

KB SECURITIES ESG REPORT 2024

ESG Value
with Finance

 KB Securities



About This Report

KB Securities publishes an annual 'ESG Report' to transparently disclose its ESG management activities and performance, and share its future directions with stakeholders.

This year, KB Securities publishes its seventh ESG Report, and we hope that the Report will meaningfully deliver KB Securities' various ESG management activities to stakeholders.

Going forward, KB Securities will strive to become the leading ESG finance institution and realize mutual-prosperity value, while fulfilling its responsibilities to the environment and society.

Reporting Period and Cycle

The Report presents KB Securities' performance during the period from January 1 to December 31, 2024, and data from the three fiscal years from January 2022 to December 2024. In addition, performance on some key issues is included up to the first half of 2025. All financial and non-financial information is reported by the fiscal year according to the company's disclosure regulations, and any information that fails to meet the standard is marked in the footnotes. The Report is published annually, and this year's Report was published in June 2025.

Inquiries about the Report

You can download the Report via KB Securities' official website. Please contact KB Securities for any additional information or inquiries.

Reporting Standards and Assurance

The Report aligns with the Global Reporting Initiative (GRI) Standards 2021, which are the global guidelines for publishing sustainability reports. It also reflects industry-specific issues by incorporating the Sustainability Accounting Standards Board (SASB) industry standard. KB Securities underwent a third-party assurance by an independent agency, using AA1000AS Moderate level Type 2, to enhance the credibility and quality of the Report. The Third-Party Assurance Statement can be found in the Report.

Reporting Scope

The Report covers the ESG and sustainability management activities of KB Securities. Non-financial performance shows performances of the Korean head office and all branches of KB Securities, a separate corporation, and financial performance is prepared on a consolidated basis. Some achievements in social contribution activities include the performance of overseas subsidiaries

Cover Story



Fireflies are sensitive creatures that only live in clean and healthy environments, serving as indicators of a healthy ecosystem. Like fireflies that produce flashes of light to brighten up the night, the cover reflects KB Securities' commitment to creating ESG value through finance, growing together with society, and becoming lights of hope for a sustainable future.



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CEO Message



Sung-hyun Kim CEO of KB Securities



Hong-ku Lee CEO of KB Securities



Through sustainable finance that embodies the value of mutual growth, we aim to establish ourselves as a **leading financial institution in ESG.**



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CEO Message

Dear valued stakeholders,

The year 2024 was marked by a series of challenges stemming from heightened global economic uncertainty and significant domestic political shifts. Changes in U.S. trade policy and political developments in Korea exerted pressure on economic growth, resulting in a modest 0.1% increase in Korea's GDP during the fourth quarter. Entering 2025, the imposition of large-scale import tariffs by the U.S. has further intensified global trade tensions, amplifying uncertainty in the world economy. Amidst this turbulent environment, KB Securities remains steadfast in its commitment to creating long-term value and delivering responsible financial services through a sustainable management strategy.

We place our customers at the core of everything we do and have consistently prioritized customer value in all our business decisions.

We make all decisions from the customer's perspective and strive to continuously seek and realize the value that customers expect. Built on a foundation of trust, we aim to become a company that goes beyond finance to generate social value through care and mutual prosperity. To this end, KB Securities is actively carrying out various social contribution activities such as developing financial services that support the less-privileged, contributing to the local community, and providing educational and welfare support. KB Securities pursues inclusive and sustainable economic growth as we firmly believe that this has a positive impact on our business. When we grow together with customers, and the local communities we belong to, KB Securities can also help create a greater future.

We will continue to pursue sustainable growth by building a diversified business portfolio and implementing rigorous risk management.

In a rapidly evolving market environment, we are strategically adjusting our existing businesses while seeking new opportunities to ensure a stable revenue base. At the same time, we are strengthening our risk management systems to achieve resilient growth in the face of external volatility.

As the financial landscape undergoes rapid changes driven by technological innovation, KB Securities is dedicated to leading the future of digital finance.

In particular, the advancement of artificial intelligence (AI) technology has been bringing about both innovative and disruptive changes to the financial industry. KB Securities is actively adapting to these changes to provide customers with more convenient and safer financial services. To proactively respond to market volatility, we are strengthening our internal control systems by implementing AI-powered incident prevention systems and introducing a Responsibilities Chart. Through these efforts, we remain committed to safeguarding customer assets and building lasting trust.

KB Securities will strive to establish itself as a financial company that realizes stability and value, which are the essence of finance, while also leading substantial and reliable ESG management.

We are strengthening the reliability of our financial product offerings and enhancing consumer protection frameworks, while actively engaging in a variety of external initiatives to promote ESG values. In addition, through the publication of our ESG Report, we aim to transparently disclose our ESG activities, achievements, and long-term vision—driving positive change for the environment and society, and taking the lead in building a sustainable financial ecosystem.

We deeply appreciate your unwavering support and trust in KB Securities. We look forward to your continued interest and partnership as we move forward together on this journey of sustainable growth.

Thank you!



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Company Overview



As a mega investment bank (IB) with equity capital worth KRW 6.9 trillion, KB Securities provides various financial investment products and services centered on WM, IB, and S&T businesses. As a main affiliate and a wholly owned subsidiary of KB Financial Group, the largest and leading financial group in Korea, KB Securities boasts high financial stability and strong brand recognition. KB Securities provides optimal financial solutions to its customers through excellent professionals, various and differentiated financial products, digital capabilities, and abundant IT infrastructure as a trusted investment partner for a lifetime for customers.

General Status

(As of Dec. 2024)





Company name KB Securities Co., Ltd.	Majority Shareholder KB Financial Group	CEO Sung-hyun Kim, Hong-ku Lee
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<p>Stable Credit Rating</p>  <p>Local AA+ S&P A- Moody's A3</p>	<p>No. of Clients & Employees</p> <p>9.22 million clients 3,035 employees</p> <p>Securing wide client base Approximately 3,000 employees provide financial services</p> 
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<p>Network</p> <p>No. of Local Branches 80 (58 WM complex lounges)</p> 	<p>Overseas Presence 5 countries</p> 
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Financial Status

(As of Dec. 2024, Consolidated basis)

<p>Total Assets</p> <p>KRW 63 trillion</p> 	<p>Operating Profit</p> <p>KRW 780.8 billion</p> 
<p>Net Profit</p> <p>KRW 590.4 billion</p> 	<p>Equity Capital</p> <p>KRW 6.9 trillion</p> 



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KB Securities' Values (Mission, Vision, and Core Values)

Top Talents & Bold Innovations Dedicated to Becoming Your Most Trusted Investment Partner for a Lifetime

With top talents and bold innovations dedicated to becoming your most trusted lifelong investment partner, KB Securities strives to bring happiness to our clients and build a better world.

Mission

**Financial services
delivering changes**
Happier life & Better world

Vision

Driven by world-class talent and bold innovation, striving to become your trusted investment partner for a lifetime

Core values

Customer-centricity



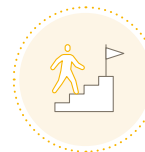
Benefits to our customers are prioritized in our decision making

Expertise



We relentlessly strive to develop industry-leading competencies

Innovation



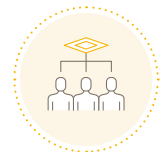
We foster creative thinking and drive 'First Mover' initiatives to reshape the future of the financial services industry

Trust & Integrity



As a financial services provider, we adhere to the highest standards of ethical conduct, always acting in good faith and with integrity

Shared Growth



By growing together with our customers, we aim to contribute to the advancement of society

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Historic Milestones

- 2024** ... · Inauguration of CEOs Sung-hyun Kim and Hong-ku Lee
- 2023** ... · WM Assets Surpassed KRW 50 trillion
- 2022** ... · Achieved the industry's first Quadruple Crown, ranked 1st in all business areas including DCM, EMC, M&A, and M&A financing
- 2022** ... · Acquired Indonesia's Valbury Securities · Launched MyData service "M-able in"
- 2021** ... · Ranked 1st in MTS MAU Industry
- 2021** ... · Distributed coupons for financial investment products through online shopping platforms
- 2021** ... · Launched 'Prime Club,' a differentiated investment advisory service
- 2019** ... · Obtained authorization for short-term financial business (to handle notes)
- 2019** ... · Inauguration of CEOs Jeong-rim Park and Sung-hyun Kim
- 2017** ... · Completed sale of subsidiaries (Hyundai Asset Management, Hyundai Savings Bank)
- 2017** ... · Acquired Maritime Securities of Vietnam
- 2016** ... · Launched KB Securities (merger of Hyundai Securities and KB Investment & Securities)
- 2016** ... · Incorporated into KB Financial Group
- 2011** ... · Acquired Hyundai Savings Bank · Merged with KB Futures
- 2009** ... · Launched Hyundai Asset Management
- 2008** ... · Incorporated into KB Financial Group · Changed company name to KB Investment & Securities
- 1999** ... · Exceeded KRW 30 trillion in fund management for the first time in the domestic financial industry
- 1997** ... · Changed the company name to Hannuri Investment & Securities Co., Ltd.
- 1995** ... · Established Yonhap S.B Securities Co., Ltd.
- 1986** ... · Changed the company name to Hyundai Securities
- 1977** ... · Incorporated into Hyundai Group
- 1962** ... · Established Kookil Securities Co., Ltd

■ KB Securities
■ Hyundai Securities
■ (former)
■ KB Investment & Securities

Domestic Network

KB Securities is equipped with the industry's largest nationwide retail branch network, which allows us to provide high-level asset-management services. We also provide customized comprehensive asset management services to customers through the operation of one-stop banking & securities services branches in collaboration with KB Kookmin Bank.



(As of Dec. 2024)



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Global Network

Overseas Operations*
For 30 Years

Global Network
In 5 regions

Overseas Subsidiaries
4 subsidiaries

Overseas Branches
18 branches

Representative Office
1 office



KBFG Securities America Inc.

- Act as introducing broker to improve convenience in trading U.S. stocks for Korean office clients
- Alternative investment wing (e.g., energy, infrastructure financing) of IB businesses segment wing
- Main businesses: Real estate /infrastructure/ alternative investment, in/outbound equity brokerage, overseas fund sourcing



KB Securities Hong Kong Ltd.

- Ranked #2 in Korea, #18 globally on Bloomberg DCM league table (based on 2024 global foreign currency denominated bond KP)
- Main businesses: M&A financing, DCM, alternative investment, overseas bond trading/ brokerage



KB Securities Vietnam JSC

- Stable retail revenue base established via enhanced digital competitiveness
- Portfolio diversification via expansion of wholesales business
- Main businesses: Stock brokerage/ trading loan, S&T, bond issuance, loan advisory



KB Valbury Sekuritas

- Retail M/S expanded by improving edge in mobile market
- Revenue stream diversification by expanding IB business (ECM/DCM)
- Main businesses: Stock brokerage/ trading, underwriting, deal sourcing, bond brokerage, stock-backed loans



Shanghai Representative Office

- Local deal sourcing using local network
- Main businesses: Corporate bond issuance for Chinese firms, Korea-China cross-boarder M&A, deal sourcing/support

*Since establishment of New York Office in Mar. 1996



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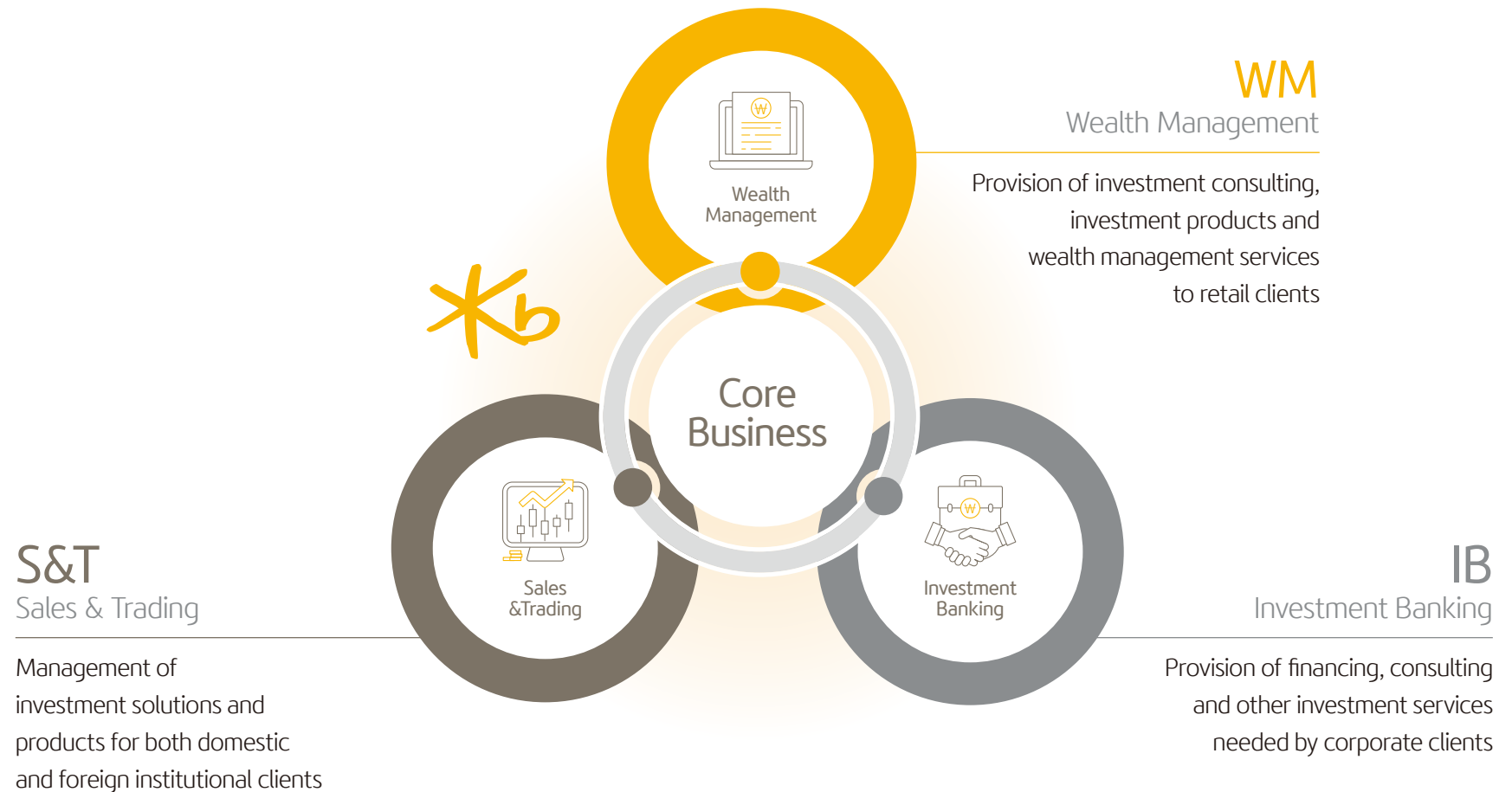
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Business Portfolio

Our operations are segmented into WM, IB and S&T based on the type and business needs of our clients. Each segment provides differentiated financial investment services to their diverse client base and employ client-centric business strategies to offer them optimal financial solutions.





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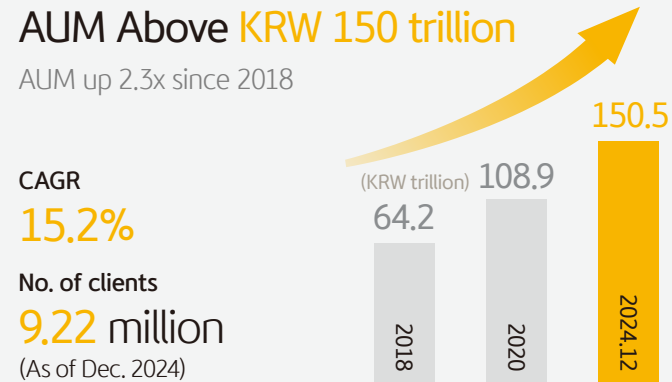
Business Portfolio

Core Business

WM | Wealth Management

Trusted Investment Partner for a Lifetime Providing Optimal WM Solutions to Clients

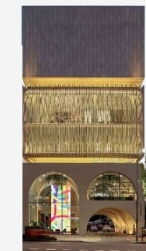
We offer better investment experiences from tailored wealth management to innovative investment platforms.



Specialized Services for UHNW* Clients

Providing specialized WM solutions

- KB GOLD & WISE The FIRST
- Family office services offering a complete asset management package, covering asset building, transfer and inheritance



*Ultra High Net Worth

Variety of Products & Expertise

Providing Tailored products & services

- Diverse product lineup that includes finds, wrap accounts, bonds, ISA and CMA
- Comprehensive financial advisory services covering real estate, tax affairs, financial advisory, etc.
- On/offline accessibility via nationwide branch network & MTS

Top-notch MTS Competence

Digital asset management platform optimized user experience

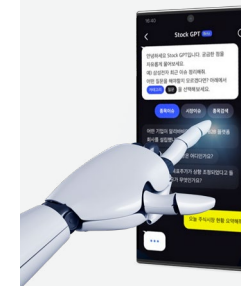
- 2024 Best MTS Award (Money Today)
- 2024 Grand Prix (ICT Awards Korea)
- 2024 Best Digital Platform Award (Asia Today Financial Awards)



Expanding digital platform AI services

Establishment of ultra-personalized client-centric financial environment via AI-based services

- Industry-first generative AI-based Stock AI
- Client convenience improved by providing investment information on a chat-type interactive platform





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Core Business



IB | Investment Banking

No.1 IB House Providing the Best Investment Solution

Striving to become companion in corporate growth offering top-notch corporate financing capabilities and customized solutions.



IB Market-leading Group of Experts

From corporate financing to real estate, structured finance and advisory services

- Group of experts possessing top-notch experience and knowledge in all areas of IB
- Services prioritizing clients through trust and communication

No.1 Corporate Financing partner

Offering one-stop solutions tailored for corporate needs, 'Triple Crown' in DCM/ECM/M&A finance built on trust from clients

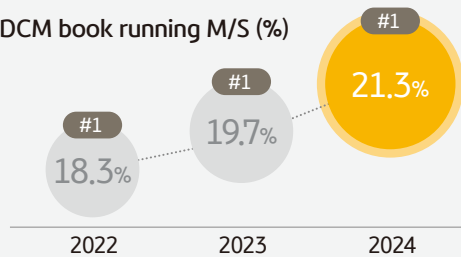
DCM #1(21.3%)	ECM #1(15.2%)	M&A financing #1(19.3%)
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(As of Dec. 2024)

DCM Champion

DCM(corporate bond/ABS) underwriting market hegemony built on vast client network and sales competence

· DCM book running M/S (%)






#1 in DCM firm for 14 consecutive years
(Bloomberg)

· Unrivaled standing in DCM market with M/Z of over 20%

Vanguard of ESG Investment

Building ESG value via ESG bond issuance, participation in eco-friendly power plant PF & investment in growing businesses

 #1 in ESG bond issuance (KRW 3.2 trillion; thebell)	 KRW 2.0842 trillion in PF for green energy, public works, etc.	 KRW 423.4 billion invested in green companies and SMEs
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(As of Dec. 2024)



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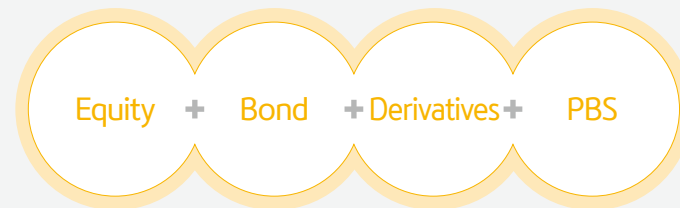
S&T | Sales & Trading

Strong Management Competence, Differentiated Investment Services

Distinct value created from management competence built by professionals, diverse product lineup and global network.

Highly Competitive Products

Investment services related to equity, bonds, derivatives, etc. provided to local/foreign clients



- Experts pioneering local/foreign products
- Portfolio optimized to client type

Top-tier Sales Capabilities

Leadership in key business areas attained via professionalism and sales capabilities

(As of Dec. 2024)

Hankyung Best Securities Firm (institutional sales) #1	Institutional stock brokerage M/S #1	Fixed income brokerage/sales (9 consecutive years) #1	Hedge fund AUM #1	Inbound high-touch M/S #1
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KB FG's Marquee AM*

- Approx. 1,700 domestic & overseas institutions
- Total financial solutions provided via AMs to expand Group-wide contact with clients and enhance clients' trust

*AM : Account Manager

Securing global network

- Co-brand partnership with global IB
- Differentiated global market access
- Overseas fixed income trading/sales covering various countries and regions

Carbon emissions trading market maker

- Participation in carbon credit market from 2023
- Received Minister of Environment commendation for contribution to advancement of carbon credit trading such as activating trading and reducing volatility (Jan. 2025)



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Main Timeline for ESG Activities

- May. 2017. Acquired ISO 14001
- Oct. 2017. Acquired ISO 27001
- Sep. 2020. Coal Phase-Out Finance Declaration
- Dec. 2020. Establishment of ESG Committee under the Board of Directors



Nov. 2021. Signed an MOU to promote ESG investment by private sectors

- Feb. 2022. Joined UN Global Compact (UNGC)/
Joined Asian Venture Philanthropy Network (AVPN)
- Mar. 2022. Establishment of disaster-relief fundraising system
- Apr. 2022. Issuance of equity-linked securities (ELS) linked to ESG index
- Oct. 2022. Acquired ISMS-P certification in the MyData service sector
- Dec. 2022. Obtained family-friendly firm certification from the Ministry of Gender Equality and Family
Selected as a market maker for the emissions trading market
Establishment of solar power generation facility at training center and the office building in South Ulsan



Dec. 2020. Established ESG Committee under the Board of Directors

- Mar. 2021. Issuance of Green Bonds of KRW 110 billion
- Sep. 2021. Group RE100 Declaration
- Nov. 2021. Signed an MOU to promote ESG investment by private sectors
Acquired ISMS-P certification in the electronic financial services sector



Feb. 2022. AVPN Membership certificate presentation ceremony

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Main Timeline for ESG Activities

- May. 2023. Signing of business agreement on eco-friendly resource circulation (E-Circulation Governance)
- Jun. 2023. Formation of KB Securities ESG Value Expansion Venture Capital Partnership Fund and implementation of impact investment
- Jul. 2023. Leading the issuance of Sustainable Linked Bonds (SLB) first in Korea
- Oct. 2023. Joined CFO Coalition for the SDGs
- Nov. 2023. Participating in the BI:CYCLE Campaign (Yuhan Kimberly)
- Dec. 2023. Hosting 'B Corp Wave'



May 2024. Created Kkaebi Garden

- Jan. 2025. Establishment of Customer Experience Improvement Team under Consumer Protection Div.
Received Minister of Environment Award for Contribution to Development of the Emissions Trading Scheme
- Feb. 2025. Received Gold Award in Sustainability Management Report Category in 2023/2024 LACP Vision Awards (for 2 consecutive years)



Dec. 2023. B Corp Wave

- Mar. 2024. Acquired ISO 45001 for head office
- May. 2024. Created 'Kkaebi Garden' (Corporate participatory garden)
- Jun. 2024. Started operating 'Warm Communication Corners'
- Jul. 2024. Solely leading the first issuance of public institution's sustainability linked bonds (SLB)
- Sep. 2024. Awarded the KS-CQI Excellence in Call Center Service Quality (for 2 consecutive years)
- Oct. 2024. Completion of construction of a total of 36 domestic and international rainbow classrooms
- Dec. 2024. Selected as an agency for entrusted operation of the performance reward fund of the Small and Medium Business Administration



Sep. 2024. Completion of construction of rainbow classroom in Indonesia

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ESG Strategy

ESG Strategy System

In order to pursue sustainable growth together with stakeholders and create a better world, KB Securities has established ESG + I, a unique ESG strategy system. In addition, we are revising ESG strategies and preparing implementation plans, as a core foundation for ESG management, to reflect changes in the internal and external environment every year. By faithfully implementing 12 strategic tasks in the areas of environment (E), society (S), governance (G), and investment (I), we will strengthen the ESG-centered sustainable management system and secure a leading position in the field of investment by utilizing the characteristics of the securities industry.

