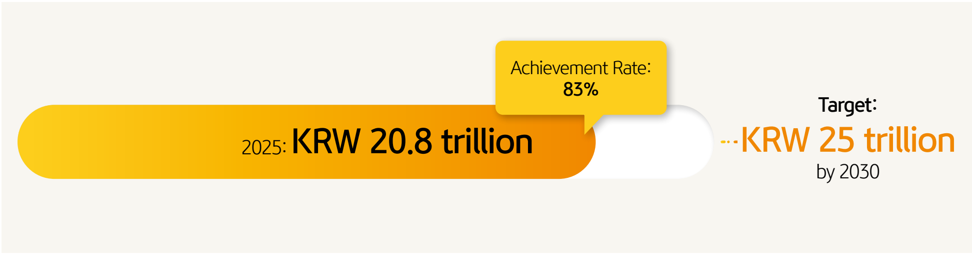
ESG financial products performance - Environment

(Unit : KRW trillion)



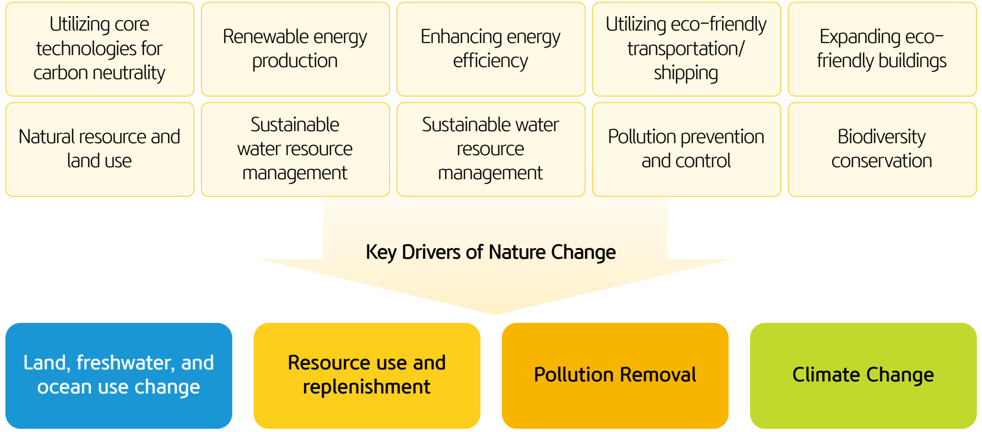
1) Differences in totals due to rounding of decimal places

Target and Progress



Key Environmental Sectors Targeted for Investment

We pursue investment and financial support centered on environmental sectors that respond to key drivers of nature change and promote the recovery and conservation of natural capital, contributing to natural capital risk management and the creation of transition opportunities.

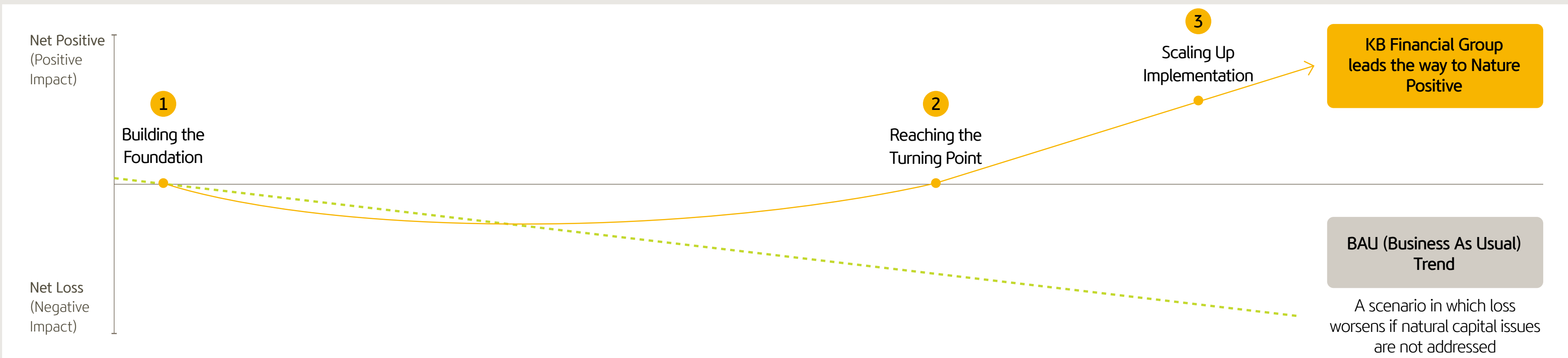


Nature Positive Strategy

KB Financial Group systematically manages natural capital-related risks and opportunities, and continues to progressively enhance our disclosure foundation. Building on this, we will pursue a phased transition toward "Nature Positive" — going beyond simply minimizing natural loss (No Net Loss) to achieving nature recovery and value creation.

	2025 Goal Setting	2026 – 2029 Initial Implementation	2030 Turning Point to Net Positive for Nature	2031 – Scaling Up Implementation
Key Goal	**Establishing goals and building the foundation** Disclosure of natural capital-related financial information	**Implementing No Net Loss** Maintaining zero net loss of natural capital based on Avoid, Reduce, Restore & Regenerate, and Transform	**Transitioning to net positive for nature** Improving nature-related indicators and demonstrating implementation performance	**Scaling up Nature Positive** Restoring nature's core functions and creating value based on natural capital
Implementation Strategy	· Identifying natural capital risk across the asset portfolio · Reviewing overlap and linkage with climate change · Strengthening natural capital leadership and capabilities	· Publishing the Nature-related Financial Disclosure Report · Building a system of natural capital targets and monitoring indicators · Establishing a plan to link natural capital with the ESG finance process	· Establishing a natural capital implementation framework integrated into ESG strategy · Quantifying natural capital impact and contribution and reflecting them in management targets	· Expanding Nature-based Solutions (NbS) finance · Actively supporting biodiversity conservation and restoration projects · Strengthening global cooperation and partnerships

Natural Capital Status



TNFD Index

Category		TNFD's Recommended Disclosures	Page
Governance	a	Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities	34
	b	Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities	34
	c	Describe the organization's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organization's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	34
Strategy	a	Describe the nature-related dependencies, impacts, risks and opportunities the organization has identified over the short, medium and long term	6~7
	b	Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organization's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place	6~14, 16~33
	c	Describe the resilience of the organization's strategy to nature-related risks and opportunities, taking into consideration different scenarios	40
	d	Disclose the locations of assets and/or activities in the organization's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations	10~14
Risk & Impact Management	a(i)	Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its direct operations	35~37
	a(ii)	Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s)	35~37
	b	Describe the organization's processes for managing nature-related dependencies, impacts, risks and opportunities	35~37
	c	Describe how processes for identifying, assessing, prioritizing and monitoring nature-related risks are integrated into and inform the organization's overall risk management processes	35~37
Metrics & Targets	a	Disclose the metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process	38~39
	b	Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature	38~39
	c	Describe the targets and goals used by the organization to manage nature-related dependencies, impacts, risks and opportunities and its performance against these	38~40

KB Financial Group