Mission

Mid- to long-term goals

ESG Strategy

Strategic direction

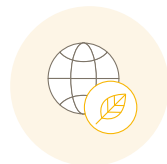
Strategic tasks

Financial services delivering changes
Happier life & Better world

Leading and spreading ESG management for sustainable shared growth with society

ESG (environment, social responsibility, governance) + I (investment)
Strengthening ESG-centered sustainability management system + securing a leading position in the area of ESG 'Investment' utilizing the characteristics of the securities industry

Catchphrase: KB Securities taking care for the world (KB Securities shaping a better world)



Environment

Net-Zero Management for Carbon Neutrality

- Accelerating carbon reduction and low-carbon management
- Fostering a company-wide eco-friendly corporate culture
- Expanding external environmental initiatives focused on climate crisis response



Social Responsibility

Fostering Mutual Growth and Expanding Social Value

- Promoting social contribution projects based on care and mutual prosperity
- Practicing human rights and diversity-centered management
- Enhancing financial consumer protection and customer satisfaction



Governance

Enhancement of ESG Management Governance and Brand Value

- Strengthening ESG performance monitoring and disclosure system
- Expanding stakeholder communication
- Reinforcing internal controls and regulatory compliance



Investment

Proceed with Businesses in Connection with ESG




- Expanding ESG financial products and enhancing ESG research
- Advancing carbon market-related business initiatives
- Supporting the expansion of the ESG ecosystem through impact investing and partnerships with external organizations



ESG Strategy

2025 Direction for ESG Strategy Implementation

KB Securities has established the ESG strategic direction and three major key tasks for 2025 to promote the value of mutual-prosperity, and strengthen its position as a leading ESG financial company. In order to achieve these key tasks, we have assessed the internal and external status and analyzed the issues to set the key promotion direction, and derived an implementation plan that includes specific implementation methods for each department based thereon. We plan to strengthen organic collaboration between the ESG strategy team and the working-level council to increase the implementation rate of the plan.

ESG Strategic Directions	Main Initiatives	Task Details
 <p>Environment Supporting ESG-Biz Linkage for Achieving Carbon Neutrality</p>	<ul style="list-style-type: none"> Continuous efforts to achieve targets for ESG financial products Promoting expansion of climate finance business Expanding support for greenhouse gas reduction implementation 	<ul style="list-style-type: none"> Strive to achieve ESG financial product goals linked to KB Green Wave 2030 targets <ul style="list-style-type: none"> Expand ESG-related financial products, and maintain a leading position in the ESG bond market, etc. Promote external carbon-reduction projects, establish business models with major clients, and diversify emissions trading products, etc. Support for expanding business linkages such as ESG consulting/lectures for corporate customers/ external organizations Efforts to reduce internal and indirect emissions (including financed emissions)
 <p>Social Strengthening social roles for the expansion of the ESG ecosystem</p>	<ul style="list-style-type: none"> Expand social values such as care, mutual-prosperity, and diversity Accelerate impact investment in the social/environmental sector Operate the 'Social Value-Up Program' in cooperation with external organizations 	<ul style="list-style-type: none"> Carry out various social contribution projects to implement the Group's social contribution strategy (care/ mutual-prosperity) system Efforts to expand recruitment and corporate culture for respecting diversity and practicing human rights management Monitor the performance of the 'ESG Value Expansion Venture Capital Partnership Fund' and expand the investment Strengthen collaboration and partnerships with stakeholders to create collective impact Efforts to promote ESG value through expanded global initiatives and external partnership
 <p>Governance Strengthening response to sustainability in preparation for the full-scale implementation of ESG regulations</p>	<ul style="list-style-type: none"> Enhance ESG disclosure readiness, and improve management system Improve performance in external ESG assessments 	<ul style="list-style-type: none"> Specify disclosure scope and measurement based on the establishment of the Group's 'ESG information disclosure system' Reinforce contents subject to disclosure in the sustainability report and strengthen third-party assurance Renew the company's ESG management disclosure website menu/screen in preparation for mandatory disclosure Improvement efforts across environmental, social and governance areas to respond to external ESG assessments <ul style="list-style-type: none"> Environmental (strengthening climate risk management, etc.), social (work culture campaign, etc.), and governance (responsibility chart, etc.)



ESG Governance

ESG Organization

Composition of ESG Organization

KB Securities has established the ESG Committee under the Board of Directors in 2020 for the first time in Korea among securities companies, laying the foundation for ESG Management. We are strengthening the alignment between corporate strategy and ESG management through the Management Council, a permanent organization consisting of CEOs and executives in charge of operations, and an ESG Strategy Team, a dedicated ESG organization, within the Strategic Planning Department. In the meantime, KB Securities has promoted ESG management based on the leading ESG governance that it has established.

| KB Securities' ESG Governance

ESG Committee

- Establishment of ESG strategic direction and goals
- Major decision-making such as ESG policy and monitoring of major issues

Management Council

- Review of ESG management issues
- Monitoring the implementation of ESG strategies and goals

ESG dedicated team (ESG Strategy Team)

- Establishment and promotion of major tasks according to ESG strategy
- Response to external evaluation, communication activities

ESG Working-level Council

- Establishment and implementation of detailed ESG tasks

ESG Research Team

- Provision of ESG-related research and solutions
- Supporting systematic ESG analysis for companies that the ESG Research Team covers

| ESG Working-level Council Operation Status

Category	2022	2023	2024
No. of meetings	4	4	4
No. of depts. Involved	16	17	16

ESG Committee

Roles of the ESG Committee

The ESG Committee, an ESG control tower of KB Securities, acts as the highest decision-making body by establishing corporate ESG policies and strategies, and resolving important ESG issues. The ESG Committee is reviewing opportunities and risk factors for each material issue identified through the materiality assessment, monitoring the implementation status of the company's ESG strategic tasks, and discussing the Group's ESG policies, while managing and supervising the company's ESG management activities.

Composition and Operation

The ESG Committee consists of three or more directors, who are appointed by the Board of Directors (BOD). In order to secure expertise and independence in operating the ESG Committee, it consists of a majority of non-executive directors. The ESG Committee holds regular meetings once every six months, and irregular meetings when necessary. In 2024, the ESG Committee was convened a total of three times, and the average attendance rate of the members was 100%. Evaluation of the ESG Committee's activities is conducted annually, and a comprehensive evaluation is conducted on all members of the Committee. Details of the composition, operation, and evaluation of the ESG Committee are reported in detail through the disclosure of the Annual Report on Governance and the Compensation System.'

| 2024 ESG Committee Operation Performance

Convocation date	Agenda items
Mar. 2024	· ESG Management Strategy Direction and Implementation Plan for 2024
Jun. 2024	· Publication of the 2023 KB Securities' ESG Report(Sustainability Report) · Results of Materiality Assessment
Dec. 2024	· Report Major ESG Performance in 2024













ESG Communication

Joined the Global Initiative to Strengthen Leadership for ESG Management

Global Initiatives

KB Securities is joining various global initiatives led by KB Financial Group. KB Securities is faithfully fulfilling its role as a core affiliate of KB Financial Group, and is supporting the principles pursued by the initiatives and working to ensure their practical implementation.

Initiatives that KB Financial Group Joined

Initiatives	Details
UNEP FI United Nations Environment Programme (UNEP) Finance Initiative	 The only international partnership between UNEP, an international initiative involving over 300 leading financial institutions worldwide, and the international financial sector
UN PRB UN Principles for Responsible Banking	 An international agreement that defines the roles and responsibilities of the financial industry for the implementation of the Paris Agreement and the UN Sustainable Development Goals (SDGs), and proposes a leading role for finance in creating a sustainable future
CDP Carbon Disclosure Project	 A private organization that promotes institutionalization and implementation by the environmental sector through disclosure of responses to climate change information by companies as an evaluation agency for global initiatives in the environmental sector
TCFD Task Force on Climate-related Financial Disclosures	 Initiative that encourages companies to reflect climate change risks in their financial statements
WEPIs Women's Empowerment Principles	 Joint UN Women/UN Global Compact initiative to strengthen the empowerment of women
CoREi Corporate Renewable Energy Initiative	 An initiative that supports companies' voluntary declaration of transition to renewable energy, and the establishment and implementation of renewable energy-related goals
PCAF Partnership for Carbon Accounting Financials	 An initiative to develop a unified standard for assessing and reporting greenhouse gas emissions related to the businesses in which the financial sector invests, and to encourage financial institutions to comply with the Paris Agreement
SBTi Science-Based Targets Initiative	 An initiative to strengthen climate action by providing guidance and methods for companies to set greenhouse gas emissions targets so that they can achieve the goals of the Paris Agreement
TNFD Task Force on Nature-Related Financial Disclosure	 A global consultative body launched to protect nature and biodiversity by reducing the impact of companies on the ecosystem
RE100 100% Renewable Electricity	 An abbreviation for Renewable Electricity 100%; a global campaign in which companies declare that they will convert 100% of the electricity they use in all their business locations to renewable energy



ESG Communication

Joined the Global Initiative to Strengthen Leadership for ESG Management

United Nations Global Compact (UNGC)



KB Securities joined the UN Global Compact (UNGC) in early 2022 to fulfill its social responsibilities and strengthen ESG leadership. UNGC is the world’s largest voluntary international agreement that encourages companies to improve corporate citizenship with the goal of sustainable development. About 19,000 members including governments, companies, civic societies, organizations, etc., are participating in it to practice ESG management and lead social responsibility.

UNGC’s 10 Principles in Four Areas (Human rights, labour, the environment, and anti-corruption)

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

CFO Coalition for the SDGs



In 2023, we joined the ‘CFO Coalition for the SDGs’ for the first time among Korea’s financial companies to reduce the gap between ESG management and actual financial strategies, expand investment in ESG-linked financial products, and strengthen communication of information on ESG investment and finance disclosure. The CFO coalition for the SDGs is the first coalition formed by the UN to achieve the SDGs, and currently about 100 global companies, including the world’s top-three credit rating agencies, Standard & Poors (S&P), Moody’s Investor Service, and Fitch Ratings, are members of the coalition. Going forward, KB Securities will lead sustainable finance by actively engaging in activities and substantially practicing it through joining and supporting global initiatives.

SDGs CFO Principles



Develop an SDG Impact Thesis and Measurement Tools

Integrate SDG Strategy & Investments

Integrate Corporate SDG Finance

Integrate SDG Communicating and Reporting

Asian Venture Philanthropy Network (AVPN)



In February 2022, KB Securities became the first Korean financial institution to join the Asian Venture Philanthropy Network (AVPN), Asia’s largest network of impact investment and social innovation institutions, to carry out social activities related to investment and strengthen impact investment.

As Asia’s largest network of social investors, AVPN has more than 600 members from 33 countries, including governments, businesses, civil society, and organizations. AVPN supports investors and funders to more effectively allocate capital to the social sector in order to address social issues in Asia. By joining AVPN, we intend to fulfill the essential role of a financial company that promotes effective utilization of capital in the social sector by investing in selective social projects with strong potential and insufficient funds, making virtuous investments that help to change the world.



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ESG Communication

Participating in ‘B Corp’ Networks to Expand the ESG Ecosystem

Hosting the ‘B Corp Wave’

In order to expand the ESG ecosystem, KB Securities is actively participating in the global B Corp network that seeks to solve social and environmental problems. ‘B Corp’ refers to a certification and brand that is granted to corporations that pursue financial and social values in a balanced manner — after verification of their transparency, accountability, and social and environmental performance at the higher level. It was established in 2006 by the American non-profit organization, B Lab.

In 2023, KB Securities held the ‘B Corp Wave’ together with MYSC, a Korean social innovation consulting and impact investment firm; and in September 2024, we participated as a panelist in the ‘Wave of Change Created by Corporations’ session during the Korea Social Value Festa. By preparing time to communicate with various stakeholders, we promoted the ‘B Corp movement’ that solves social and environmental issues, and had prepared a time to expand the ESG ecosystem and share values through solidarity between companies. In addition, we collaborated with Parastar Entertainment, one of the B Corp companies, at an in-house event in January 2025 to hold a performance by disabled idols group ‘Big Ocean’ of Parastar Entertainment. Going forward, we will continue to actively strive to create an impact that contributes to society and grow our corporate culture through inclusion and awareness improvement for the disabled.



Korea Social Value Festa



Performance of idol group, ‘Big Ocean’

Acquisition of Excellent ESG Management Evaluation Ratings and Continued Improvement Efforts

ESG External Evaluation

As a result of actively carrying out responsible management activities in each of the E (environment), S (social responsibility), and G (governance) + I (investment) areas under the ESG management slogan of ‘KB Securities caring for the world,’ our ESG management and achievements have been well-recognized by evaluation agencies. In the ‘2024 ESG Evaluation’ conducted by the Korea Institute of Corporate Governance and Sustainability (KCGS), KB Securities was rated ‘A’ in the governance (G) category, for the fifth year running. KB Securities also earned an ‘AA’ rating in Sustainvest’s ESG evaluation in the second half of 2024, attesting to our level of ESG management. Going forward, we plan to proactively respond to ESG-related issues and maximize the effectiveness of ESG activities through continuous improvements. We will systematically respond to issues through analyses of evaluation direction and strengthened disclosure to maintain our position as a leading ESG company.

ESG External Evaluation Results

Evaluation agency	2023	2024
 Korea Institute of Corporate Governance and Sustainability (in the area of governance)	A	A
 SUSTINVEST	A	AA



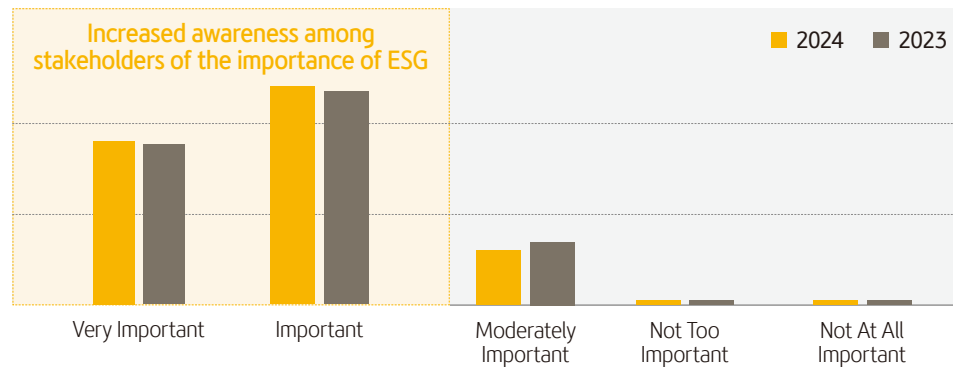
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Spreading ESG Awareness among Stakeholders

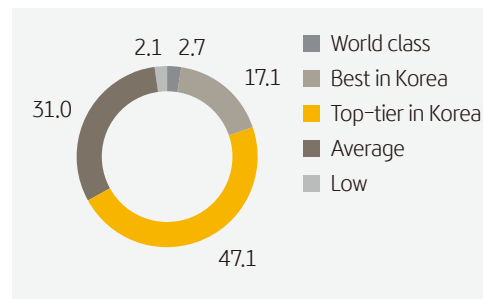
ESG Awareness Survey

KB Securities conducted a stakeholder awareness survey to enhance the reliability and effectiveness of ESG management. We conducted an online survey targeting internal and external stakeholders to gather their opinions on KB Securities' ESG management level, ESG report quality, and management of ESG issues. Based on the survey results, we will further upgrade ESG management and practice sustainable management that meets stakeholder expectations.

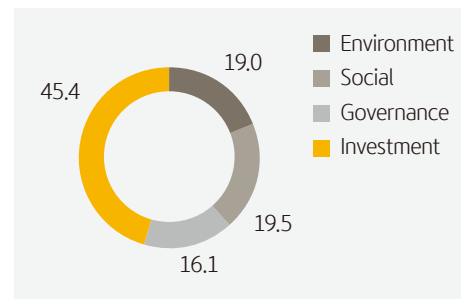
Importance of ESG Management



KB Securities' ESG management level



Areas on which KB Securities Must Focus



KB Securities has been practicing ESG management considering it as a core strategy for a sustainable future, rather than as a simple obligation. When KB Securities records profits, it strengthens social contribution and ESG investment, and it is building a virtuous cycle by taking the lead in solving practical social and environmental problems. We were the first securities company to establish an ESG Committee, and now we closely manage implementation of ESG tasks, and build a sustainable financial system. KB Securities is establishing an independent ESG risk-response system, newly establishing an ESG research team, providing ESG insights to corporate and institutional clients, and leading the expansion of the ESG ecosystem. Furthermore, we are, in collaboration with Merry Year Social Company (MYSC), an impact investment accelerator, discovering and fostering companies that create social and environmental values, and are practically linking finance and ESG by expanding ESG bonds and the carbon-emissions trading scheme. According to the ESG awareness survey, as these efforts lead to the creation of practical social value going beyond mere financial support, the number of stakeholders who recognize ESG management as important has increased, and we have been well-recognized by stakeholders regarding our level of ESG management.



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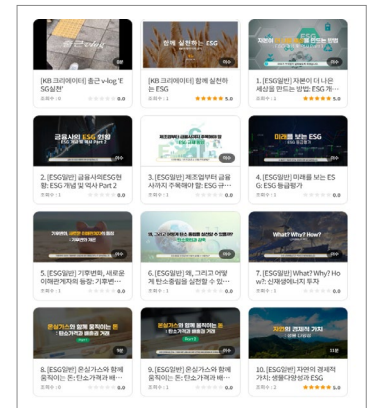
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ESG Communication

Raising ESG Awareness among Stakeholders

ESG Education for Stakeholders

KB Securities provides ESG content to stakeholders to raise awareness of sustainable finance and corporate management. We are effectively conveying key ESG issues such as climate change with 40 videos covering 36 topics. In addition, KB Securities produces and distributes ‘ESG Kkaebi Story’ to promote the participation of employees in ESG management, and shares major ESG management activities and the latest issues. Moreover, we are continuously expanding ESG education and collaboration activities and plan to continuously strengthen ESG capabilities through systematic education and information provision.



Contents on ESG (Online education)

ESG Education for Stakeholders Conducted in 2024

Month	Topic	Target audience
Mar.	Education on the 'KB Carbon Management System'	Employees of companies in high-carbon-emission industries
Jun.	Education on 'sustainability, strengthening regulations and opportunities'	Board of Directors
Aug.	Video training materials on ESG provided	Small and medium-sized enterprises
Sep.	Participated in the panel discussion of the Korea Social Value Festa 'Solidarity for Change' as panel	Government, private sector, academia, etc.
	Finance and ESG Training	New employees



ESG Kkaebi Story



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Stakeholder Engagement

KB Securities defines stakeholders that affect its management activities as customers, employees, shareholders and investors, partner companies, local communities, government, and competent authorities. For sustainable development and growth, KB Securities operates various communication channels that take into account the characteristics of each stakeholder and identify their interests and issues. Going forward, we will continue to build trust through continuous communication with stakeholders and share their valuable opinions with management and the ESG Committee so that their opinions can be reflected in management activities.





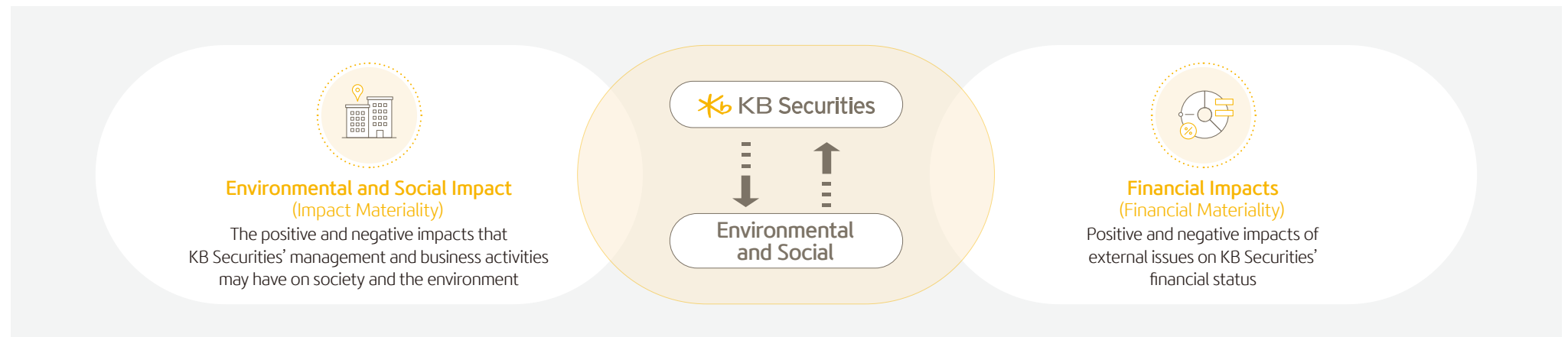
ESG Material Issues

Double Materiality Assessment

Overview

KB Securities conducts a materiality assessment every year to identify key issues that have a significant impact on the company’s sustainability and business. In 2023, we introduced the Double-Materiality Assessment, as recommended by the Global Reporting Initiative (GRI), by adopting the European Sustainability Reporting Standard (ESRS) of the European Commission. Double materiality is a concept that considers both the environmental and social impacts of a company on the environment and society, and the financial impacts of the external environment on the company’s financial performance. Through the double materiality assessment, KB Securities clearly analyzes the impacts of sustainable management issues on the company, both internally and externally, and quantitatively evaluates the level of stakeholder interest to effectively reflect it in ESG management strategies. This year, we have further strengthened the reliability and accuracy of the materiality assessment by reflecting the ESRS requirements. First, we have expanded the engagement of various stakeholders including customers and investors to increase representativeness and objectivity in the assessment process. We improved the consistency of the ESG assessment by additionally analyzing global disclosure and assessment standards such as K-ESG, ISSB, ESRS, KCGS, DJSI, and MSCI. In addition to the financial impact assessment through a survey, we have also introduced quantitative assessment techniques such as weighted analysis that reflect the budget and sales contribution of each issue, thereby further enhancing the reliability of the financial materiality assessment. Going forward, KB Securities will continuously improve the accuracy of the materiality assessment and maximize the effectiveness of ESG management through transparent ESG information disclosure that complies with global sustainability disclosure standards.

| Concept of Double Materiality



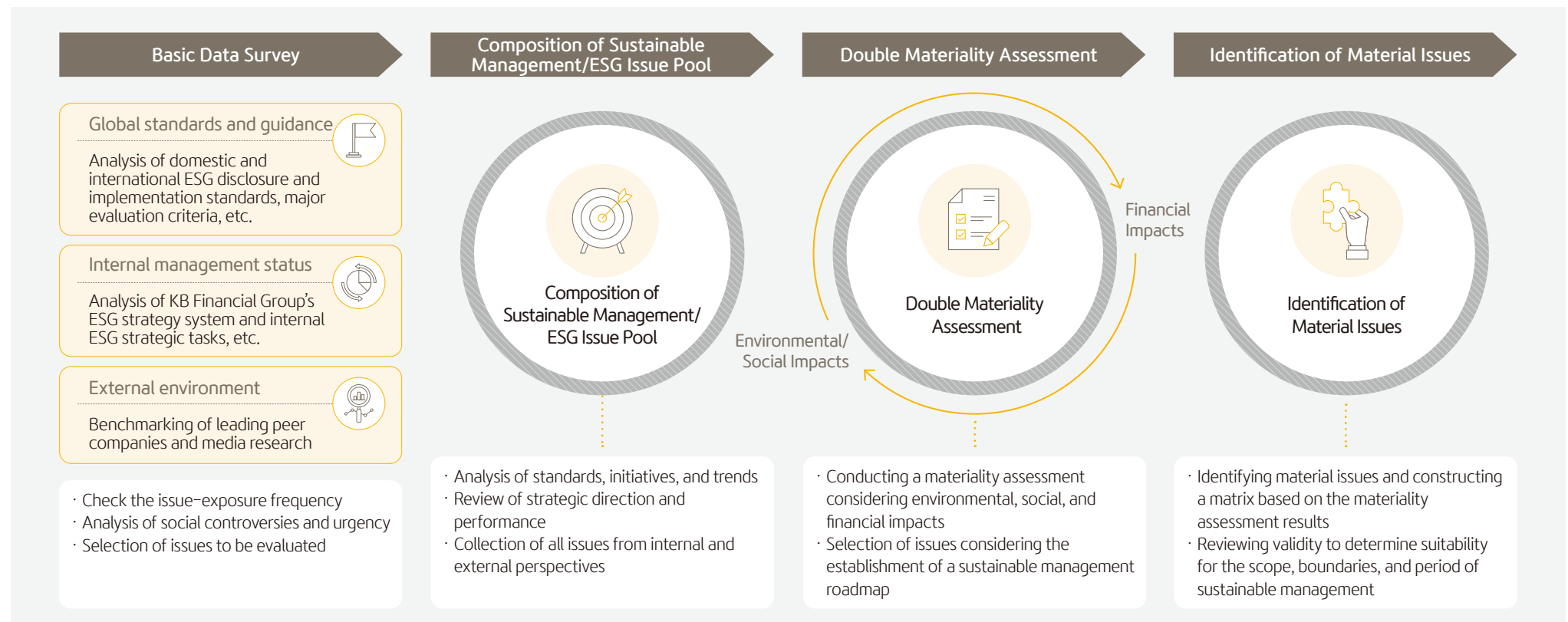


ESG Material Issues

Double Materiality Assessment

Process

KB Securities is applying a step-by-step approach to systematically conduct double materiality assessment. First, we collect basic data by analyzing global standards and guidance, and reviewing external environment and internal management status to derive ESG issue pools related to the company's sustainable management. Following this, we conduct a double materiality assessment by applying various evaluation techniques that quantitatively and qualitatively analyze not only the company's impact on the environment and society, but also the impact of environmental and social changes on the company's financial performance. Through this process, key issues that have a significant impact on sustainable management of KB Securities are derived.





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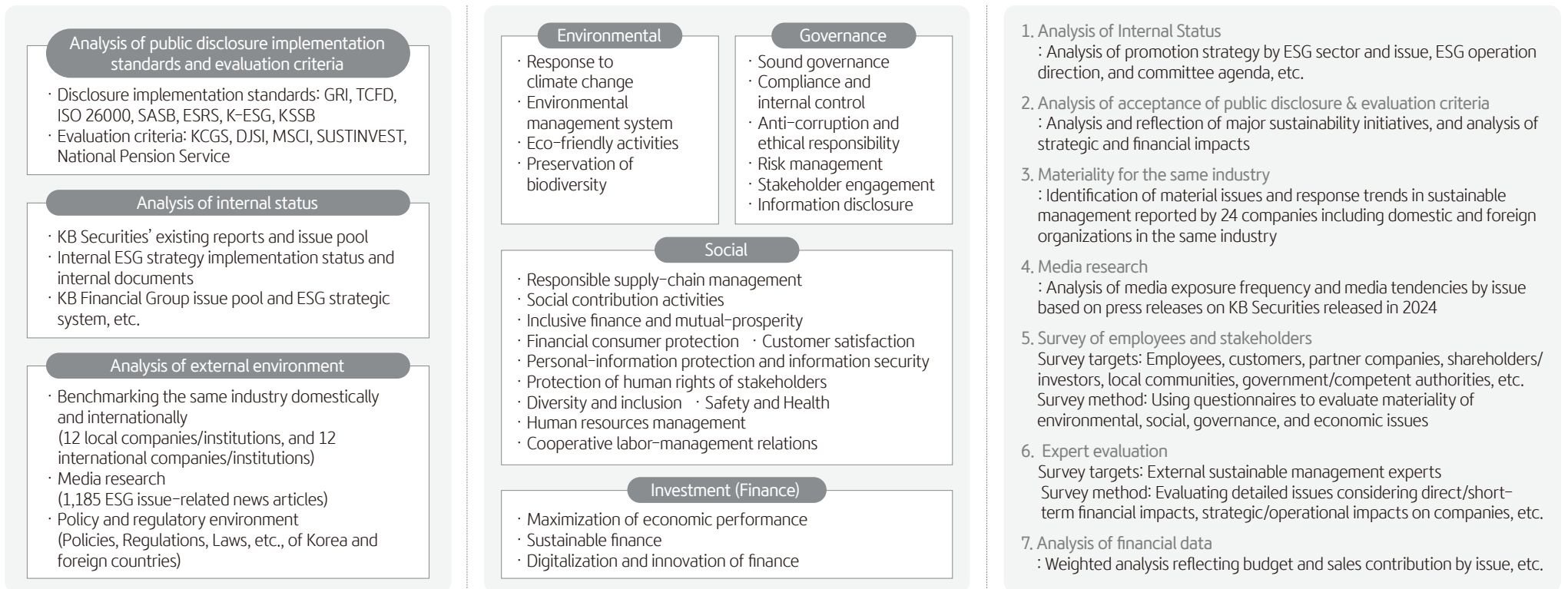
ESG Material Issues

Double Materiality Assessment

Implementation

In order to derive material issues to be considered for sustainability, we conducted a double materiality assessment prior to publishing this report. First, we analyzed domestic and international ESG disclosure and implementation standards and key evaluation criteria, and identified key issues by ESG area by benchmarking advanced companies in the same industry. In addition, we analyzed internal and external environments including media research, ESG strategies at the KB FG level, and KB Securities' own ESG strategies to form a pool of 24 issues. Following this, we quantified the results of the basic data survey conducted previously, and added stakeholder surveys and expert evaluations to comprehensively analyze the materiality of environmental and social impacts and financial materiality of each issue. In particular, we upgraded quantitative evaluation techniques such as weighted analysis that reflect the budget and sales contribution of each issue to enhance the effectiveness of the financial materiality assessment this time.

STEP 1 | **Basic Data Survey** → STEP 2 | **Composition of Sustainable Management/ESG Issue Pool** → STEP 3 | **Implementation of Double Materiality Assessment**





ESG Material Issues

Double Materiality Assessment

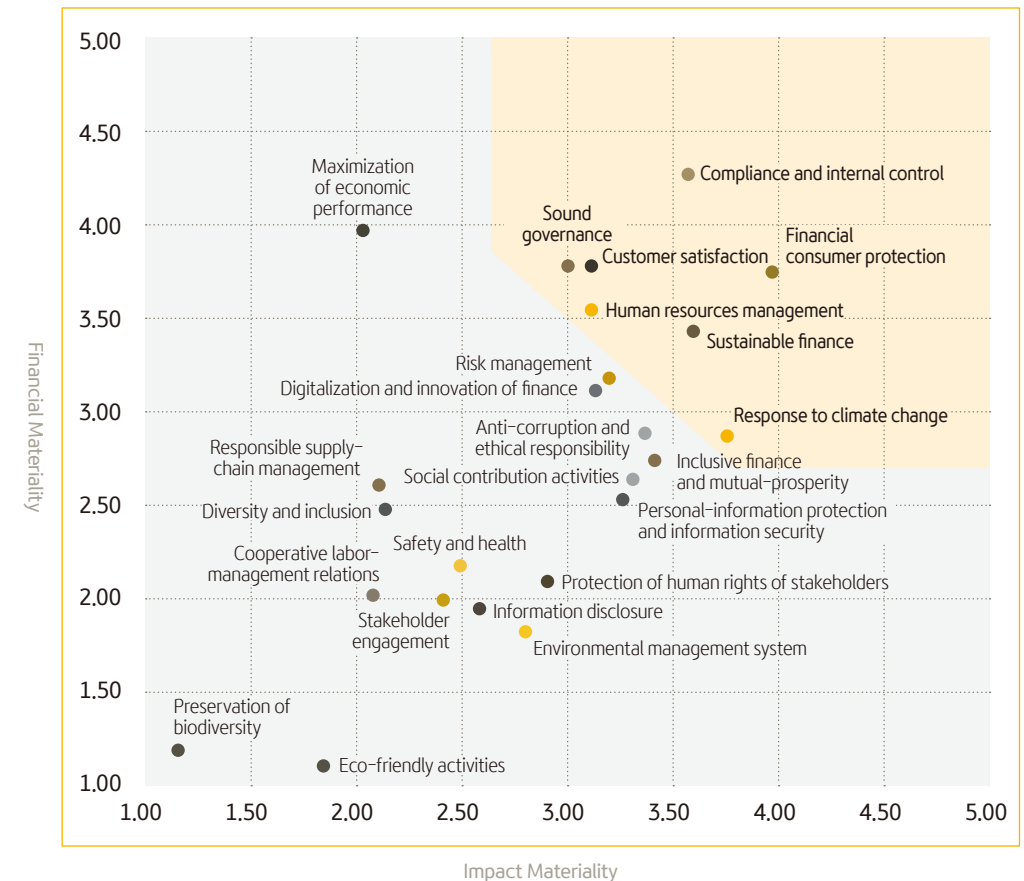
Implementation

We prioritized the issues through the double materiality assessment and selected the top seven issues as material issues. For the selected material issues, the environmental and social impact and materiality as well as the financial impact and materiality based on the evaluation results were disclosed, and relevant ESG strategic tasks were presented.

STEP 4 | Identifying Material Issues

The material issues finally selected through the materiality assessment on 24 issues related to KB Securities' sustainable management include: compliance and internal control; financial consumer protection; sustainable finance; customer satisfaction; sound governance; response to climate change; and human resources management. We adjusted the number of material issues from six to seven as issues requiring additional strategic responses were identified considering the changes in the ESG management environment and industry trends.

Compared to that of the previous year, 'compliance and internal control' climbed one level to take first place. This is analyzed as a result of the greater emphasis placed on the importance of regulatory compliance and risk-management capabilities as the improvement of laws and systems to strengthen internal control in the financial sector accelerates. 'Financial consumer protection and customer satisfaction,' which ranked 1st last year, were separated into two individual issues for intensive management and strategic approaches, but they are still ranked 2nd and 4th, respectively, as material issues. 'Sustainable finance' and 'Sound governance' maintained their 3rd and 5th places, similar to the previous year, due to the continued interest within the industry, while 'Response to climate change' dropped two places to 6th due to changes in relative priorities compared to other ESG issues in the financial market. Lastly, 'Human resources management' rose two levels to 7th place compared to the previous year, which shows that the importance of strengthening human capital disclosure and talent management is rising in the global financial industry.





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Double Materiality Assessment

Results

Ranking	Issues	Areas	Changes in ranking compared to previous year	Environmental and social impacts		Financial impact	Connection to ESG strategic tasks	GRI	Reporting page
1	Compliance and internal control	Governance	1▲	Opportunities	Building social trust and increasing financial stability	Opportunities	Reinforcing internal controls and regulatory compliance	205-2,3	p.139-148
				Risks	Incidence of customer damages	Risks			
2	Financial consumer protection	Social	1▼	Opportunities	Enhancement of rights and interests of financial consumers	Opportunities	Enhancing financial consumer protection and customer satisfaction	203-2	p.74-84
				Risks	Incident of financial consumer damages	Risks			
3	Sustainable finance	Investment (Finance)	-	Opportunities	Promotion of ESG management within companies and industries	Opportunities	Expanding ESG financial products and enhancing ESG research	203-2	p.34-39
				Risks	Reduction of ESG ecosystem funding	Risks			
4	Customer Satisfaction	Social	3▼	Opportunities	Increase in customer satisfaction	Opportunities	Enhancing financial consumer protection and customer satisfaction	203-2	p.84-86
				Risks	Increase in consumer complaints and grievances	Risks			
5	Sound Governance	Governance	-	Opportunities	Expanding ESG management activities through strengthening the sustainable management system	Opportunities	Expanding stakeholder communication	-	p.126-131
				Risks	Decrease in stakeholder trust and corporate sustainability	Risks			
6	Response to climate change	Environmental	2▼	Opportunities	Contribution to achieving carbon neutrality	Opportunities	Accelerating carbon reduction and low-carbon management	302-1,3 305-1,2,3,4	p.53-61
				Risks	Acceleration of climate crisis	Risks			
7	Human resources management	Social	2▲	Opportunities	Creation of an inclusive and reliable work environment	Opportunities	Practicing human rights and diversity-centered management	401-1,2,3 404-1,2,3	p.97-117
				Risks	Employee complaints and conflicts	Risks			

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2024 Achievements

 Performance of ESG Financial Products KRW 173.1 billion <small>(Target achievement rate 119.3%)</small>	 Lead Manager for ESG Bonds KRW 38.618 trillion <small>(KRW 13,764 trillion increase from the previous year)</small>	 First issuance of Sustainability Linked Bond (SLB) Issued by public institutions Sole Lead Manager <small>(Three-year maturity, KRW 50 billion)</small>
 Management of SME Growth Support Fund Approximately KRW 900 billion <small>Selected Outsourced Chief Investment Officer (OCIO)</small>	 Supporting microfinance for SMEs KRW 333.4 billion <small>(KRW 107.8 billion increase from the previous year)</small>	 Students participating in One Company-One School Financial Education Program 2,798 persons

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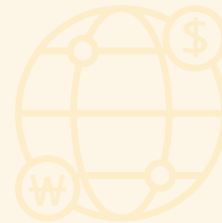
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01 ESG Finance



Approach

Financial activities reflecting ESG are indispensable means for a sustainable future, and securities companies that connect companies and investors through the capital market play an important role in spreading ESG values. KB Securities recognizes this responsibility of financial companies and considers ESG finance as a key ESG task.

KB Securities aims to contribute to building a sustainable financial ecosystem by expanding ESG financial products and establishing a decision-making system for investment that considers ESG factors. Going forward, we will continue to become a responsible financial company that realizes environmental and social values through ESG finance and provides long-term returns to investors.

| Governance |

- Operation of the ESG Committee, the highest decision-making body related to ESG finance
- Operation of the ESG Strategy Team, an organization dedicated to ESG finance
- Membership in and participation in the Asia Venture Philanthropy Network (AVPN), a global initiative for sustainable finance

| Risk Management |

- Classification and selection of financial products based on the ESG financial products management system
- Monthly monitoring of detailed progress of ESG financial products
- Establishment of an investment portfolio management system from an ESG perspective based on the Environmental and Social Risk Management System (ESRM)
- Conducting environmental and social risk assessments for financial activities above a certain amount that fall under areas of caution and interest in terms of climate change

| Strategy |

- Pursuing achievement of KB FG's ESG financial goal 'KB Green Wave'
- Establishment of KB Securities' mid- to long-term ESG financial products goals
- Segmentation of ESG financial products by types/sectors

| Targets & Metrics |

ESG financial products targeted by 2027
KRW 1,883.8 billion

Leading the ESG bonds market

ESG product, investment, loan amount

Amount of ESG bonds lead underwritten | Investment in ESG bonds



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ESG Finance System

KB Securities' ESG Finance

KB Securities is deeply aware of its responsibility as a financial investment company and is contributing to building a sustainable society through ESG finance. We are expanding the ESG ecosystem by utilizing the enormous influence of finance and actively promoting impact investment in companies that seek to solve environmental and social issues. In particular, we are continuously striving to reduce greenhouse gas emissions across the industry, strengthen social stability, and support vulnerable groups by expanding financial support such as investment and loans targeting industries and companies in the ESG areas. As such, we will advance the realization of a sustainable society and realize KB Securities' vision of 'Financial services delivering changes.'

KB Financial Group's KB GREEN WAVE 2030

KB Green Wave is KB Financial Group's target to increase the size of ESG finance, which aims to increase the size of ESG products, investments, and loans to KRW 50 trillion by 2030, of which KRW 25 trillion will be in the environmental area. Currently, KB Financial Group's ESG products, investments, and loans are continuing to grow steadily. The size of ESG financial products is increasing every year in the environmental, social, governance, and ESG-combined areas. As of the end of December 2024, the total size of ESG finance products reached KRW 33.2 trillion, and we will further expand the role of finance for a sustainable future.

Increasing the size of ESG products, investments, and loans to

KRW 50 trillion by 2030

(KRW 25 trillion in the environment area)



KB Financial Group's ESG Financial Product Classification

'ESG financial products' refers to products related to eco-friendliness(Environmental), social responsibility(Social), and governance improvement(Governance). KB Securities classifies ESG financial products into three types: investment, loans, and products, and manages them by dividing them into four sectors: environment, society, governance and ESG integration, and 20 items.

| ESG Financial Product Types

Investment



Funding for projects such as infrastructure and real estate development or funds/SPCs, such as asset management, credit execution, securities investment, equity acquisition, etc.

Loans



Credit grant by money to lend funds to customers based on personal or corporate credit and collateral

Products



Deposits, trusts, funds, insurance products, etc., collected from customers for the purpose of management, investment, profit, etc.



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| Areas and items of ESG financial products

- Job creation
- Improvement of accessibility to basic social services
- Support for small and medium-sized enterprises (SMEs) and microfinance
- Housing support for the vulnerable and low-income class
- Socio-economic development and promotion of human rights
- Provision of accessible basic infrastructure
- Expansion of sustainable food
- Creation of sustainable cities
- Enhancement of shareholder value
- Improvement of governance



- Utilization of carbon-neutral core technologies
- Production of renewable energy
- Increase in energy efficiency
- Use of eco-friendly transportation and transport
- Expansion of eco-friendly buildings
- Use of natural resources and land
- Sustainable management of water resources
- Creation of a circular economy
- Prevention and management of pollution
- Preservation of biodiversity

Selection of ESG Financial Products

We are establishing a stage-wise operation system for systematic ESG financial product management. First, the ESG Strategy Team forms an ESG working-level council to monitor the financial product status every month, centered on the product department. Through this, we check the progress of ESG financial products' operation and discuss continuous improvement directions. The Group ESG Financial Products Council, which meets quarterly at the KB FG level, reviews ESG Washing issues and selects ESG financial products based on the financial product type and item classification criteria that reflect K-Taxonomy, etc.



| ESG Financial Product Selection

Grade	Details
Level 1	Clearly included in ESG factors and business objectives
Level 2	Comprehensively included in ESG items and business objectives, and the possibility of 'ESG washing issues' to occur is low
Exclusion from Performance	High possibility of ESG washing issues to occur



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ESG Finance Risk Management

ESG Risk Management System

Considering the impact of financial activities on the environment and society, KB Securities has established an investment portfolio management system from an ESG perspective based on the Group’s Environmental Social Risk Management Framework (ESRM*), and is managing environmental and social risks therefrom. To this end, we have subdivided the management areas of financial products into four categories: Exclusion/caution/interest/support; and systematically selected and managed businesses and industries that might have negative environmental and social impacts.

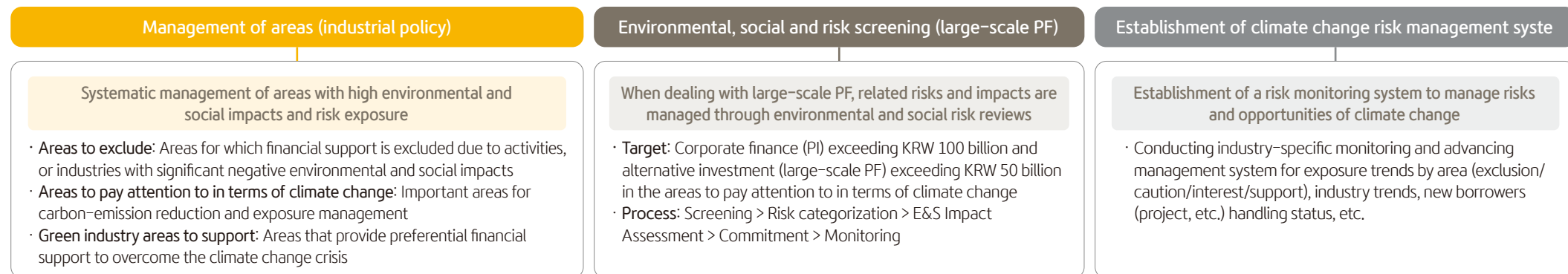
For financial activities above a certain amount, we conduct environmental and social impact assessments according to a series of processes, and then we conduct continuous monitoring for each industry to improve the management system. We plan to establish short-to mid-term management strategies and industrial policies for each industry and area, based on analysis of the monitoring results, reflect them in the assessment policy, and seek decrease of high-risk industries.

*KB Financial Group’s Environmental Social Risk Management Framework (ESRM)

ESG Risk Assessment System

Based on its existing internal regulations on risk assessment, KB Securities has established risk assessment principles and standards from an ESG perspective by reflecting the Group Environmental and Social Risk Management Guidelines and the Group Environmental and Social Risk Management System — and is operating the ESG Risk Assessment Guidelines based on them. The Investment Assessment Division has revised the ESG Risk Assessment Guidelines and is implementing the ESG Risk Assessment Reinforcement Plan in conjunction with the Environmental and Social Risk Management System (ESRM) Promotion Plan carried out by the Risk Management Division. Through this, the Risk Assessment Division is managing environmental and social risks for financial investment activities above a certain size that fall under areas of caution and interest regarding climate change more systematically. In addition, the Investment Assessment Division has developed a function to classify and manage ESG investment assets approved by the Risk Assessment Joint Council among all investment assets, and has been improving the ESG risk assessment system. Going forward, we will advance the ESG risk assessment system to create sustainable finance.

Environmental Social Risk Management Framework





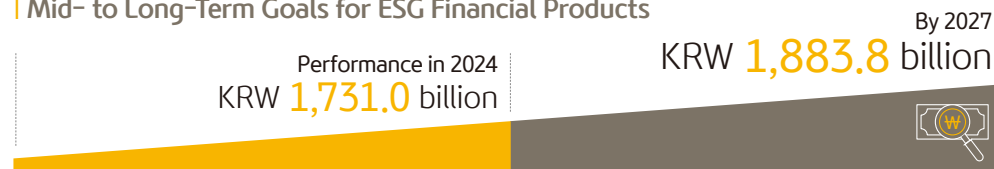
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ESG Finance Goals and Performance

Establishment of ESG Financial Products Goals

KB Securities establishes quantified mid- to long-term ESG financial products goals by sector under the KB Financial Group's KB Green Wave 2030 strategy, monitors monthly progress, and systematically manages the goals. It has clearly set annual ESG financial products goals up to 2027, including detailed goals for each sector of IB, S&T, and WM, and has set the goal for 2027 at KRW 1,883.8 billion, an 8.83% increase from KRW 1,731.0 billion achieved in 2024. Through continuous efforts to expand ESG financial products, KB Securities will strive to achieve KB Financial Group's goal of KB Green Wave 2030, which aims to expand ESG products, investments, and loans to KRW 50 trillion by 2030.

Mid- to Long-Term Goals for ESG Financial Products

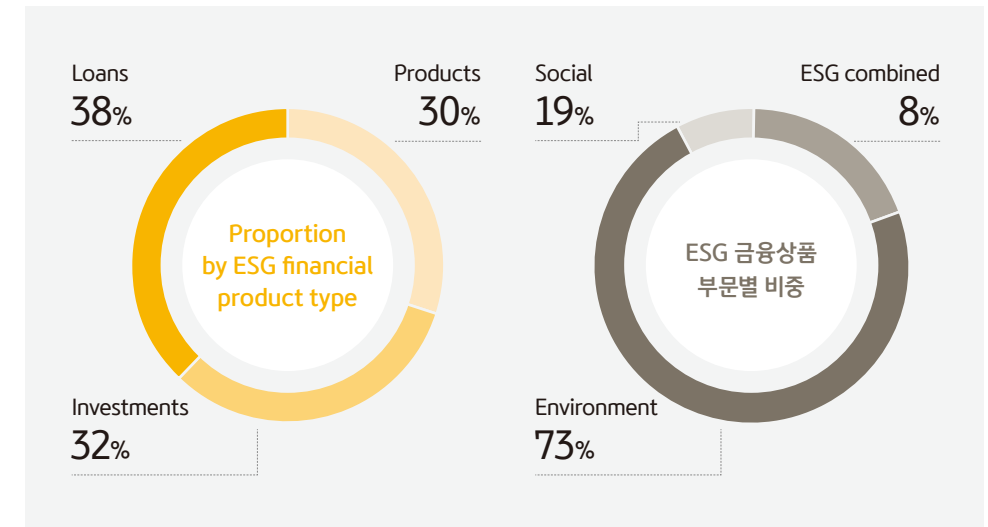


※ We have set reasonable goals considering the growth rate of equity capital, and the goals may be changed through annual consultation with the holding company.

Performance of ESG Financial Products

KB Securities is achieving increased performance every year with a total of KRW 925.7 billion in 2021, KRW 1,266.8 billion in 2022, KRW 1,353.0 billion in 2023, and KRW 1.731 trillion in 2024 (based on year-end balance), respectively, in the areas of ESG products, investments, and loans. In addition, considering the need to respond to climate change and create a sustainable environment, we allocate 73% of ESG financial products to the environmental area. Meanwhile, the achievement rate of the 2024 financial products target (KRW 1.4511 trillion) reached 119.3%, surpassing the target, which is well underway according to the mid- to long-term roadmap. In addition to our efforts to expand ESG financial products, we are striving to prevent washing and ensure sincere ESG financial investments based on our assessment and management system.

Performance of ESG Financial Products



ESG Products, Investments, and Loan Amounts

	Products	Loans	Investments	Total
2022	5,315	4,208	3,145	12,668
2023	5,202	4,378	3,951	13,530
2024	5,136	5,569	6,605	17,310

(Unit: KRW 100 million)

※ Differences in total amounts may occur due to rounding off of decimal points.



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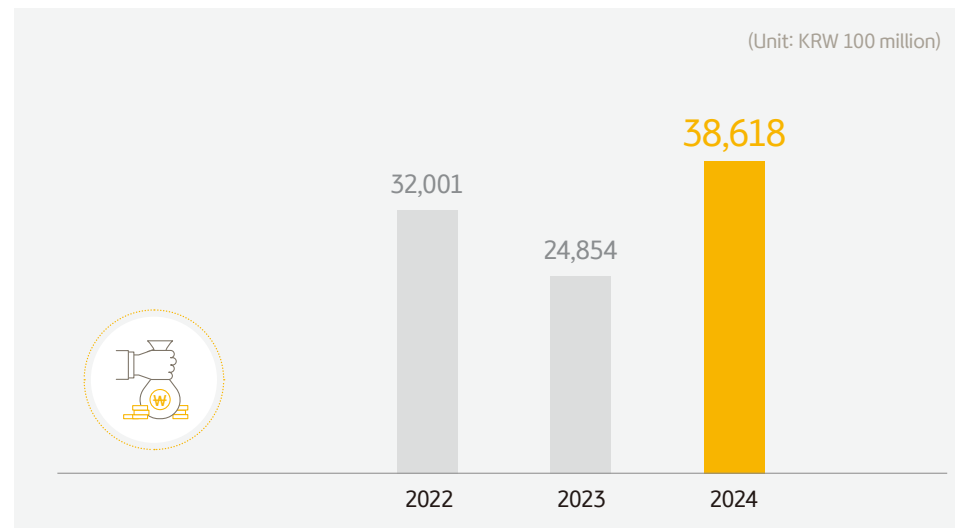
ESG Bonds

Leading the ESG Bond Market

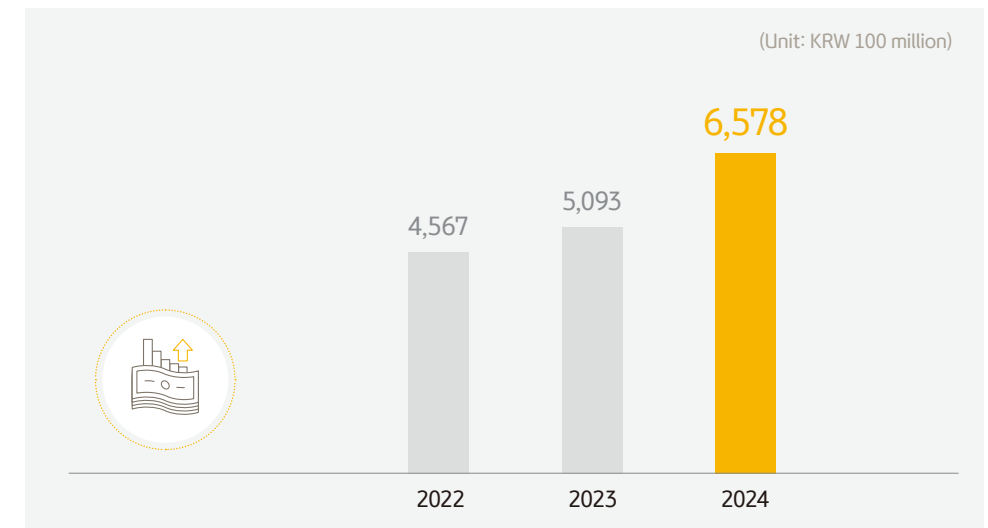
ESG bonds consist of Green bonds, Social bonds, and Sustainability bonds — and funds raised by ESG bond issuance can only be used for projects to enhance social value, such as green projects or support for the underprivileged. KB Securities, as the time-honored strongest player in the bond market, has firmly maintained its No. 1 market share in the ESG bond market (leading bond issuance).

In particular, in July 2024, we successfully led the issuance of the first Sustainability Linked Bond (SLB) by a public institution. Korea South-East Power Co., issued bonds worth KRW 50 billion with a three-year maturity, and KB Securities successfully led the issuance, supporting the public institution's entry into the SLB market. In addition, in July 2023, we successfully co-led the issuance of Sustainability Linked Bonds (SLBs), a type of ESG bond, worth KRW 220 billion, by Hyundai Capital, and actively supported the issuance of SLBs by private companies. Based on this experience, we are continuously contributing to expanding the base of the SLB market, which is still relatively unfamiliar in Korea, and to revitalizing the sustainable finance ecosystem.

| ESG Bond Underwriter



| Investment in ESG Bonds (balance)





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Inclusive and Mutual-Prosperity Finance



Approach

Securities companies are important players that can realize financial inclusion and mutual prosperity in society by increasing accessibility to the capital market, and supporting the growth of various social classes and companies, including the vulnerable and SMEs. KB Securities recognizes this important role of securities companies, and is striving to ensure that the benefits of finance are not owned only by specific groups — but are evenly enjoyed by various economic entities, including the youth, SMEs, and social enterprises. Going forward, we will realize the value of mutual prosperity through finance by strengthening financial inclusion through inclusive financial products and customized financial education and supporting the sustainable growth of SMEs.

| Governance |

- Operation of ESG Win-Win Council and ESG Division at the Group level
- Operation of a department for cooperation and support of mutual prosperity-related work

| Strategy |

- Development of inclusive financial products such as financial products specialized for the youth
- Financial education for stakeholders such as financial education for young people preparing for self-reliance, One company-One school financial education, and ESG education for SMEs
- Investment for mutual prosperity and innovative financial activities such as operation of a growth support fund for small and medium-sized venture companies and financial support for small and medium-sized venture companies
- Impact investment in social venture companies

| Risk Management |

- Fund management and investment based on risk management and performance evaluation
- Selection of companies for impact investment through financial evaluation, ESG screening and assessment

| Targets & Metrics |

Amount of capital commitment to impact investment funds

Amount of investment in KOSDAQ venture companies

Amount of microfinance support investment for SMEs

Number of financial education sessions, and number of students participating in the education



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Inclusive and Mutual-Prosperity Finance System

Inclusive and Mutual-Prosperity Finance Governance

KB Securities operates a KB FG-level ESG Win-Win Council to strengthen management for mutual prosperity. Led by the holding company's ESG Division, we are cooperating with the Securities Strategy & Planning Division (Strategic Planning Department) to establish a mutual prosperity-related management and reporting system. Social contribution and donation-related works are managed by the Brand Strategy Department, which reports to the management and the Group. As such, we are practicing systematic management for mutual prosperity and striving for sustainable growth and social value creation.

| Inclusive and Mutual-Prosperity Finance Governance



Development of Inclusive Financial Products

Launch of Financial Products and Services Tailored to the Youth

KB Securities has launched the Income-deductible Long-term Fund for the Youth, a financial product tailored to the youth, as a policy financial product to support their stable asset formation and preparation for self-reliance. Only individual customers aged 19 to 34 years who are new to society can subscribe to this fund if they meet the income requirement of a total salary of KRW 50 million or less, or a comprehensive income of KRW 38 million or less in the previous tax period. Customers who subscribe to the fund can make payments for three years or more but less than five years within the annual limit of KRW 6 million, and can enjoy income deduction of 40% of the annual payment amount, which can help save on taxes and build assets. In addition, we launched funds with various themes such as long-term growth, dividend income, and ESG to enable them to make wise investments by reflecting the diverse investment needs of the youth.

| Income-Deductible Long-term Fund for the Youth (Based on balance at the end of 2024)

Fund	Balance
KB Sustainable Dividend 50 Income-Deductible Securities Feeder Investment Trust for the Youth (Hybrid Bond)	KRW 1.41 billion
KB Korea-U.S. Representative Growth Income-Deductible Securities Feeder Investment Trust (Equity-Derivatives)	KRW 1.91 billion
Midas New Growth Company Focus 70 Income-Deductible Long-term Securities Feeder Investment Trust for the Youth (Equity)	KRW 1.5 billion
Hanwha MZ Pick Korea&K-REITs Youth Income Deduction Securities Umbrella Feeder Fund (Equity)	KRW 0.6 billion
Truston ESG Governance Level Up Youth Income Tax Deduction Long-Term Feeder Fund (Equity)	KRW 0.3 billion



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Financial Education

Financial Education for the Support Group for Young People Preparing for Self-Reliance

KB Securities is providing financial education for the support group for the youth preparing for self-reliance ('Pinwheel Supporters'), and the youth preparing for self-reliance with the goal of providing practical finance for mutual-prosperity for vulnerable financial consumers. In 2024, we expanded financial education activities nationwide in cooperation with four regional self-reliance support organizations including the Gyeonggi region. The education was conducted focusing on topics such as asset management and insurance for the youth, development of consumer spending management skills, youth support policies for successful self-reliance, and asset management for young adults. The education was conducted by economic and financial education experts from the KB Foundation who provided practical financial knowledge. Going forward, we plan to further expand the mutual-prosperity finance foundation for the financially vulnerable. To this end, we plan to provide guidance on how to apply using a newsletter, and expand the education channel and targets to support more young persons to receive financial education. We will become a company that practices social responsibility while growing together with the youth.



Financial education for Pinwheel Supporters

Financial education for Pinwheel Supporters

Category	Topics	Date
Gyeonggi	Asset management and insurance for the Youth	May 11, 2024
Daejeon	Development of consumer spending management skills	Aug. 29, 2024
Gangwon	Youth support policies for successful self-reliance	Sep. 12, 2024
Jeonnam	Asset management for young adults	Oct. 1, 2024

'One Company One School' Financial Education

KB Securities has formed partnerships with 128 elementary, middle, and high schools nationwide and operated 'One Company One School financial education' to continuously provide financial education so that students can develop a correct understanding of finance and healthy financial lifestyle habits and attitudes from an early age. In 2024, we conducted on-site education for a total of 2,798 persons at 15 schools. Going forward, we will continue to provide education in various ways and on various topics, such as on-site education, as well as real-time video education, in partnership with schools.

Provision of ESG Education Courses for SMEs

KB Securities has jointly operated the Financial ESG Education Course together with the Financial Supervisory Service and the five major financial holding companies. It was conducted in a non-face-to-face manner for SME employees to foster experts in key fields such as ESG financial product development, corporate disclosure, risk management, and trade. During the education sessions, industry experts shared their in-depth analysis and response measures on the topics of 'SME greenhouse gas emissions calculation and management plan,' and 'Supply chain due diligence regulation trends and SME response measures.' Through this, participants in the education had the opportunity to understand the latest ESG regulations and market trends and seek practical application methods.



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Financial Support for SMEs

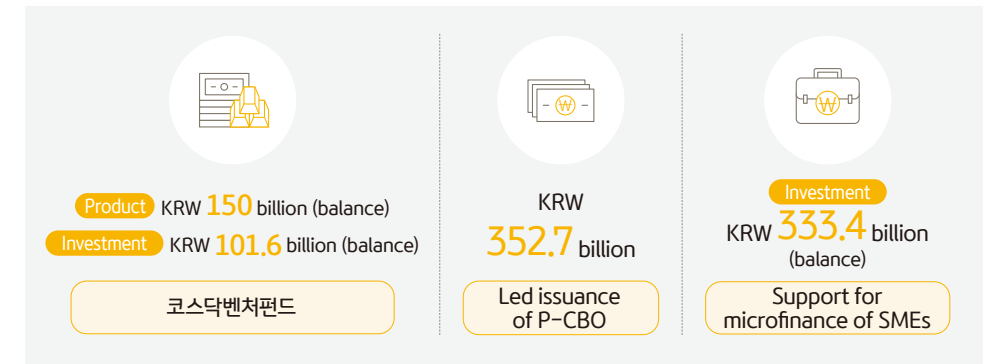
Operation of Funds Supporting the Growth of SMEs and Venture Companies

In December 2024, KB Securities was selected as an Outsourced Chief Investment Officer (OCIO) for the Performance-based Compensation Fund of the Korea SMEs and Startups Agency. It is a fund established in accordance with the Special Act on Support for Human Resources for SMEs, and KB Securities will manage bonds, stocks, and alternative assets worth approximately KRW 900 billion over the next four years and provide services such as risk management, performance evaluation, and fund operation consulting. In this way, we will support the long-term employment of key personnel and young workers of SMEs, thereby promoting not only the sustainable growth of small and medium-sized enterprises, but also the balanced development of the financial market as a whole.

Financial Support for SMEs and Venture Companies

KB Securities is actively supporting SMEs and venture companies, creating a win-win financial ecosystem. We are raising funds by launching fund products, and providing indirect financial support to SMEs and venture companies including unlisted companies and KOSDAQ-listed companies using the funds, and contributing to management activities and business. In 2024, we continued to provide financial support to venture companies and KOSDAQ-listed companies through the KOSDAQ Venture Fund, and led the issuance of P-CBO (collateralized bond obligations) worth KRW 352.7 billion for smooth financing for SMEs such as social investment funds, on 21 occasions. In addition, the amount of SME microfinance (balance) increased by KRW 107.8 billion year-on-year to KRW 333.4 billion, thereby expanding the size of win-win investments. Moreover, we are actively participating in innovative finance activities such as forming funds to support the innovative growth of venture companies and making fund investments.

Key Performance in the Inclusive Finance Sector in 2024



Fund Related to Innovative Finance in 2024

Fund	Purpose	Participation scale
JCH-Triangle Regional Innovation Fund	Investment in water industry (water resources, smart city, 4th industrial revolution technology) companies and 4th industrial technology ventures	KRW 1 billion
AKK Robotech ValueUp New Technology Investment Fund	Investment in acquisition associations of manufacturers such as logistics automation robots AGV/AMR, Stocker, etc.	KRW 1 billion
Intops SaaS-Driven Innovation Growth Fund	Investment in innovative startups and SMEs in SaaS and AI fields	KRW 2 billion
IMM Growth Venture Fund II	Investment in industries promoted by technology trends such as AI and robots	KRW 1 billion
LINEA-NBH New Technology Investment Fund II	Manufacturing of intelligent wearable rehabilitation and industrial robots	KRW 2 billion
KB-CYRUS Tourism Venture Fund	Related SMEs and projects	KRW 5 billion

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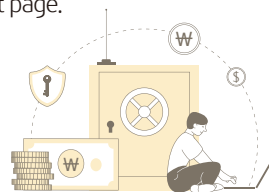
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Impact Investment

KB Securities is contributing to the spread of the ESG investment ecosystem and creating sustainable value by investing in social venture companies that actively seek to solve major issues in the social and environmental areas. In June 2023, we formed the KB Securities ESG Value Expansion Venture Capital Partnership Fund with an ESG specialized accelerator MYSC, and are making impact investments in ESG innovative startups and social venture companies. In 2023, we made initial investments in three companies, and in 2024, we identified and invested in eight more companies to actively support the growth of social venture companies with the capacity to realize social value. Meanwhile, in order to strengthen the transparency of investment activities, we are disclosing key information of the KB Securities ESG Value Expansion Venture Capital Partnership Fund through the Sustainability Report by referring to the EU Sustainable Finance Disclosure Regulations (SFDR). In addition, interviews with MYSC and major investment companies that are jointly operating the fund can be found on the next page.



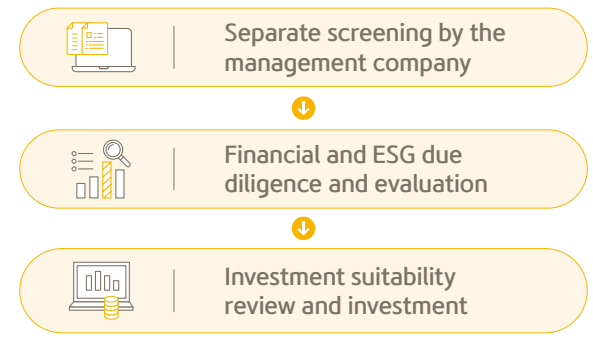
Goals of Sustainable Investment for Financial Products

The purpose of the KB Securities ESG Value Expansion Venture Capital Partnership Fund is to promote sustainable development by investing in companies engaging in businesses related to renewable energy, the circular economy, social service improvement, employment of vulnerable groups, and responses to population decline and local extinction — with climate change response, and support for vulnerable groups as its core goals.

Investment Methodology to Achieve the Goal

To achieve the investment goals, we select companies that meet the evaluation criteria and make the investment.

- Companies that pass the management company’s screening for financial and ESG assessment

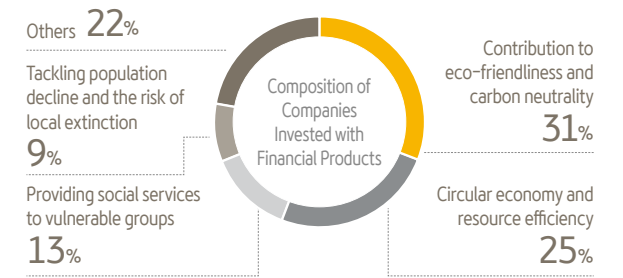


Description of Whether the Investment Contributes to Achieving the Goals

The KB Securities ESG Value Diffusion Investment Association Fund maintains a ratio of more than 50% of its investment in companies that contribute to the activation of the eco-friendly, carbon-neutral, and circular economy, thereby contributing to reducing carbon emissions. It contributes to reducing waste by investing in companies that have technologies that enhance the circular economy and resource efficiency, such as companies that extract recycled yarn from waste bedding, and it contributes to the financial independence of the vulnerable through investment in companies that are taking the lead in creating social service infrastructure in the areas of care and medical care for the vulnerable, and in creating jobs, and improving awareness for the hearing impaired.

Composition of Companies Invested with Financial Products

We have invested a total of KRW 3 billion in a total of 14 companies as of March 2025.



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CEO of MYSC
Jung-Tae
Kim

mysc

We create new standards
in capital markets through
impact investments.

Please introduce "MYSC".

MYSC (Merry Year Social Company) is an impact investment company established in 2011, and is Korea's leading ESG accelerator that pursues both social value and financial returns. As a B Corp certified company, we focus on preemptive investment in startups that solve social and environmental problems, even in a situation where the proportion of initial investment in startups is decreasing. Based on our experience in creating policy-based funds with various financial institutions, MYSC is creating sustainable impact finance.

Please explain the reason why you decided to collaborate with KB Securities.

Amidst the recent tightening of the capital market and the ongoing decline in the proportion of investments in early-stage startups, KB Securities decided to make impact investments to spread ESG values from a securities firm perspective. KB Securities planned an impact investment fund to realize our core value of 'mutual-prosperty' — and we, MYSC, as a verified management company in the social and environmental fields, decided to join. We trusted the brand value of KB in deciding on the collaboration.

What do you think is the significance of KB Securities' impact investment?

It is very meaningful from the perspective that a securities company has concretized its responsibility for the capital market in the form of 'impact investment.' It can be seen as an attempt to connect ESG values and the social role of finance beyond the mere pursuit of profits. In particular, KB Securities participated in the fund as an anchor investor, which is expected to provide a reliable signal to the market and contribute to the activation of ESG investment by private financial institutions.

Please introduce the goals and management strategies of the ESG Value Expansion Venture Capital Partnership Fund.

The KB Securities ESG Value Expansion Venture Capital Partnership Fund is making preemptive investments in seven to 10 companies, focusing on early-stage startups in the environment (E) and social (S) areas, and seeking opportunities for collaboration by considering the possibility of collaboration with KB Securities. In particular, more than 50% of the Fund focuses on investments in companies that contribute to the activation of eco-friendly, carbon-neutral, and circular economy, and some are also invested in overseas social venture companies with which strategic collaboration is possible, such as those in Vietnam and Indonesia. The Fund has a structure that pursues both profitability and impact.

What are your expectations of the collaboration with KB Securities?

Our collaboration is the starting point for creating synergy as an ESG practice partner beyond a simple operating-investment relationship. We, in collaboration with KB Securities, hope to design joint projects with portfolio companies, program linked to social contribution, and employee-participatory ESG programs, even after the investment is completed. We hope that KB Securities and MYSC will continue to be partners on a journey where finance becomes a platform for social change.



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CO:ACTUS is realizing the value of universal mobility.

Please introduce 'CO: ACTUS'.

CO:ACTUS is developing a universal service by creating impartial opportunities and realizing the value of universal mobility. With an interest in solving social problems through technology, CO:ACTUS started with the 'Goyohan (Silent) Taxi' service that expanded the range of job options for the hearing impaired. By incorporating IT technology, we made it possible for passengers and hearing-impaired taxi drivers to communicate through a communication solution based on tablet PCs, thereby contributing to nurturing the first hearing impaired taxi drivers in Korea. Currently, through the 'Goyohan M' platform, we are working to create fair opportunities by hiring people with various types of disabilities, including hearing impairments, as drivers, and we are realizing the value of universal mobility by renting and transporting vehicles that can be boarded by wheelchairs for the first time in Korea.

How did KB Securities' impact investment help your business?

Through the KB Securities' impact investment fund, which was established to spread ESG management values, we have received investment in recognition of the social value, ripple effects, and sustainability of the 'Goyohan M.' Thanks to the investment, we were able to introduce additional wheelchair-accessible vehicles and further upgrade the technology and systems for disabled workers.

Please describe a case where you created social value through your business.

CO:ACTUS holds the provision of impartial opportunities as its core value and has created jobs for the hearing impaired in the transportation industry for the first time in Korea. So far, more than 160 persons with disabilities have been able to find jobs with our assistance, and we are the first private sector company to operate a transportation service for the mobility disadvantaged. We are striving to create a sustainable mobility ecosystem by expanding welfare car rentals and introducing eco-friendly recycling filters.

What are your company's plans for the future?

We have made many attempts to create a sustainable mobility ecosystem, but we have not yet provided a universal service that everyone can enjoy. We want to provide a mobility service that can be easily accessed by more and more transportation-disadvantaged people by expanding the service scale and providing the service in more regions.

What do you expect from KB Securities in terms of ESG finance?

Since we directly operate our own fleet, we use various financial products such as credit for vehicles. However, we can find few financial products targeting universal vehicles such as modified slope vehicles. In addition to impact investment, I hope that we can create many areas where ESG can be practiced as an extension of our business, together with the investors. I expect that KB Securities' assets and expertise in the financial sector will be of great help to social venture companies like CO:ACTUS in growing, and I also expect that more businesses that can create a greater social impact while growing will emerge in society.



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HUBRIZ.

HUBRIZ creates a society without career gaps through care services

Please introduce 'HUBRIZ'.

In 2017, after witnessing the care gap and career gap issues faced by my colleague who was a working mom, I founded HUBRIZ to solve such problems. At the time, there was no trustworthy platform for caring, and the alternatives had limitations in terms of cost and accessibility. HUBRIZ therefore provides trust-based matching between parents and sitters through its flagship service, Care Plus, allowing for a balance between childcare and work. Recently, we have also started providing a housekeeping service for dual-income families.

How did KB Securities' impact investment help your business?

KB Securities' impact investment was an important opportunity for our business model based on social value to be recognized externally. The number of households using our service, which was about 1,500 at the time of the investment, has now more than doubled to 3,000 households, and it has contributed to resolving the gap in caregiving as well as creating reemployment opportunities for women who are experiencing career gaps. KB Securities' investment was meaningful in that it gave us confidence in achieving our goal of resolving the career gap and solving social issues.

Please describe a case where you created social value through your business.

Currently, about 2,187 persons are working with us as freelance sitters, and most of them are middle-aged women over 50 years of age. We support them to grow as professional caregivers who have received childcare education beyond simply providing jobs, and the average hourly wage is more than KRW 4,000 higher than that provided for government-operated childcare service. In addition, we have created a cumulative savings effect of more than KRW 200 million by providing quality services at a reasonable cost to users.

What are your company's plans for the future?

Going forward, we plan to expand customized content and commerce based on childcare data and expand the expertise and coverage of our services by hiring foreign housekeepers. In particular, we believe that hiring foreign workers can help to supplement the shortage of caregivers, lower service usage fees, and improve service quality. Our goal is to build a sustainable caregiving ecosystem where all parents can raise their children with peace of mind.

What do you expect from KB Securities in terms of ESG finance?

Caregivers are still in a financial blind spot. In particular, their financial stability is low, and we have witnessed cases where it is difficult for them to get a loan, even when they need to cover unexpected medical expenses. If KB Securities supports their financial education and financial accessibility as part of ESG finance, it would be of great help in improving the stability of their lives and quality of life.

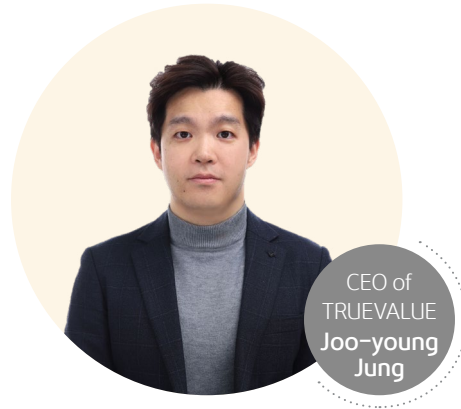


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CEO of TRUEVALUE Joo-young Jung

TRUEVALUE +

True Value dreams of a world where everyone can dream.

Please introduce 'TRUEVALUE'.

TRUEVALUE aims to eliminate three barriers that hinder the lives of dreamers: the information gap, the asymmetry of support and criticism, and environmental constraints — with the vision of creating ‘a world where everyone can live their dreams freely.’ To this end, we offer three products: the career education brand ‘Ever Mentor,’ the SNS-based self-realization platform ‘Dream Appeal,’ and the future talent support organization ‘Talent Planning Agency,’ — and each function is designed to complement each other and create synergy.

How did KB Securities' impact investment help your business?

At the time when KB Securities invested in TRUEVALUE, we were in dire straits and had even delivered layoff notices to employees. Since we received the investment from KB Securities, however, we have attracted Pre-A investments from three investment companies and received follow-up investments from three more, thereby overachieving our target amount. We have also been selected for Google's “Changgoo Program Season 6” and the TIPS program, which has provided an opportunity for our approach to solving social problems to be recognized externally. We are seeking explanation overseas by participating in Japan's Sanrio startup Fitch as a representative of the well-being sector, and KB Securities' investment was at all these starting points.

Please describe a case where you created social value through your business.

A child with a dream of becoming the world's best pitcher joined Dream Appeal and recorded 1,342 practices, eventually being drafted as a rookie by SSG of the KBO League and making his debut in the first team. This is a representative social impact created by TRUEVALUE, and even now, second and third 'presents' are growing through Dream Appeal. Based on these cases, we are upgrading each product, and with the belief that social impact comes from 'solidarity,' we are also focusing on building a network that connects and cooperates with various classes.

What are your company's plans for the future?

TRUEVALUE has transformed from a static planning-centered organization to a dynamic field-centered organization, and as a result, equaled the annual sales of 2023 in just one month in March 2024. With the launch of ‘Ever Mentor,’ we plan to organically link existing products and expand career education content development and field-centered activities to simultaneously realize social value and profitability. Going forward, we plan to continue to expand our mission through collaboration with various partners, and create an environment where more children can realize their dreams.

What do you expect from KB Securities in terms of ESG finance?

Every year, 2,280 young people leave the shelter preparing for self-reliance, and many of them are disconnected from society or have lost all interest in life. TRUEVALUE motivates them to have dreams and provides a continuous network through Dream Appeal. TRUEVALUE believes in the potential of the project and hopes to realize the ‘social value creation and shared growth’ that KB Securities pursues together with us.



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Approach

Research plays an important role in resolving information asymmetry in the capital market, and providing a basis for investment decisions. Recently, as the impact of ESG on corporate value and ROI has expanded, the reliability and analysis capabilities of ESG information have been gaining greater importance in the decision-making of market participants. In line with these changes, KB Securities operates an organization dedicated to ESG research, analyzes corporate information based on ESG, and provides various ESG research contents. We aim to identify the correlation between corporate sustainability and financial performance, beyond simply providing corporate information, and provide ESG-based investment insights.

| Governance |

- Operation of the ESG Research Team, a dedicated organization for ESG research and advice

| Strategy |

- Establishment of three major directions and detailed plans for ESG research
- Corporate analysis integrating ESG management performance and profitability and calculation of ESG index
- Creation of ESG research content

| Risk Management |

- Referring to investment portfolio based on ESG corporate analysis results

| Targets & Metrics |

No. of
ESG research content
publicationsIn-depth forums
and seminars on
ESG-related topicsCustomized
ESG consulting
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ESG Research

ESG Research System

ESG Research Governance

KB Securities has established and operated the ESG Research Team, a dedicated ESG research and advisory organization, to strengthen ESG research. Since it was established as an organization directly under the Research Division, the ESG Research Team provides stakeholders with a variety of ESG-related research information, including corporate ESG analysis information, ESG issues, and market analysis content, as well as more in-depth ESG research and advisory services.

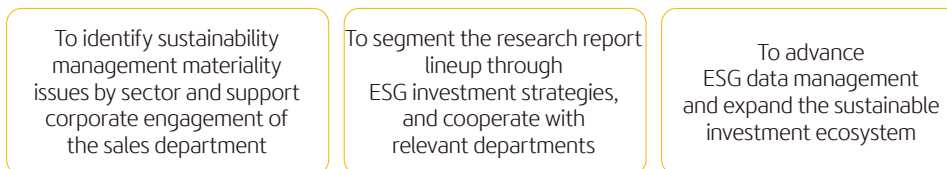
| Organizational Structure of the KB Securities Research Division



Establishment of Management Direction

KB Securities has established a direction to strengthen its ESG research capabilities and functions, and prepared detailed action plans to follow the direction — including expansion of corporate ESG integrated analysis reports, and analysis of price trends and issues related to eco-friendly energy products such as carbon credits. We will faithfully implement our plans, satisfy our stakeholders’ needs for ESG research, and expand the provision of ESG solutions tailored to stakeholders’ expectations.

| ESG Research Direction



ESG Research Activities

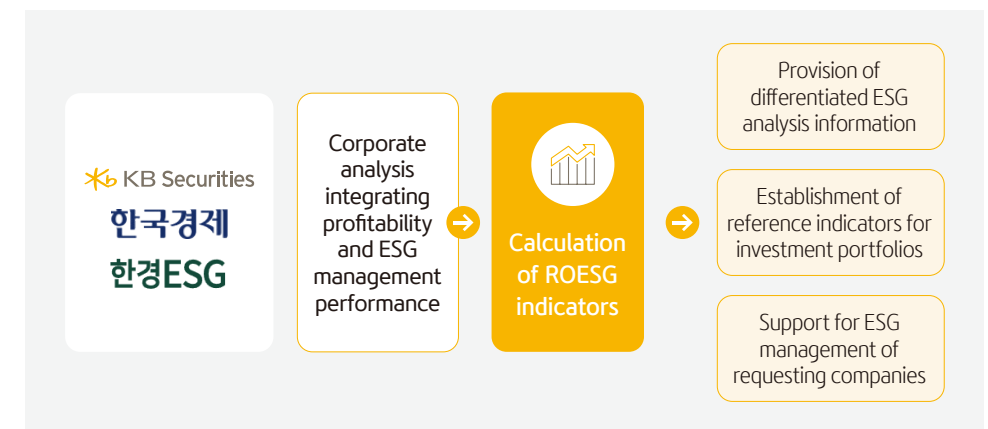
ESG Corporate Analysis

KB Securities is taking the lead in calculating ESG indices that are highly reliable and useful. In collaboration with Hankyung ESG Magazine, KB Securities has been conducting an ROESG survey* for the first time among the Korean securities companies since 2021. Through the ROESG indicators, which comprehensively consider profitability and ESG management performance, we provide investors with more accurate information about the company's growth potential and sustainability. We also provide companies with ESG information of supply chain companies or related companies to help client companies come up with measures and establish supporting data to strengthen ESG management.

* ROESG Survey

‘ROESG’ refers to a comprehensive sustainability indicator of a company calculated by combining Return on Equity Capital (ROE), a profitability indicator, and ESG evaluation score, a sustainability indicator. The 2024ROESG Survey was conducted with a market capitalization of KRW 500 billion or more, a three-year average ROE ratio of more than 30%, and a surplus for three consecutive years — and with ESG ratings from domestic and international ESG evaluation agencies (MSCI, S&P Global, Arabesque).

| Overview of ROESG Survey



KB Securities 2024 Sustainability Report



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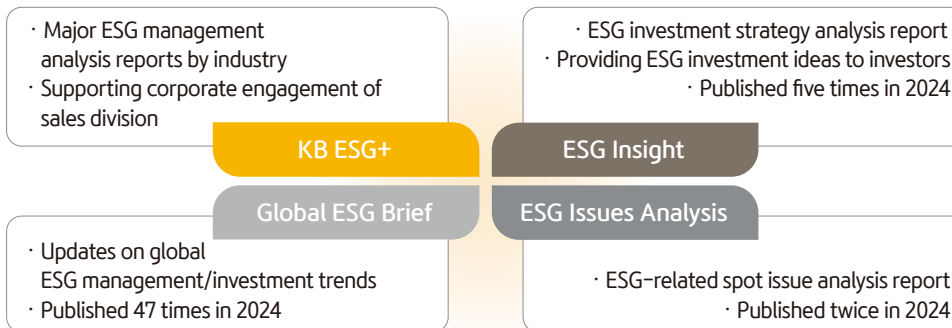
ESG Research

ESG Research Activities

Publishing ESG Research Report

KB Securities is contributing to the creation of a sustainable financial ecosystem by providing ESG research content to various stakeholders. We have attracted high interest and positive evaluation from the industry by producing an analysis report that reinterprets from an ESG perspective the value-up program, which was a key topic in the investment market in 2024. In addition, we have published 'ESG Insight' five times per year, analyzing the major social issue of population structure change in connection with corporate ESG management, and providing new implications to investors and corporate managers. Meanwhile, KB Securities publishes Global ESG Brief every week, so that investors can understand global ESG trends, and we introduce key ESG issues that investors must know about, such as climate stewardship, detailed national greenhouse gas reduction targets, and issuance of sustainability-linked bonds through ESG Issue Analysis. All of the reports published by KB Securities, including ESG research content, can be easily found on the KB Research homepage and research paper search chatbot, 'Rebot,' which supports investors and customers in making faster and more accurate decisions.

| Types and Publication Status of ESG Research Contents



Provision of ESG Research Content

In addition to research reports, we provide ESG research content through various channels such as media contributions and YouTube live broadcasts. At the KB Analyst Day held live on the YouTube channel in November 2024, we shared new opinions on ESG management through a presentation on the topic of 'What is the relationship between population structure change and ESG?'

In addition, we are contributing to the development of the ESG ecosystem by actively engaging in external activities such as contributing a column on AI and ESG management to the Hankyung ESG Magazine published in January 2024.



KB Analyst Day

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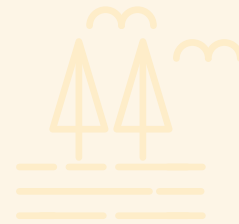
2024 Achievements

 Solar energy generated 82,765kWh	 Subscription to Products through "KB Partner" 12,976 cases <small>(Saved about 260,000 sheets of paper)</small>	 Eco-friendly vehicle ratio 72.5%
 Plogging campaign Kkaebi Securities Change Our Life	 Urban Forest Creation Project Kkaebi Securities Green Road	 Market making in emissions trading market Received the Minister of Environment Award

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01 Response to Climate Change



Approach

Climate change is a crisis faced by the global community that has a significant impact on sustainability. KB Financial Group has established KB Net Zero S.T.A.R., a science-based mid-to long-term carbon neutral promotion strategy, and is actively pursuing effective climate-change response activities, such as being the first financial institution in Asia and the first Korean company to obtain Science-Based Targets initiative (SBTi) approval. KB Securities also recognizes response to climate change as an important task for sustainable management and is striving for transition to carbon neutrality through carbon-emission reduction efforts internally and across the asset portfolio.

| Governance |

- Establishment of the Group's climate change response governance
- Operation of the ESG Committee, the highest decision-making body related to climate change
- Operation of the ESG Strategy Team, a dedicated organization for climate change response, and collaboration with relevant departments

| Strategy |

- Analysis of risk and opportunity factors related to climate change response
- Establishment of internal and asset portfolio carbon emission reduction targets

| Risk Management |

· Assessment of climate change and environmental and social risks resulting from financial activities based on the Group's Environmental and Social Risk Management System (ESRM)

| Targets & Metrics |

Achievement of Net Zero target

Internal emissions (Scope 1&2) by 2040

Portfolio emissions (Scope 3) by 2050



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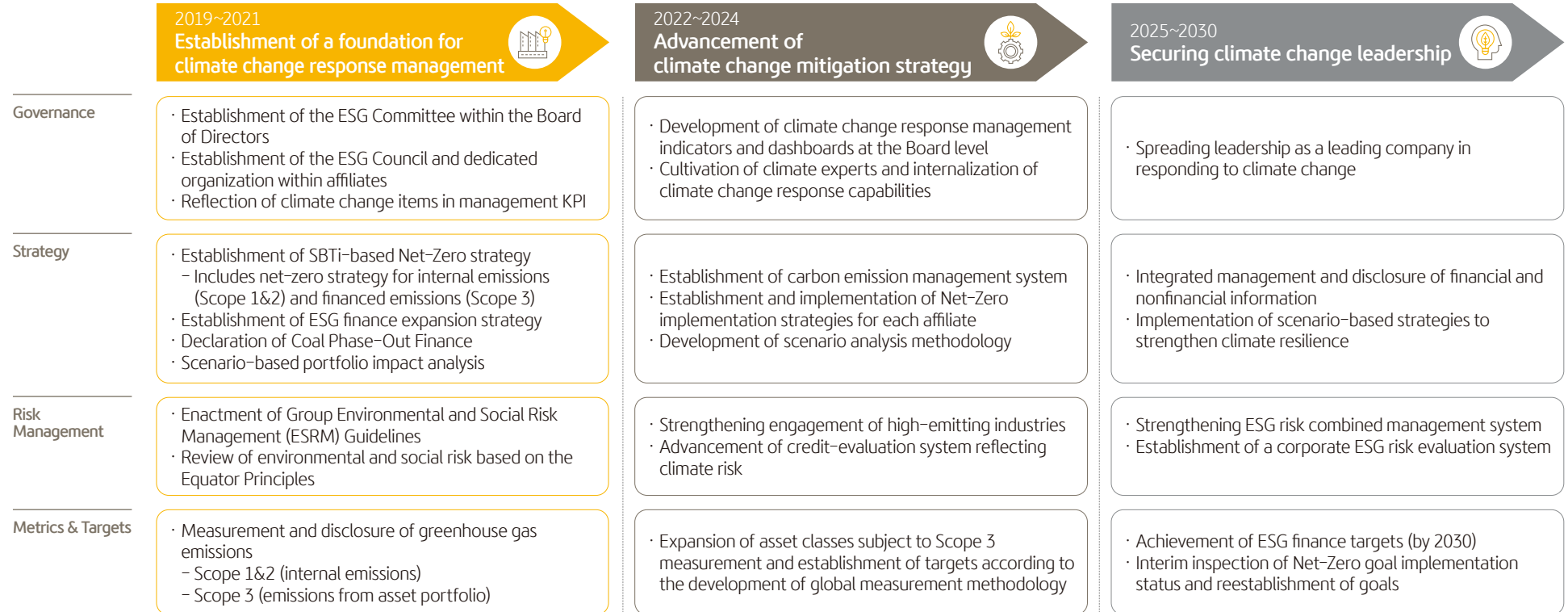
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Roadmap for Upgrading KB Financial Group's Climate Change Strategy

KB Securities and KB Financial Group are constantly looking into the roles that finance can play in responding to the climate crisis. Financial institutions can provide funding for the transition to a low-carbon economy, and support companies struggling with the transition. As the financial sector deals with a wider range of stakeholders than any other industry, it must demonstrate leadership — not only in responding to risks related to climate change, but also in policy responses, especially carbon border taxes, climate disclosure on the SEC, and IFRS disclosure. Accordingly, KB Financial Group has established major climate change response strategies such as KB Green Wave 2030 and KB Net Zero S.T.A.R. as well as roadmap for upgrading climate change strategies. As such, we are seeking creative and innovative solutions to respond to climate change and to lead the creation of an eco-friendly financial ecosystem by declaring Coal Phase-Out Finance in all areas of its affiliates. As such, we are leading the transition to a low-carbon economy to achieve net zero emissions.





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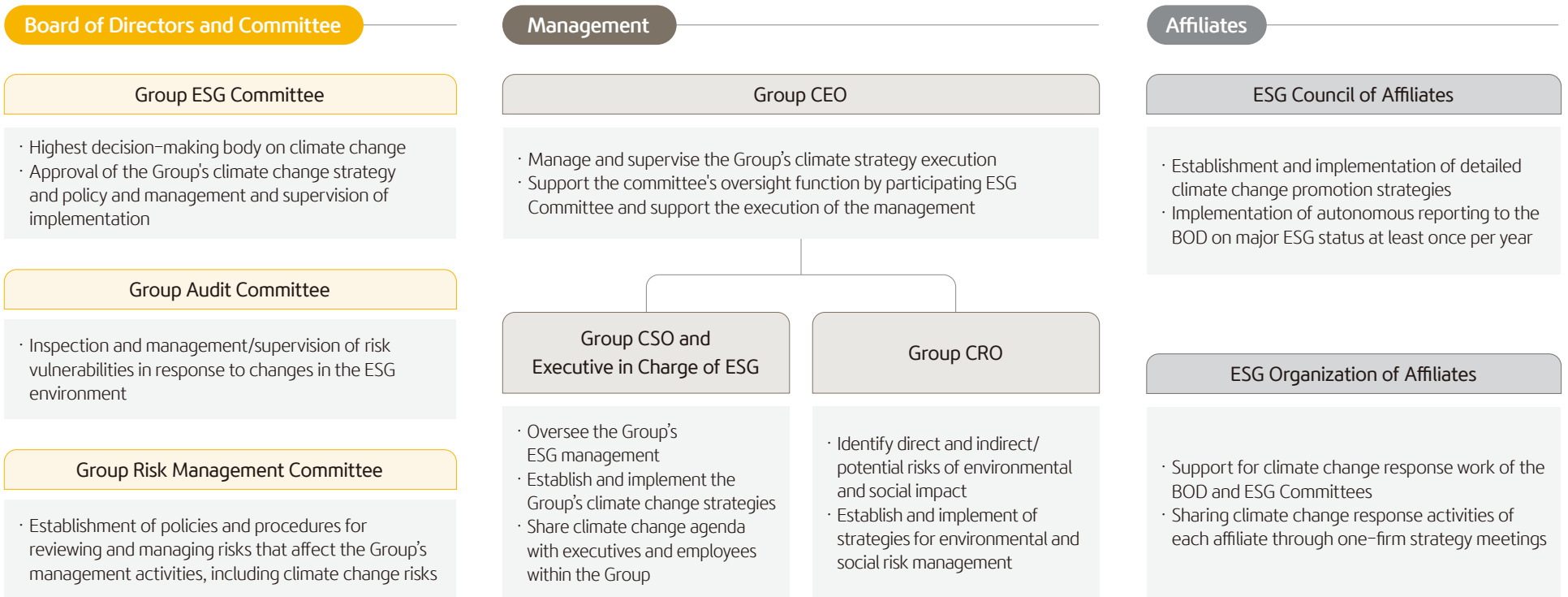
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KB Financial Group's Climate Change Response Governance

KB Financial Group has established a decision-making system centered on the Board of Directors (BOD) to respond to the climate crisis, and the BOD establishes a Group-level climate change response strategy and goals, and thoroughly checks and manages the activities of subordinate committees to implement them. In addition, each affiliate has established an ESG Council and a dedicated organization to establish organic climate change governance, and is striving to fully understand the impact of climate change risks and opportunities on the Company's business model, and reflect this in its overall business strategy and financial plans. KB Securities manages and implements climate change response activities and ESG strategic directions at the Group-level through the ESG Council and dedicated organization to respond to climate change.





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KB Financial Group's Climate Change Response Governance

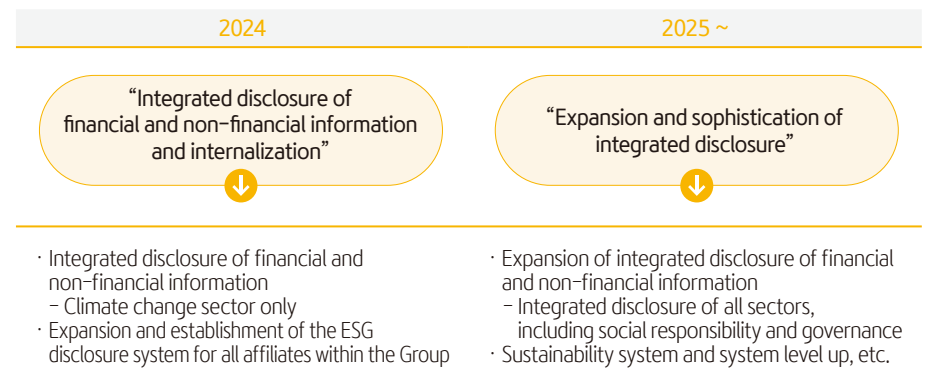
Strengthening Climate Change Response Management and Supervision Capabilities

To improve expertise in decision-making related to climate change response, we are conducting training to enhance ESG awareness and capacity of the Board of Directors. We are also providing special lectures by external experts on topics such as global trends related to climate change, supervisory and regulatory trends, financial industry response direction, and changes in the disclosure system. The KB Management Research Institute provides the BOD with research reports on domestic and international ESG trends, including climate change, on a quarterly basis.

Establishment of a Foundation for a Disclosure System for Sustainable Management Information

In order to respond sensitively to the various strengthened domestic and international regulations related to sustainability, green finance, and ESG — as well as changes in global disclosure standards such as those of the EU, the U.S. Securities and Exchange Commission (SEC), and the International Sustainability Standards Board (ISSB) — we are establishing a Group Disclosure System for Sustainable Management Information, with the goal of completing it by 2026.

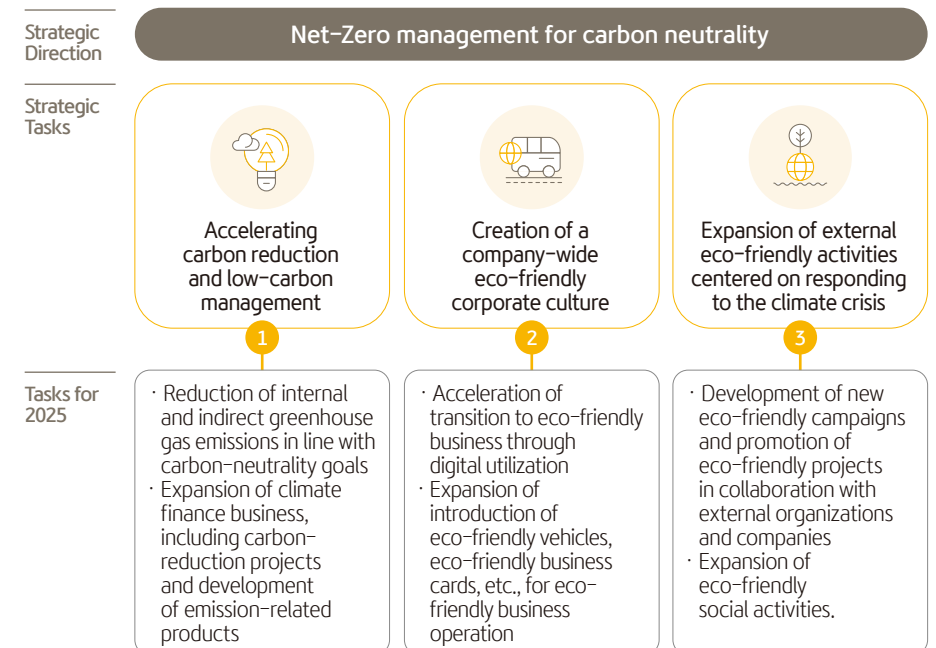
Roadmap for Upgrading the Group's Sustainability Management Information Disclosure System



Climate Change Response Strategy

KB Securities is joining the efforts to implement KB Financial Group's carbon-neutrality strategy based on the strategic direction of 'Net-Zero management for carbon neutrality' and three strategic tasks. In addition to our own carbon-reduction efforts, we are encouraging the participation of stakeholders in the industry by strengthening monitoring of emissions from our asset portfolio so that net-zero management can be internalized in the value chain. In 2025, we are striving to achieve these tasks by setting them as our tasks for expanding climate finance business, promoting eco-friendly business in cooperation with external organizations and companies.

Net-zero Management System





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Climate Change Response Strategy

Analysis of Risk Factors

KB Securities analyzes climate change-related risks by dividing them into transition risks and physical risks in accordance with the TCFD recommendations, and identifies potential financial impacts accordingly. Transition risks refer to risks that arise during the transition to a low-carbon economy, including changes in policies, laws, technology, markets, and reputation. Physical risks refer to the direct impact of climate change, and are assessed by dividing them into acute risks resulting from short-term weather anomalies such as floods and typhoons and chronic risks due to long-term environmental changes such as sea level rise. In addition, the relevant period is divided into short-term, mid-term, and long-term to define the urgency of responding to each risk.

Category	Risk factors	Potential financial impact	Period ¹⁾
Transition risks	Policy & law <ul style="list-style-type: none"> Strengthening climate change-related policies and disclosure obligations Increase in environment-related lawsuits Regulations on high-carbon industries Rising REC and renewable energy PPA prices Rising carbon-emission prices 	<ul style="list-style-type: none"> Increase in financial burdens for compliance with environmental regulations, additional export and operating costs, etc. Increase in costs for responding to legal lawsuits related to greenwashing and environmental issues Weakening of industrial competitiveness and decrease in the value of tangible assets due to regulations on high-carbon-emission industries Additional purchase costs for greenhouse gas reduction Increase in financial burden due to failure to secure carbon credits 	Short-term, mid-term, long-term
	Technology <ul style="list-style-type: none"> Increased demands for investment due to the transition to eco-friendly, low-carbon technologies Exit of high-carbon-related technologies 	<ul style="list-style-type: none"> Impact on investment profits and losses when investment companies increase their spending and fail to transition to technology, resulting in a decrease in the value of the investment company Financial damage due to depreciation and early disposal of existing assets 	Short-term, mid-term, long-term
	Market <ul style="list-style-type: none"> Changes in consumer behavior (customer loss, changes in climate change issue preferences) Increased uncertainty due to changes in the carbon market 	<ul style="list-style-type: none"> Recovery and addition of funds by investors depending on the degree of climate change response Changes in investment portfolio profitability due to the risk of a decrease in the value of high-carbon companies 	Short-term, mid-term, long-term
	Reputation <ul style="list-style-type: none"> Changes in consumers' and investors' preferences Increase in negative feedback from stakeholders Changes in demand depending on the level of climate change response 	<ul style="list-style-type: none"> Increased costs due to changes in strategies for eco-friendly transition Possibility of decreased demand and recovery of investment funds when negative environmental impacts of products are discovered 	Short-term, mid-term
	Physical risks	Acute <ul style="list-style-type: none"> Increased frequency and intensity of extreme weather events such as typhoons, heavy rain, forest fires, landslides, cold waves, heavy snow, and earthquakes 	<ul style="list-style-type: none"> Decrease in operating profits due to increased customer inconvenience and restrictions on service use in case of damage to business premises and sales outlets Increased recovery costs and decreased collateral value in case of facility damage Reduced productivity and decreased operating profit due to deterioration of worker health, etc.
Chronic <ul style="list-style-type: none"> Long-term changes in climate patterns that cause sea-level rises, average temperature increases, and chronic heatwaves 		<ul style="list-style-type: none"> Increased operating costs and capital costs due to increased electricity and water usage and decreased labor productivity Reduced revenue due to large-scale data loss and disruption of customer services caused by damage to key infrastructure 	Long-term

1) The periods are classified as short-term (1 year), mid-term (1 to 5 years), and long-term (more than 5 years)



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Climate Change Response Strategy

Analysis of Opportunity Factors

Climate change presents new challenges to companies and financial markets, while also providing opportunities for sustainable growth. KB Securities analyzes climate change -related opportunity factors by dividing them into resource efficiency, energy resources, financial products and services, market changes, and corporate resilience in accordance with the TCFD recommendations, identifies potential financial impacts, and defines the level of urgency for response by dividing the period into short, medium, and long-term. Based on the analysis results, we are actively striving to explore financial opportunities for climate change response, and fulfill our role as a financial company that supports the transition to a low-carbon economy by expanding ESG financial products.

Category	Opportunity factors	Potential financial impacts	기간 ¹⁾
Resource efficiency	<ul style="list-style-type: none"> · Increase in energy and water resource efficiency · Improved recycling and waste management systems · Expansion of eco-friendly architecture (buildings) 	<ul style="list-style-type: none"> · Increased productivity and reduced operating costs due to improved energy efficiency · Increased demand for funds from corporate customers for improved energy efficiency and construction of eco-friendly infrastructure · Increased resource efficiency and cost-reduction through circular economy · Increased fixed asset value and reduced operating costs through energy-efficient building design 	Short-term, medium-term, long-term
Energy resources	<ul style="list-style-type: none"> · Expansion of the use of eco-friendly (low-carbon and renewable) energy · Expansion of eco-friendly and low-carbon technologies · Participation in the carbon market 	<ul style="list-style-type: none"> · Reduced financial risks related to carbon credits and carbon taxes due to reduced greenhouse gas emissions · Increased demand for funds from corporate customers for energy transition and securing energy sources · Increased profitability and improved corporate image due to reduced long-term operating costs · Increased emissions revenue due to greenhouse gas reduction through high-risk portfolio adjustment/management 	Medium-term, long-term
Financial products and services	<ul style="list-style-type: none"> · Expansion of development of ESG financial products and increasing demand · Development of eco-friendly financial solutions · Disclosure of ESG-related indicators and performance of portfolio products 	<ul style="list-style-type: none"> · Increase in revenue due to expanded financial products and services related to climate tech and ESG themes · Establishment of sustainable management strategies and securing competitiveness centered on the development of eco-friendly financial products · Increased demand for funds for eco-friendly business operations · Monetization through development of climate change related financial products 	Short-term, medium-term, long-term
Market change	<ul style="list-style-type: none"> · Entering new markets related to climate change response · Composition and diversification of eco-friendly asset portfolio · Utilization of public sector incentives (participating in support projects, etc.) 	<ul style="list-style-type: none"> · Expansion of revenue sources by preemptively securing and entering new markets for funding through industry monitoring · Securing stability and establishment of a foundation for sustainable growth through diversification of business portfolios · Decrease in overhead operating costs utilizing incentives from the public sector 	Short-term, medium-term, long-term
Corporate resilience	<ul style="list-style-type: none"> · Expansion of renewable energy and improved energy efficiency · Support for ESG efforts of invested companies · Education and consensus-building for responding to climate change within the company 	<ul style="list-style-type: none"> · Increased resilience of asset portfolio · Decrease in risk management costs through strengthened response capabilities through increased internal awareness · Reduce in capital procurement costs and expansion of investment-attraction opportunities through increased reliability of ESG management 	Long-term

1) The periods are classified as short-term (1 year), mid-term (1 to 5 years), and long-term (more than 5 years)



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Climate Change Response Risk Management

KB Securities manages climate change-related risks and environmental and social risks based on the Group Environmental and Social Risk Management Framework (ESRM)*. Through this, we manage and monitor environmental and social risk factors across the Group’s business, including financial investment activities. In particular, we have subdivided companies and industries subject to financial support into four categories: Exclusion/caution/interest/support; and systematically managed the impact of business activities on the environment and society.

*ESRM: Group Environmental and Social Risk Management Framework

Areas for risk management	Details
Areas to exclude	<p>Areas for which financial support is excluded due to activities, or industries with significant negative environmental and social impacts</p> <ul style="list-style-type: none"> · Production or trade of products/activities deemed illegal under the laws/regulations of the country concerned · Cases where the labor force is involved in production includes (illegal) child labor · Transactions related to illegal gambling and pornography industries · Production, trade, and Transactions of radioactive substances whose appropriate protection, management, and supervision are deemed unfeasible · Support for new coal mining projects or expansion of coal mining projects · Support for construction of new coal-fired power plants or expansion of coal-fired power plants
Areas to pay attention to in terms of climate change	<p>Areas where carbon emissions reduction and relevant exposure management are significant given the projects’ or industries’ possibility to have and adverse impact on climate change such as high greenhouse gas emissions</p> <ul style="list-style-type: none"> · Coal mining, coal-fired power generation, forestry, and other high-carbon emission industries
Green industry areas to support	<p>Areas for which financial support is given priority in consideration of the possibility of support for climate change response efforts and eco-friendly new growth industries</p> <ul style="list-style-type: none"> · Activities designated by the K-Taxonomy and Application Guidelines set by the Ministry of Environment



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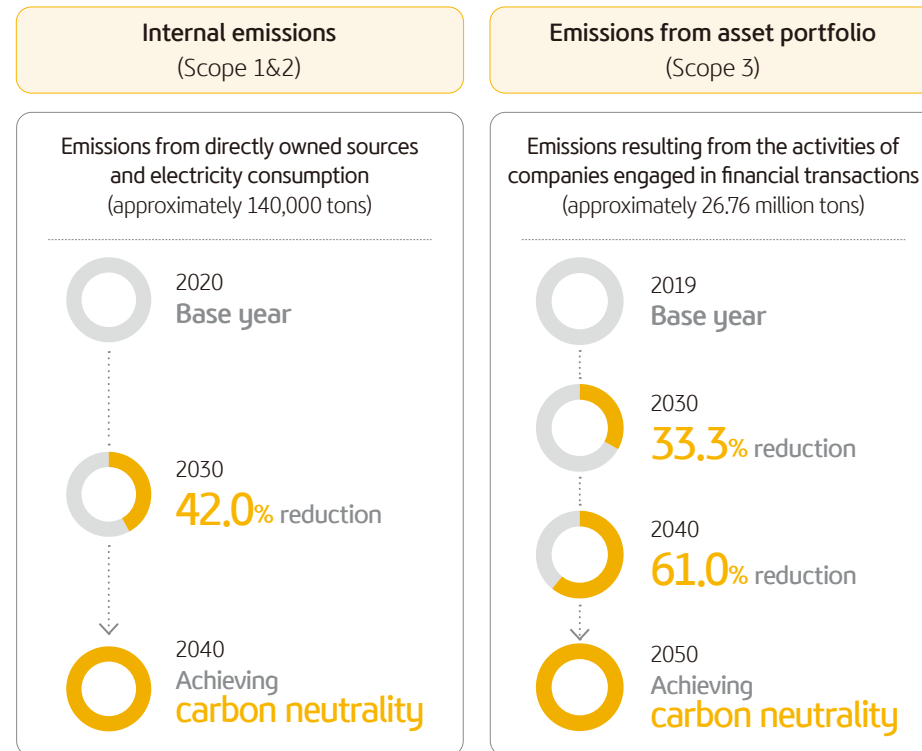
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Climate Change Response Metrics and Targets

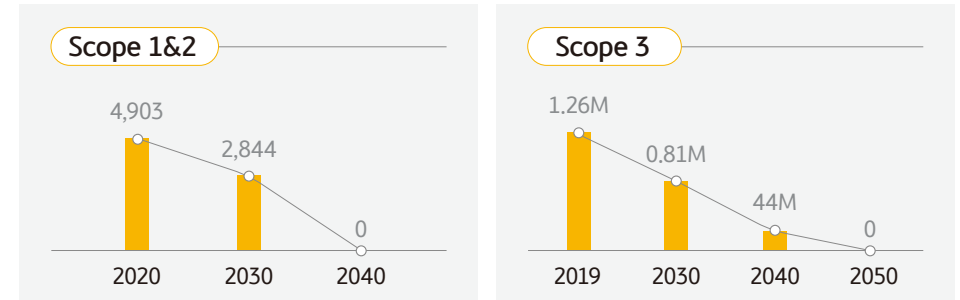
KB Financial Group and KB Securities have set 'achievement of carbon neutrality by 2050' as our climate change response goal, and have set mid- to long-term carbon-emission reduction targets for 2030 and 2040 to achieve this. Accordingly, we are promoting carbon-emission reduction by establishing management systems for internal emissions (Scope 1&2) and asset portfolio emissions (Scope 3), and are carrying out various activities with the goal of reducing internal carbon emissions to 2,844 tCO₂eq and asset portfolio emissions to 807,455 tCO₂eq by 2030.

Net-Zero Targets of KB Financial Group



KB Securities Carbon Neutrality Goals

(Unit : tCO₂eq)



Scope 1&2 Reduction Target

(Base year (2020) emissions)

Year	2021~2030	2031~2040
Targets	Reducing by 4.2% annually	Reducing by 5.8% annually

*Applied SBTi's 1.5°C scenario

Scope 3 Reduction Target

(Base year (2019) emissions)

Year	2020~2030	2031~2040	2041~2050
Targets	Reducing by 3.0% annually	Reducing by 2.8% annually	Reducing by 3.9% annually

* Applied SBTi's 2°C scenario



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Climate Change Response Metrics and Targets

Eco-friendly Infrastructure Status and Performance

In September 2021, KB Financial Group joined the Declaration for the first time among the Korean financial groups declaring RE100, and since 2023, KB Securities has been striving to lay the foundation for the implementation of RE100. To this end, we are, in collaboration with external specialized companies, looking into various measures such as the Power Purchase Agreement (PPA), purchase of Renewable Energy Certificates (REC), self-generation, and equity investment, in addition to practical preparations such as case analysis and benchmarking, and are also actively considering direct investment in renewable energy projects.

In particular, KB Securities is expanding the establishment of eco-friendly systems and infrastructure in its own buildings to implement RE100. In December 2022, KB Securities built solar-power generation facilities with generation capacity of 105 kW and 10 kW at the (Yongin) Training Center and the office building in South Ulsan, respectively, which generated about 83,000 kWh of renewable energy every year starting from 2023. These solar-power plants reduced CO2 emissions by 15 tons per year, resulting in the effect of reducing carbon dioxide emissions, and thereby reducing indirect greenhouse gas emissions (Scope 2).

| Solar-energy Generation and Expected Effects

Category	Capacity	Solar-energy generation			Expected effects of environmental improvement	
		Power generation (kWh/year)	Cost savings (KRW 10,000/year)	Tons of oil equivalent (TOE/year)	Carbon-dioxide reduction effects (Tons)	Alternative effect of planting trees (Trees)
Training center	105	73,375	1,132	15.6	12.96	2,312
South Ulsan	10	9,390	145	2.0	1.66	295
Total	115	82,765	1,277	17.6	14.62	2,607

Environmental Data Monitoring

KB Securities operates a systematic monitoring system to respond to climate change, and regularly measures and manages key environmental data such as oil usage, electricity usage, and city gas usage. Based on the data, we analyze greenhouse gas emissions, establish reduction targets, and report the reduction target to the management to promote continuous monitoring and improvement. As part of improvement activities, energy-saving activities such as turning off office lights and operating in energy-saving mode, complying with specified indoor temperature, switching to eco-friendly vehicles, and posting water and electricity saving reminders are being carried out. As such, we are continuously striving to make a transition to net-zero and create an eco-friendly corporate culture.

| Status of Environmental Information Management

Category	Calculation Range	2022	2023	2024	GAP
Scope 1	Gas consumption (L) Commercial Vehicles	163,887	158,692	168,196	+6.0%
	LNG consumption (m ³) Head office, training center and branches	206,686	190,875	201,344	+5.5%
Scope 2	Electricity consumption (kWh) Head office, training center and branches	12,063,265	11,413,486	11,215,201	-1.7%



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Eco-Friendly Management



Approach

Energy conservation and improving resource efficiency are the starting points for realizing responsibility for the environment, and KB Securities is striving to internalize eco-friendly management. In particular, as our business base is concentrated in office space and IT infrastructure, we are contributing to reducing environmental impacts through eco-friendly operation and changes in the ways we work. Accordingly, we are creating an eco-friendly company by setting up practical implementation tasks such as establishing a low-carbon work environment, resource conservation campaigns, and expanding the use of electronic documents. Going forward, we will continue to faithfully implement eco-friendly management activities and move forward to become an eco-friendly financial company where voluntary practices are internalized throughout the company.

| Governance |

- Establishment of an internationally certified environmental management system

| Strategy |

- Establishment of a low-carbon, eco-friendly management system as well as tasks
- Promotion of Green Business Transition such as expanding mobile electronic bill service and utilizing mobile consultation tools
- Creation of eco-friendly corporate culture such as introducing a paperless work environment, eco-friendly business cards, and reusable cup system
- Conducting domestic and international eco-friendly campaigns such as plogging and creating urban forests

| Risk Management |

- Conducting evaluations on environmental-management system sustainability/implementation
- Compiling and monitoring of environmental management data

| Targets & Metrics |

Energy usage	Water usage	Eco-friendly vehicle ratio	Waste emissions	Paper usage
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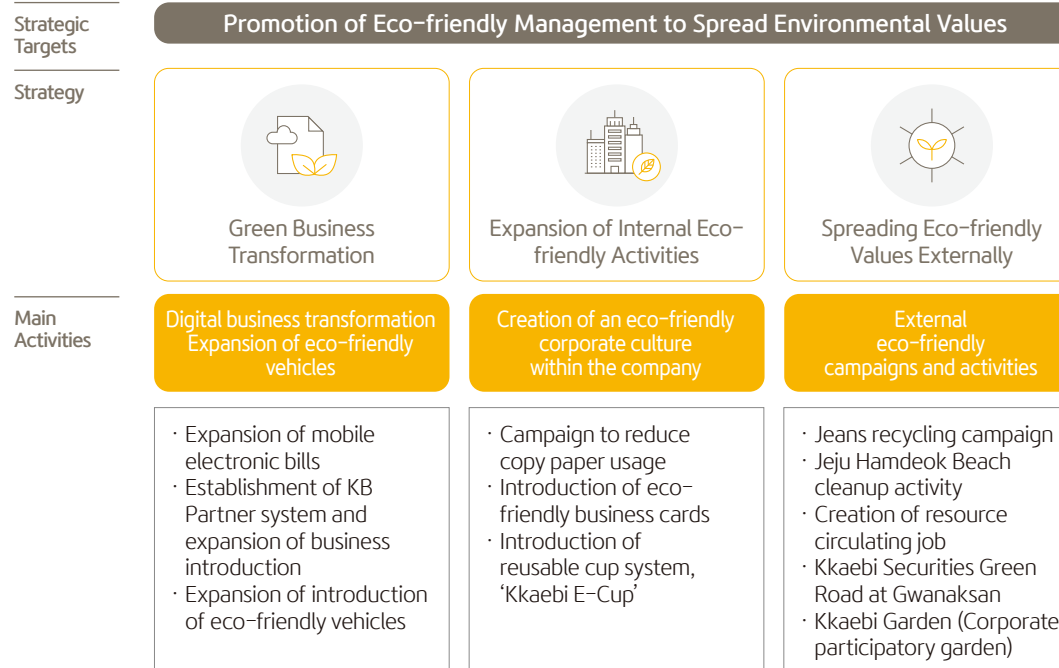
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Eco-Friendly Management System

Eco-Friendly Management Promotion System

KB Securities is implementing various activities based on the strategies of internalizing eco-friendly management, expanding internal eco-friendly activities, and externally disseminating eco-friendly values, with the goal of promoting eco-friendly management to spread environmental values. We will continue to implement effective and impactful eco-friendly management activities such as conversion to digital business, expansion of eco-friendly vehicles, and various internal and external eco-friendly activities to practice net-zero management.

Eco-Friendly Management Promotion System



ISO 14001 Certification

Since acquiring ISO 14001 certification, the international standard for environmental management systems, for the first time in the industry in 2017, KB Securities has set and managed environmental goals. We are systematically managing environmental data through the environmental information management system to achieve the target. We strive to maintain our certification by conducting sustainability/implementation assessments every year.



ISO 14001 Certification





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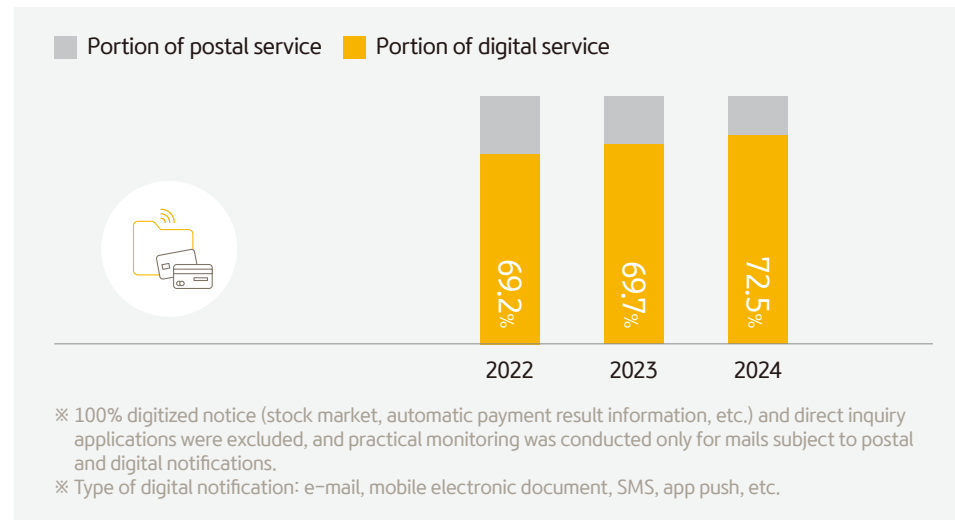
Eco-Friendly Management

Green Business Transformation

Digital Business Transformation

The mobile mailing service is a service that delivers bills and notifications to the smartphones of customers through a certified electronic document intermediary to enhance customer convenience and reduce the use of paper, thus contributing to carbon reduction. Since December 2022, we have expanded the service in partnership with Kookmin Bank, and increased the digital DM conversion rate out of KB Securities' mail and digital notifications from 47% in 2019 to 72.5% in 2024. Going forward, KB Securities will sequentially expand documents that can be delivered using mobile electronic bills to protect customer information, prevent delays due to erroneous delivery, and reduce paper usage, taking the lead in enhancing customer convenience and protecting the environment.

| Status of Mobile Mailing Portion



Promoting the Use of Mobile-based Customer Service Platform 'KB able Partner'

In 2018, KB Securities introduced digital counters based on electronic form at all branches, converting various business processes, including account opening, to an electronic-form based process to promptly build business infrastructure and reduce unnecessary use of paper. In addition, in 2020, we established the KB Partner system, a one-stop platform that provides every service, from product consultation to sign-up and follow-up management. We also developed tablet-only electronic documents that can replace paper documents through the development of Biz messages linked to customers' mobile phones. This increases work efficiency while reducing paper usage. The number of product subscriptions through KB Partner reached 12,976 in 2024, which saved about 260,000* sheets of paper. Going forward, KB Securities plans to continuously expand the scope of its work that can be handled by utilizing this system.

* Assuming 20 sheets of paper required for product subscription (investor information confirmation form, fund subscription, and purchase application form, etc.)

| Status of KB Partner Product Subscriptions

Category	Unit	2022	2023	2024
Number of cases	Cases	5,571	11,986	12,976
Subscription amount	KRW 100 million	8,113	16,140	22,535



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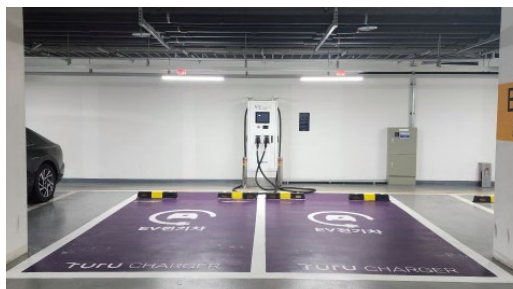
Green Business Transformation

Conversion to Eco-friendly Vehicles

As part of our Net-zero management activities for carbon neutrality, KB Securities has been continuously increasing the number of eco-friendly vehicles such as electric vehicles (EVs) and hybrids since 2020. In 2024, we over-achieved the goal of 72% eco-friendly vehicle ratio by converting 95 vehicles out of a total of 131 vehicles to eco-friendly vehicles. Going forward, we plan to continue our conversion to eco-friendly vehicles, taking into account the contract expiry for internal combustion engine business vehicles. Moreover, in order to expand the infrastructure for EV use, we have installed and are operating a total of 10 EV charging stations, including five slow chargers (AC) and two fast chargers (DC) in the headquarters (The-K Tower) and three slow chargers in the South Ulsan Financial Center.



Five slow chargers (AC) at headquarters

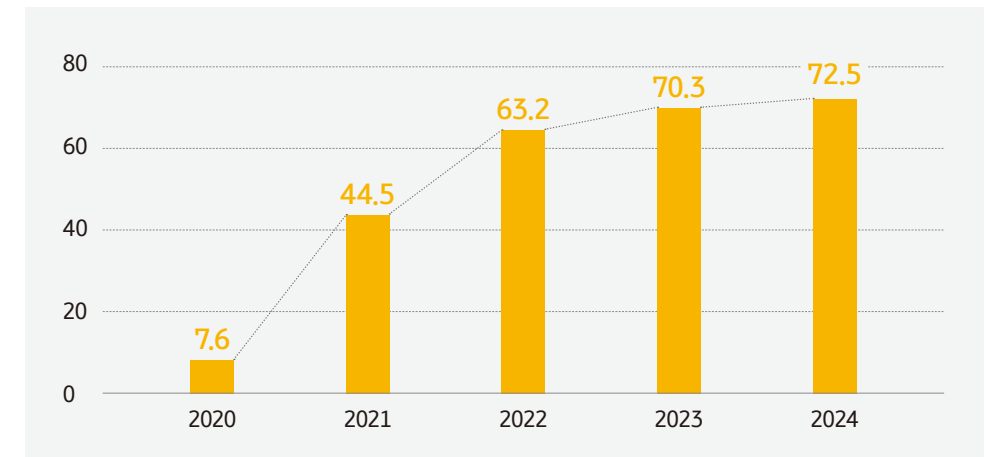


Two fast chargers (DC) at headquarters



EV charging

Ratio and Status of Eco-friendly Vehicles Owned by the Company (Unit: %)



Year	Eco-friendly vehicles (unit)	Vehicles owned (unit)
2020	9	119
2021	57	128
2022	86	136
2023	97	138
2024	95	131
2025(P)	105	140

Eco-Friendly Management

Creation of Eco-friendly Corporate Culture

Paperless Working Environment

KB Securities has been continuously conducting a campaign to reduce the use of copy paper to expand the eco-friendly campaign and to raise employee awareness. In order to reduce the volume of copy paper used, we are monitoring the total volume used, and setting double-sided printing when printing documents. We also continuously displayed the ESG campaigns on the screen of multifunction machines, and rewarded the best department measuring the usage of each department to encourage the participation of employees. As a result, the use of copy paper in 2024 decreased by 1.9% YOY to 10.14 million sheets.

KB Securities has been continuously conducting the 'campaign to reduce the use of copy paper' to expand eco-friendly management that can be practiced in daily life, and to encourage the voluntary participation of employees. In order to reduce the volume of copy paper used, we are monitoring the total volume used, and setting double-sided printing when printing documents. We displayed the ESG campaigns on the screen of multifunction machines to encourage the reduction of paper-use at all times, and rewarded the best department/ branch measuring the usage of each department/branch to encourage the participation of employees. As a result, the use of copy paper in 2023 decreased by 21.1% to 10.34 million sheets, exceeding the previous year's reduction target of 10%

I Status of Copy Paper Usage

Year	Usage (10,000 sheets)	Reduction target (%)	Reduction rate (%)
2021	1,370	15	13.4
2022	1,310	10	4.4
2023	1,034	10	21.1
2024	1,014	5	1.9
2025(P)	963	5	-

Use of Eco-Friendly Business Cards

KB Securities employees are using mobile and eco-friendly business cards to take the lead in protecting the environment. Eco-friendly business cards are made from non-wood pulp that is recycled from byproducts generated during the food- and textile-processing activity, without using trees, which we expect to have a greenhouse gas reduction effect of up to three-times higher than existing business cards made of white paper. The production of eco-friendly business cards is being applied sequentially starting with employees who have used up all of their existing business cards. As such, ESG management is being practiced in everyday life. Since the introduction in May 2023, approximately 770,000 business cards have been used in the past year and a half, reducing greenhouse gases about three-fold compared to business cards made of white paper.

Reusable Cup System, 'Kkaebi E-Cups'

In order to spread an eco-friendly company culture in which disposable cups are not used, we have introduced the in-house reusable cup system, 'Kkaebi E-Cup.' We have signed a business agreement (MOU) with Greenup, which operates an Internet of Things (IoT)-based resource circulation system to operate a company-wide reusable cup system. Since June 2024, a total of 37,230 reusable cups has been used, creating an environment where employees can more easily participate in carbon reduction. Going forward, we will continue to encourage employees to voluntarily practice green living and establish measures to internalize a carbon-reduction culture.



New cup storage and return box for Kkaebi E-Cup





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Eco-Friendly Management

Internal and External Eco-Friendly Campaigns

Creation of Resource Circulation Jobs

To revitalize the local community economy and create jobs for the elderly in Jeju Island, we signed a business agreement for creating jobs through resource circulation with Jeju Provincial Office, Korea Environment Corporation, Korea Labor Force Institute for the Aged, and Jeju Senior Club. We recycled waste transparent PET bottles generated in Jeju to make parasols, tables, chairs, etc. and provided them to five popular beaches in Jeju (Hamdeok, Iho Tewoo, Gwakji, Hyeopjae, and Jungmun). In the meantime, in May 2023, we signed an MOU for resource collection and compensation project for waste plastic, and a business agreement for creating jobs through resource circulation and installing safety bars for the elderly living alone with Jeju Provincial Office, Korea Environment Corporation, etc. We manufactured safety bars using recycled waste plastic and installed and provided them free of charge in the homes of vulnerable elderly persons in Jeju. Going forward, we will continue to strive to contribute to resource circulation and local economic revitalization.



MOU on free support of recycled parasols and collection and compensation project for waste plastics

Jeans Recycling Campaign

Celebrating the Resource Recycling Day on September 6, KB Securities conducted a jeans recycling campaign to simultaneously realize resource recycling and social value. Approximately 250 pairs of jeans were donated by employees, which were reborn as bags and pouches according to the latest trends by 'Halley K,' a fashion company specializing in upcycling. The items were delivered to pregnant women in crisis through the 'National Center for the Rights of the Child,' and upcycling wallets were also given to young people preparing for self-reliance, conveying the message of employees united in supporting self-reliance.



Jeans Recycling Campaign

'Kkaebi Securities Change Our Life' in Jeju

KB Securities is conducting the plogging campaign, 'Kkaebi Securities Change Our Life' every year for environmental restoration. It is a social contribution project planned to protect the environment of beaches where tourists flock to during the summer vacation season. We conducted the campaign at Ingu Beach in Yangyang in 2022, Haeundae Beach in Busan in 2023, and Hamdeok Beach in Jeju Island in 2024. The plogging & plogging campaign conducted in Jeju attracted participation by KB Securities employees, 50 students from Jeju local environmental clubs, and 20 persons from freediving professional groups. They collected trash from the beach and the sea using eco-friendly biodegradable bags that decompose in the natural environment, and distributed the biodegradable bags to tourists and local residents who visited the beach so that they could use them to practice zero-waste in their daily lives. Going forward, we will continue to operate environmental campaigns such as the 'Change Our Life' campaign in which various generations can participate and practice sustainable activities for environmental protection.



Plogging Campaign at Hamdeok Beach in Jeju



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Internal and External Eco-Friendly Campaigns

Kkaebi Securities Green Road

KB Securities has been carrying out the Kkaebi Securities Green Road campaign since 2022, which practices carbon neutrality by creating urban forests and providing a recreational space for citizens. Starting with the Nanji Campground in Seoul in 2022, we contributed to expanding urban green spaces by carrying out a large-scale planting project at the Cheonwangsan Family Campground in Guro-gu, Seoul in 2023. In 2024, we went beyond simply expanding green spaces, and created a red clay road on the Sillim Valley Trail in Gwanaksan, Seoul so that local citizens can enjoy a break in harmony with nature. Additional convenient facilities such as a foot washing area and a shoe rack were installed on the red clay road so that citizens can enjoy leisure activities in a pleasant environment. In addition, we created a photo zone using KB Financial Group's characters to provide citizens who visit the Kkaebi Securities Green Road with new enjoyment. Going forward, we will continue the Kkaebi Securities Green Road project to contribute to practicing carbon neutrality, expanding urban forests, and improving citizens' quality of life.



Completion Ceremony of Kkaebi Securities Green Road at Gwanaksan Shillim Valley in Seoul

Kkaebi Garden with KB Securities

KB Securities expanded its Green Road project and participated in the Corporate Participatory Garden through the Seoul International Garden Expo in 2024 to create Kkaebi Garden at Ttukseom Hangang Park. Through Kkaebi Garden, which provides a recreational space for citizens in the city, we made the Yellow Garden containing the values and brand of KB Securities. At the entrance of the garden, a zigzag path was created up a low hill to symbolize the growth of KB Securities and Korea, and gold bar chairs were placed inside the yellow house to create a sense of cheerfulness. We planted yellow flowers and plants that bloom among the greenery to clearly display the symbolic elements of KB Securities. To commemorate the creation of Kkaebi Garden, we operated a booth from May 16 to 19, holding an event where visitors were given eco bags if they took a photo and certified it at the booth. The garden we created will be continuously maintained and managed even after the expo.



Kkaebi Garden, Corporate Participatory Garden with KB Securities



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03 Carbon-Neutral Business



Approach

The expansion of climate-related systems such as the greenhouse gas credit trading scheme is providing new business opportunities to securities firms. In particular, the role of securities firms is gradually diversifying, such as credit trading and development of related products based on understanding of and expertise in carbon credit. KB Securities has been continuously performing credit trading and playing the role of market maker, and is strategically carrying out new related businesses such as participation in external carbon reduction projects and planning carbon credit-linked financial products. Going forward, we will actively participate in both regulated and voluntary markets and strive to contribute to the transition to a carbon-neutral society through finance.

| Governance |

- Establishment of a carbon-neutral business management and reporting system consisting of the Board of Directors, Financial Engineering & Derivatives Trading Division, and the Carbon Energy Team
- Operation of the Carbon Energy Team, a department dedicated to carbon credit

| Strategy |

- Establishment of a strategy to expand carbon business and diversify profit structure (carbon credit trading, carbon reduction project, carbon commodities, consignment/brokerage service, etc.)

| Risk Management |

- Analysis of KAU trading volume and K-ETS (Carbon-Emissions Trading Market)
- Monitoring of domestic and international policies and regulations related to carbon

| Targets & Metrics |

Carbon Credit
Trading Ratio

No. of New Products
Released Related to Credit



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Carbon-Neutral Business

Carbon-Neutral Business System

Carbon-Neutral Business Governance

KB Securities is making various efforts to strategically nurture its carbon credit business and strengthen its leadership in the carbon-neutral market and ESG finance ecosystem. KB Securities established the Carbon Energy Team within the FICC Trading Division in July 2022, and reported to the supervisory authority its incidental business in the field of self-trading and brokerage of credits to strategically nurture businesses in the field of carbon-emissions trading. KB Securities was also designated as market maker in the Korea Emissions Trading Scheme (K-ETS) market in December 2022, contributing to ensuring smooth distribution of carbon credit, increasing market liquidity and price stabilization. Going forward, we will continue to play a role in supporting corporate carbon reduction activities through emissions trading.

| Carbon-Neutral Business Governance

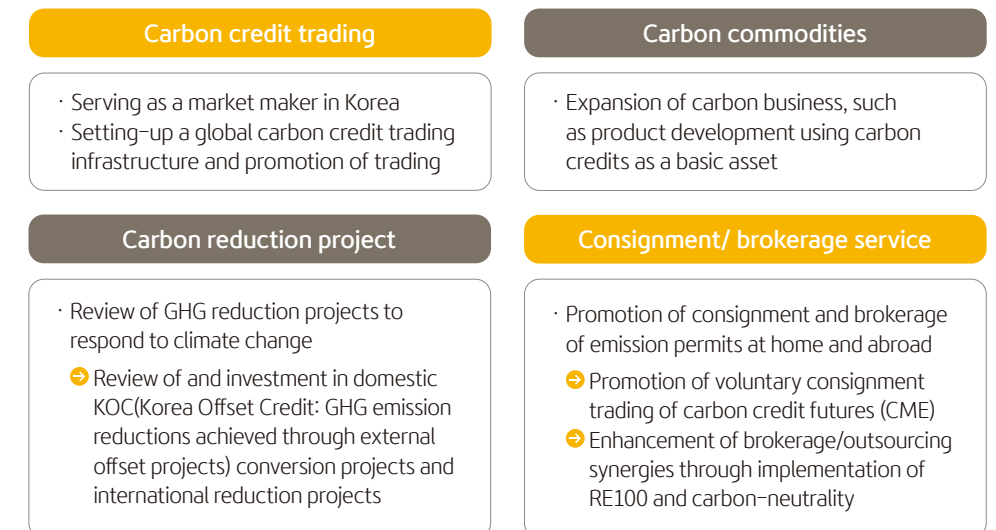


Carbon-Neutral Business Strategy

Carbon-Neutral Business-Related Strategy

To expand the carbon credit business and diversify the profit structure, KB Securities is implementing four strategies: carbon credit trading, carbon reduction project, carbon commodities, consignment/brokerage service. Going forward, we plan to continuously seek business opportunities such as commercialization of carbon credit, global carbon credit trading, and expansion of domestic and international credit consignment and brokerage sales. Moreover, we are further solidifying our position as a leading carbon finance company by providing portfolio management and customized strategies through carbon credit market analysis and information sharing.

| Strategy to Expand Carbon Business and Diversify Profit Structure



Carbon-Neutral Business

Carbon-Neutral Business Activities

Serving as a Market Maker in K-ETS

KB Securities is serving as a major market maker in the Korean emissions-trading scheme (K-ETS), contributing to the increase in liquidity of carbon credit and market activation. In particular, KB Securities actively performed its role as a market maker in April and November 2024, when the trading volume surged due to the increase in demand for settlement of emissions allowances. KB Securities aims to further expand its market share in the carbon credit market and diversify its carbon business. By analyzing the 2024 trend of KAU trading volume and the market environment, we will expand domestic and international emissions consignment and brokerage services, develop carbon credit-based financial commodities, and provide financial solutions that support RE100 implementation and carbon neutrality to strengthen our market leadership through differentiated strategies.

Received the Minister of Environment Award at the 10th Anniversary of the Implementation of the Emissions Trading Scheme and Market Opening

KB Securities received the Minister of Environment Award at the 10th Anniversary of the Implementation of the Emissions Trading Scheme and Market Opening event hosted by the Ministry of Environment in January 2025 in recognition of its contribution to supporting corporate greenhouse gas reduction activities as an emissions market maker. Since being selected as a K-ETS market maker in 2023, we have been supplying liquidity to the carbon emissions trading market, resolving imbalances in supply and demand for carbon credit, and forming reasonable market prices. In addition, we have participated in briefing sessions and public hearings for the establishment of the government's 3rd allocation plan and 4th master plan, presenting our opinions for policy improvement and market activation. Also, we have been leading the introduction of related financial products such as synthetic exchange-traded funds (ETFs) and exchange-traded notes (ETNs) to expand the demand base for carbon credits. Going forward, KB Securities will strive to advance and revitalize the emissions market in line with policy directions such as the introduction of consignment trading and the financial commercialization of carbon credits.

MOU for Supporting Domestic and International Carbon Reduction

KB Securities is expanding its role as a leading ESG financial institution by strengthening financial support and cooperation for domestic and international carbon reduction. In Korea, we signed a business agreement (MOU) with MarinaChain to strengthen the carbon credit management capacity of the shipping industry. By combining the financial expertise and AI-based solutions of both companies, we will jointly provide credit management, brokerage and operation, and risk hedging consulting services, and plan to expand our business to the carbon emission market and eco-friendly energy sector in Korea. In overseas markets, we signed an MOU with Glencore and CERTAIN GTS to support carbon reduction in Ghana. We plan to invest in carbon reduction projects centered on supporting charcoal production in Ghana, and in return, acquire internationally transferred mitigation outcome (ITMO) in accordance with Article 6 of the Paris Agreement. Going forward, we plan to actively support the achievement of domestic and international greenhouse gas reduction and carbon neutrality based on active collaboration with other companies and organizations.



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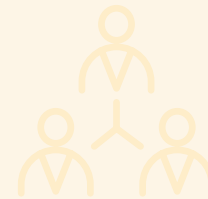
2024 Achievements

 Korea Service Quality Index Selected as excellent companies	 Information security in-depth training for employee All IT and data handling departments completed training	 Total digital personal assets KRW 39.2 trillion (up 13.2% YOY)
 Employee training to improve expertise KRW 2.25 billion 113 hours per person	 Female employee ratio Total 45.9% Team leader and above 35.6%	 Lunchbox support project for children at risk of undernourishment Support meals for 2,000 children

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01 Financial Consumers and Customers



Approach

Financial consumers (clients) are the core stakeholders of KB Securities. KB Securities has positioned consumer-centric management as a core pillar of its ESG strategy and is committed to strengthening trust with financial consumers by enhancing consumer protection, improving customer satisfaction, and reinforcing information security. In this regard, we are continuously expanding our position as a trusted financial partner by enhancing customer satisfaction by strengthening the internal control system and information protection system for protecting financial consumers, and actively reflecting customer opinions through various communication channels.

| Governance |

- Establishment of financial consumer protection governance centered on the Financial Consumer Protection Internal Control Council
- Establishment of policies such as financial consumer protection internal control standards
- Establishment of information protection governance centered on the Information Security Council
- Establishment of information protection policies and guidelines

| Strategy |

- Analysis of risk and opportunity factors related to protecting financial consumer, preparation of response strategies, and determination of financial impacts
- Operation of communication channels such as customer panels and VOC collection
- Analysis of risk and opportunity factors related to information protection, preparation of response strategies, and determination of financial impacts

| Risk Management |

- Establishment of a monitoring system for protecting financial consumer
- Implementation of customer satisfaction-related monitoring such as customer satisfaction surveys, spot surveys at branches, mystery shopping, etc.
- Establishment of a monitoring system for information protection such as risk assessment and stability assessment and inspection of the information protection management system

| Targets & Metrics |

Achieved 95 points or higher in 2025 Customer Satisfaction Service Index	Financial product satisfaction level	Results of mystery shopping	Adoption rate of VOC/ suggestions	Customer-complaint processing period
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Financial Consumer Protection

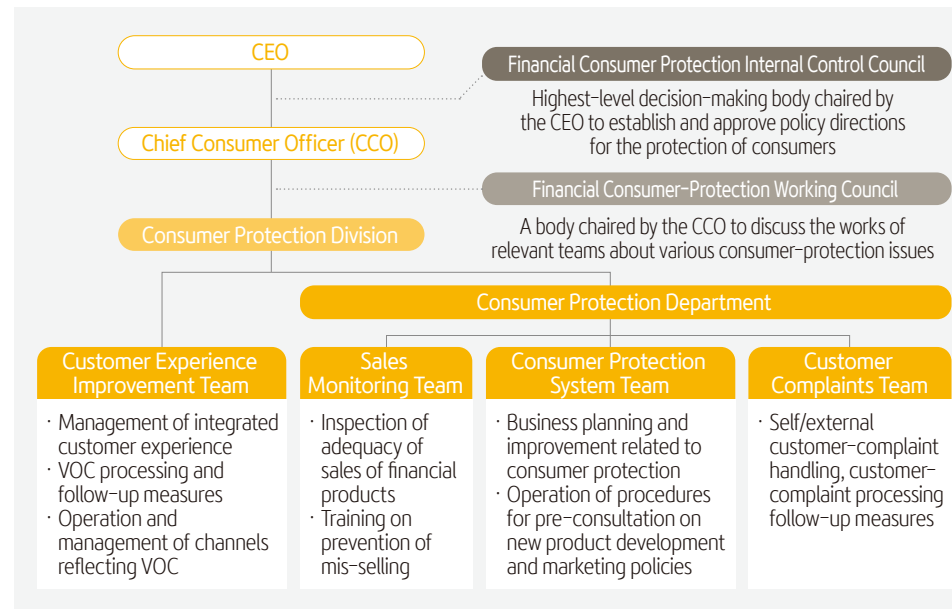
Financial Consumer Protection System

Financial Consumer Protection Governance

In order to respond to rapid changes in the financial environment, KB Securities is strengthening the internal control system for financial consumer protection. We have established the Financial Consumer Protection Internal Control Council, the highest decision-making body, to deliberate and decide on the establishment of management direction for financial consumer protection, improvement of the system, monitoring, prevention of complaints and dispute resolution, and evaluation of the performance compensation system for employees in terms of financial consumer protection. The Council held a meeting at least once per quarter, in principle and is composed of the CEO, the Chief Consumer Officer (COO), Compliance Officer, Risk Management Officer, and executives of related departments.

Financial Consumer Protection Governance

(As of Jan. 2025)



Policy on Financial Consumer Protection

KB Securities has established and operated the Financial Consumer Protection Internal Control Standards and Financial Consumer Protection Internal Control Guidelines, which contain the details necessary for the implementation of internal controls for financial consumer protection, such as the roles, duties, procedures, and delegated matters of employees related to financial consumer protection. In particular, in order to prevent violations of the Financial Consumer Protection Internal Control Standards, preventive measures and inspection plans are established and reported to the Internal Control Council at least once per year.

Preventive Measures to Prevent Violations of the Financial Consumer Protection Internal Control Standards

Preventive measures	Inspection plan
Conducting job performance training on financial products	<ul style="list-style-type: none"> Training on job performance for individual financial products for employees Guidance on the profits and risks of products such as funds, bonds, derivatives, and pensions, and protection of investor rights, etc.
Review and corrective actions regarding compliance with the Financial Consumer Protection Act and internal control standards for financial consumer protection	<ul style="list-style-type: none"> Pre-deliberation of products and contract documents, pre-consultation of marketing policies Pre-deliberation of internal control-related regulations for financial consumer protection and revision
Strengthening KPI standards for branches related to financial consumer protection	<ul style="list-style-type: none"> Changing the financial consumer protection item in the KPI of branches to a deduction indicator Strengthening the influence of financial consumer protection-related KPIs in preparation for status evaluation



Financial Consumer Protection

Financial Consumer Protection Strategy

Analysis of Financial Consumer Protection-related Risks and Opportunities

KB Securities has identified key risk and opportunity factors for financial consumer protection and analyzed their potential impacts.

| Risk and Opportunity Factors Related to Financial Consumer Protection

	Risk and opportunity factors	Potential impacts	Short-term	Mid-term	Long-term
Risk factors	Violation of laws/regulations and external rules related to financial consumer protection	Imposition of fines or penalties for violation of laws/regulations and external rules, disciplinary action against relevant employees		○	
	Increase in internal and external complaints	Increase in costs related to handling complaints	○		
	Mis-selling of financial products	Payment of compensation for mis-selling of financial products			○
	 Inadequate or low evaluation of the status of financial consumer protection	Loss of reputation due to the results of the financial consumer protection status evaluation	○		
Opportunity factors	Improvement of the system based on complaints/VOC	Increase in customer satisfaction through various system improvements	○		
	Prevention of mis-selling	Reduction of unpredictable costs resulting from mis-selling			○
	Raising awareness of financially vulnerable consumers	Securing diverse consumer groups such as the financially vulnerable and enhancement of the company's image			○
	 Excellence in the status evaluation for financial consumer protection	Improvement of reputation due to the results of the financial consumer protection status evaluation	○		





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Financial Consumer Protection

Financial Consumer Protection Strategy

Strategies for Responding to Risks and Opportunities in Financial Consumer Protection

In order to respond to risks and opportunities related to financial consumer protection, KB Securities has established five financial consumer protection promotion goals and strategies and tasks for each goal.

| Strategies for Responding to Risks and Opportunities in Financial Consumer Protection

Goals	Strategies	Tasks	Short-term	Mid-term	Long-term
Strengthening inspection and measures from a consumer protection perspective on product development/sales/post management processes	Implementation of prior consultation and measures for the development/sales/post management process of financial products	<ul style="list-style-type: none"> Pre-consultation in terms of consumer protection before implementation of product development, marketing policy, product descriptions, and terms and conditions ➔ (Short-term) Expansion of the collective review of product descriptions by type of major products using RPA Deduction of scores in KPI when pre-consultation is omitted or consultation is requested on the day of implementation ➔ (Short-term) Expansion of KPI evaluation related to pre-consultation and decrease in the number of consultation requests on the day of implementation 	○		
	Implementation of various pre- and post-inspections related to the sale of financial products	<ul style="list-style-type: none"> Implementation of self-mystery shopping ➔ (Short-term) Establishment of an award system for excellent employees in mystery shopping evaluations ➔ (Mid-term) Strengthening the education (including role-playing) system for standard sales processes by product 			
Improving mis-selling prevention	Implementation of various pre- and post-inspections related to the sale of financial products	<ul style="list-style-type: none"> Implementation and taking measures such as on-site inspections of branches to prevent mis-selling, self-inspections related to the Financial Consumer Protection Act, door-to-door sales inspections, inspection of adequacy of creation, sales and post management of high-difficulty financial investment products ➔ (Short-term) Expansion of reflection in KPIs of branches related to mis-selling, strengthening inspections of non-face-to-face financial product sales processes ➔ (Mid-term) Digitalization of the management system for inspection details to prevent mis-selling 	○	○	
Strengthening financial Consumer-complaint processing system	Operation of a complaint processing system for efficient complaint processing and management	<ul style="list-style-type: none"> Improvement of the complaint processing system ➔ (Short-term) Sharing details on complaint/VOC through the system, processing period notification, file attachment function of processing department, etc. 	○		
	Striving to shorten the complaint processing period	<ul style="list-style-type: none"> Improvement of KPI of branches for complaint processing period ➔ (Short-term) Differential application of KPI deduction by submission period of self-adjustment, related materials, etc. Expansion of complaint processing personnel ➔ (Mid-term) Securing complaint processing staff who are at the same level as those of other companies 	○	○	





Financial Consumer Protection

Financial Consumer Protection Strategy

Strategies for Responding to Risks and Opportunities in Financial Consumer Protection

In order to respond to risks and opportunities related to financial consumer protection, KB Securities has established five financial consumer-protection promotion goals and strategies and tasks for each goal.

Strategies for Responding to Risks and Opportunities in Financial Consumer Protection

Goals	Strategies	Tasks	Short-term	Mid-term	Long-term
Strengthening customer experience management, Voice of the Customer (VOC), Customer advisory group, customer accessibility and convenience 	Establishment of a customer experience management system centered on NPS* * NPS (Net Promoter Score)	<ul style="list-style-type: none"> Forming an organization to secure the driving force for establishing a customer-experience management system <ul style="list-style-type: none"> ➔ (Short-term) Establishment of a 'Customer Experience Improvement Team' directly under the Consumer Protection Division in January 2025 Establishment of a customer experience-centered management culture company-wide through establishment of an NPS survey system and operation model <ul style="list-style-type: none"> ➔ (Mid-term) Establishment and implementation of an NPS survey and management system 	○	○	
	Operation of Voice of Customer (VOC) and customer panel	<ul style="list-style-type: none"> Active promotion of institutional improvement through increasing the VOC adoption rate <ul style="list-style-type: none"> ➔ (Mid-term) Goal of achieving 80% VOC adoption rate 			
	Realization of mutual-prosperity finance for financially vulnerable groups	<ul style="list-style-type: none"> Strengthening financial education and protection processes for the financially vulnerable <ul style="list-style-type: none"> ➔ (Short-term) Activation of tele-counselling service exclusively for elderly customers and strengthening guidance on the door-to-door sales process ➔ (Mid-term) Improvement of financial education support methods for young people preparing for self-reliance 			○
Strengthening financial consumer protection capabilities through employee training 	Implementation of various kinds of financial consumer protection-related education stipulated in laws, external rules, and company regulations	<ul style="list-style-type: none"> Education on complete sales process, financial product job performance, mis-selling prevention, Financial Consumer Protection Act, and Customer-complaint prevention, etc. <ul style="list-style-type: none"> ➔ (Short-term) Implementation of systematic education through establishment of an annual plan related to financial consumer protection education ➔ (Mid-term) Expansion of reflection in KPIs to improve the effectiveness of education and strengthening post-management through a computer system 	○	○	
			○	○	



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Financial Consumer Protection

Financial Consumer Protection Strategy

Mid- to Long-term Goals for Financial Consumer Protection

KB Securities has set mid- to long-term goals related to financial consumer protection focusing on major topics such as the complete sales process, digital finance, and financial consumer support. Based on this, we are strengthening the financial consumer protection system, implementing consumer protection activities, and evaluating the results and effectiveness.

| Mid- to Long-term Goals for Financial Consumer Protection and Strategies

Mid- to long-term goals	Details
<p>Improvement of complete sales process</p> 	<ul style="list-style-type: none"> • Expansion of on-site inspection cycle and KPI reflection • Integration of AMS, senior investor and sales recording inspection systems • Establishment of a system to establish inspection and sales-procedure improvement measures through meetings with relevant departments
<p>Establishment of a digital financial response system</p> 	<ul style="list-style-type: none"> • Improvement of utilization of AI-based mis-selling determination system • Operation of online sales inspection channel (non-face-to-face mystery shopping) and expansion of reflection in KPIs for relevant departments • Improvement of customer-complaint processing system and VOC operation system
<p>Expansion of financial consumer education/participation</p> 	<ul style="list-style-type: none"> • Expansion of financial education support by region for Pinwheel Supporters • Establishment of a company-wide customer experience-centered management culture through establishment of NPS survey system and operation model

Financial Impacts Related to Financial Consumer Protection

We estimated the short-term, mid-term, and long-term financial impacts of implementing strategies related to financial consumer protection. In the short-term, we plan to upgrade the complaint and VOC system, which is expected to increase system development costs. In the midterm, we plan to improve the post management system through digitalization of financial consumer protection-related education, which is expected to increase operating costs. In addition, additional system development costs are expected to increase due to the plan to establish an NPS survey and management system.

In order to protect financial consumers and resolve financial consumer complaints and inconveniences, we plan to analyze customer satisfaction after selling and marketing the financial products, and use the results to develop financial products, improve work, and reduce complaints. Accordingly, system-development costs are expected to increase. Furthermore, we plan to award excellent branches in financial consumer protection every year to foster the financial consumer protection mindset and improve job performance of employees, which is expected to increase operating costs. Meanwhile, the system development cost is expected to increase as a healing program for counselors is operated to relieve the stress experienced by customer-complaint processing employees. However, such efforts to protect financial consumers are expected to increase the number of customers and loyalty, thereby increasing profit stability in the long term.

Financial Consumer Protection

Financial Consumer Protection Risk Management

Monitoring Related to Financial Consumer Protection

With the rapid digitalization of finance and more complex and diversified financial products, the need for financial consumer protection is increasing. Accordingly, financial authorities are also pursuing various policies to improve unfair financial practices and strengthen financial consumer protection. KB Securities recognizes financial consumer protection as a key task and has established and is operating the Financial Consumer Protection Internal Control Council, and an organization supervising financial consumer protection to manage risks related to financial consumer protection. In addition, we are managing risks related to financial consumer protection by establishing various monitoring systems such as regular inspections, self-inspections, and branch inspections for financial consumer protection.

| Monitoring Status Related to Financial Consumer Protection

Category	Details	Inspection cycle
Financial consumer protection status assessment	<ul style="list-style-type: none"> Comprehensive evaluation for financial consumer protection level by the Financial Supervisory Service * Status assessment: The Financial Supervisory Service directly evaluates every three years and publicly announces the results * Self-diagnosis: KB Securities directly diagnoses the financial consumer protection system (years when status assessment was not conducted) 	Once a year
Regular inspection of appropriateness including inspections of compliance with internal control standards for financial consumer protection	<ul style="list-style-type: none"> Pre-deliberation of products and contract documents, pre-consultation on marketing policies Pre-review of enactment/revision of regulations related to internal control for financial consumer protection Deliberation of investment advertisements 	Everyday
Self-inspections related to financial consumer protection	<ul style="list-style-type: none"> Preparation of 'Self-inspection Checklist of Financial Consumer Protection Act' for the financial consumer protection internal control system and registration of the results 	On a quarterly basis
On-site inspection of branches (themes) related to prevention of mis-selling	<ul style="list-style-type: none"> Conducting on-site inspections at all branches * Inspection of investor tendencies analysis result, suitability/appropriateness principles, explanation obligations, missing of contract documents, and computer consistency, etc. 	Bimonthly
Checking compliance with suitability principles	<ul style="list-style-type: none"> Recording inspection of unregistered or unsuitable investor accounts 	Bimonthly
Mystery Shopping (face-to-face/non face-to-face)	<ul style="list-style-type: none"> Inspection of compliance with sales procedures at branches through external inspection agencies 	On a quarterly basis
Inspection of internal control system for door-to-door sales	<ul style="list-style-type: none"> Written inspection of departments related to door-to-door sales 	On an annual basis
Inspection of high-difficulty financial investment products	<ul style="list-style-type: none"> Inspection of appropriateness of creation, sales, and post management of high-difficulty financial investment products through on-site inspections 	Semiannually





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Financial Consumer Protection

Financial Consumer Protection Metrics and Targets

Goals and Tasks Related to Financial Consumer Protection

KB Securities is strengthening the company-wide financial consumer protection system by establishing implementation tasks based on key directions for protecting financial consumers — such as improvement of the internal control system for financial consumer protection, and improvement of the sales inspection system according to changes in the business environment.

| Goals and Tasks Related to Financial Consumer Protection

<ul style="list-style-type: none"> · Inspection of the appropriateness of the Financial Consumer Protection Standards, and establishment of a computer system related to the inspection of the appropriateness of the internal control standards for financial consumer protection · Expansion of the target of penalties related to the Standards for Management of Employees Who Cause Mis-selling, segmentation of standards, and strengthening measures against employees who cause mis-selling · Selection of and rewarding of employees with excellent annual mystery shopping performance, and reflection of mystery shopping results in the performance evaluation of the relevant executives · Improvement of the complaint/VOC processing, such as sharing the contents of complaints/VOCs, notifying the complaint processing period, and developing a file attachment function for the handling department 	<ul style="list-style-type: none"> · Digitalization of the management system for inspection details to prevent mis-selling of financial products · Inspection of unsound sales practices such as inducing non-face-to-face subscriptions to avoid product explanation obligations and implementation of non-face-to-face mystery shopping · Expansion of occasional/regular inspections on investment recommendations and sales of financial products through door-to-door sales, etc. 	<ul style="list-style-type: none"> · Expansion of the education methods (non-face-to-face) and targets (young people preparing for self-reliance) for the financially vulnerable class · Strengthening the process of protecting vulnerable financial consumers, such as activating tele-counselling services exclusively for elderly customers and providing guidance on the door-to-door sales process for disabled and elderly customers 	<ul style="list-style-type: none"> · Establishment of a Customer Experience Improvement Team directly under the Division to secure the driving force for establishing a customer experience management system · Establishment of a company-wide customer experience-centered management culture through the establishment of an NPS* survey system and operating model <p><small>* NPS (Net Promoter Score)</small></p>
 <p>Improvement of financial consumer protection internal control system</p>	 <p>Improvement of sales inspection system according to changes in the sales environment</p>	 <p>Expansion of a mutual-prosperity financial foundation for financially vulnerable groups</p>	 <p>Establishment of a customer experience management system centered on NPS</p>



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Financial Consumer Protection Metrics and Targets

Financial Consumer Protection Metrics results and Targets

KB Securities has established five core consumer protection indicators for company-wide management, and is managing the performance of each indicator by setting short-term and mid-term goals.

Financial Consumer Protection Indicators Results and Targets

Category	Explanation of indicators	Result for 2024	Targets for 2025	Targets for 2026
Quick customer-complaint processing	· Customer-complaint processing period	Within 10.7 business days	Within 9.5 business days	Within 8.0 business days
Mystery shopping	· Average results of mystery shopping conducted by external agencies* * Financial Supervisory Service, Consumer Protection Foundation, etc.	93.5 points	95 points or more	95 points or more
Adoption rate of VOC/suggestions	· Adoption rate of customers' suggestions	78.6%	80.0%	80.0%
CS evaluation	· Customer satisfaction index* * Measurement of basic customer service quality for branch staff	92.1 points	95 points or more	95 points or more
External activities for consumer protection	· Number of external activities for consumer protection* * Customer panels, education for consumer, satisfaction surveys, etc.	9 times per year	3 times or more per half year	3 times or more per half year

Financial Consumer Protection Activities

Financial Product Complete Sales Process

KB Securities is establishing a process for the complete sales of financial products. We are providing various forms of education to comply with advertisement deliberation regulations, and to avoid acts that may harm the fair trade order. In addition, in order to prevent mis-selling and respond to financial accidents, we have established a manual for financial products complete sales process, and a manual for protection and responses to vulnerable groups, and are conducting on-site inspections, etc. We have also established regulations for handling customer-complaints and are developing and operating a complaint-handling system to handle customer-complaints and provide relief for damages related to the use of products and services.

Financial Product Complete Sales Process

Category	Activities and processes
Advertisement deliberation	· Training for compliance manager for compliance with advertisement regulations and prevention of mis-selling (Occasionally) · Training on investment advertising regulations and internal control procedures (twice per year)
Prevention of mis-selling	· Establishment of Financial Product Complete Sales Process Manual, Protection Program Manual for (Super)Elderly Investors, and Disability Customer Service Manual · Prior consultation with the Consumer Protection Department, advertisement deliberation, 'Happy Call' service, preemptive prevention system for mis-selling, Mystery shopping, on-site inspection at branches
Responses to financial accidents	· Training on the necessity, definition, and general standards for protection of senior investors · Establishment of Protection Program Manual for (Super)Elderly Investors, and Disability Customer Service Manual
Complaint processing	· Establishment of Complaint Processing Regulations · Development and operation of a complaint processing system to manage the results of complaint processing · Expansion of the functions of the complaint processing system, such as adding an automatic notification function when receiving and processing complaints



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Financial Consumer Protection Activities

Strengthening Financial Consumer Protection Capabilities

In 2024, we carried out various projects by setting Strengthening the Financial Consumer Protection Internal Control System as one of the key tasks. We improved the financial consumer protection inspection system to take corrective measures for deficiencies and attracted the attention of relevant departments by expanding responsibility for preventing mis-selling. In addition, we implemented various projects such as increasing employee understanding through financial consumer protection job performance training and post-management and conducting training to enhance work capabilities related to internal control for digital finance.

| Performance of Financial Consumer Protection

Category	Main contents
Improvement of the financial consumer protection inspection system	<ul style="list-style-type: none"> Establishment and implementation of an inspection process for the financial consumer protection internal control standards Strengthening the inspection of the financial consumer protection self-inspection checklist
Strengthening responsibility for mis-selling of financial products	<ul style="list-style-type: none"> Strengthening the evaluation criteria related to consumer protection for the departments at head office Collective review of major product descriptions by type using RPA related to prior consultation work
Education to reinforce compliance with the Financial Consumer Protection Act for employees	<ul style="list-style-type: none"> Expansion of the target of financial consumer job performance training Strengthening capability through financial consumer protection training Strengthening training related to exercising financial consumer rights
Improvement of digital financial internal control work capacity of dedicated consumer protection staff	<ul style="list-style-type: none"> Selection of dedicated consumer protection staff and implementation of professional digital financial training

Improvement of Financial Consumer Protection Inspection System



KB Securities has established an inspection process for the financial consumer protection internal control standards, and is inspecting provisions of the internal control standards using a checklist of 81 items in 38 categories. In addition, we have strengthened inspections using the Financial Consumer Protection Self-Inspection Checklist. The Consumer Protection Department conducts a secondary inspection on the implementation details of the self-inspection and the preparation of supporting documents and appropriateness of the self-inspection results of each branch.

Strengthening Responsibility for Mis-selling of Financial Products



KB Securities has strengthened the evaluation criteria for consumer protection by expanding the KPI score of the consumer protection department for the head office department from 1.5 points to 3 points. In addition, we have collectively reviewed the product descriptions of major products by type by utilizing RPA related to the pre-consultation work.

Strengthening the Compliance of Employees with the Financial Consumer Protection Act



We have expanded the targets of financial consumer protection job-performance training from branch employees to head office employees, and added overseas stocks to the training subjects, expanding the total to 10 subjects. In addition, we have strived to improve effectiveness through systematic post-training management. Meanwhile, two-way (real-time) training was also conducted to improve understanding of how financial consumers exercise their rights.

Enhancement of Work Capabilities related to Digital Finance Internal Control for Employees dedicated to Consumer Protection



In response to changes in the consumer protection internal control environment, we are selecting dedicated staff to foster digital experts related to consumer protection and strengthen the actual digital connectivity of work, and are conducting professional digital financial education.



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Financial Consumer Protection Activities

Consumer Protection Day

In order to prevent consumer damages and raise consumer protection awareness among employees, we have designated the first business day of each quarter as a Consumer Protection Day and are providing financial education and various events for employees and financial consumers. In 2024, employees signed a resolution to pledge to practice the five core consumer protection values, and we conducted education on precautions when conducting the door-to-door sales recording to prevent mis-selling. In the third and fourth quarters, we conducted training on responding to disabled persons in line with the establishment of a dedicated window for the financially vulnerable, and we made branches check the standard sales process through education on inadequate cases during sales inspections at branches. Meanwhile, we distributed educational videos on topics such as consumer rights and customer-complaint procedures for financial consumers, precautions when investing in bonds, and consumer understanding of over-the-counter bonds and funds, and held quiz events related to the topics. In particular, in the third quarter, we held a Review My Financial Products and Take a Quiz event for customers who purchased financial products such as Korean won-denominated over-the-counter bonds and funds through branches and online media, and worked to increase educational effectiveness by stimulating consumer interest. Going forward, we will continue to provide financial education for employees to protect financial consumers, and enable more consumers to participate through easy and fun financial education and events.



Marvel TV - Education Video on Consumer Understanding of Bonds and Funds

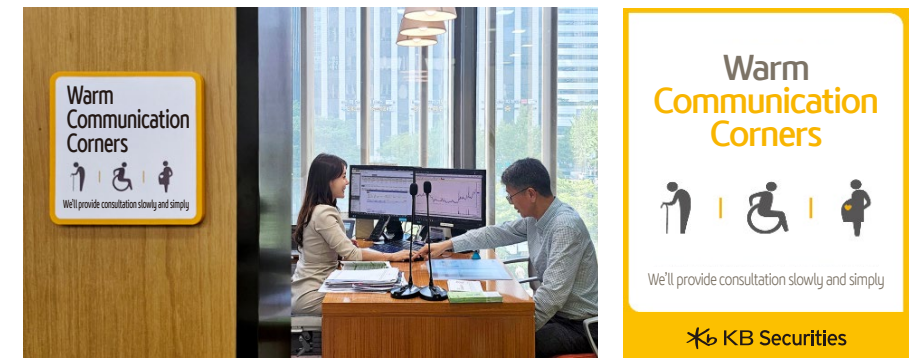


Consumer Protection Day - Customer Quiz Event in 3rd Quarter

Establishment of “Warm Communication Corner”

To promote the protection of financial consumers, we operate the “Warm Communication Corner” at each branch. Starting in early June 2024, we have expanded the counseling desks—previously available only for senior customers—into dedicated service counters at all branches, enabling convenient access to financial services for persons with disabilities, pregnant women, and others.

We are attaching signs with images symbolizing the elderly, the disabled, and pregnant women along with the phrase ‘We provide consultations slowly and easily’ to the Warm Communication Corner to guide customers who are vulnerable groups to use it easily. We are establishing a work process so that all employees at the branch office, not just some of the employees, can provide the service, and for this purpose, we are conducting written training on the manual for service for the disabled and online training to improve awareness of the disabled. Going forward, we will operate the business so that all financial consumers can conveniently access financial services.



Warm Communication Corner at KB Securities Branch Offices



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Financial Consumer Protection Activities

Occurrence and Processing of Customer-Complaint

The Consumer Protection Department mainly handles complaints, as a dedicated department, and the head of the Consumer Protection Division performs the role of Complaint Management Officer. In order to promote the convenience of customers and stakeholders, KB Securities established a Complaint processing procedure in accordance with the Complaint Processing Regulations, which cover matters from reception of complaints to investigation of complaints, and deliberations and decisions of the Complaint Deliberation Committee. We process complaints within 14 business days from the date of receipt, and the progress and handling results are notified to the customers raising complaints.

In 2024, we carried out various activities to improve customer satisfaction by improving the customer-complaint system and processing procedures. We restricted children under the age of 14 from filing complaints on the homepage of the Company, added a file deletion function to the homepage customer suggestion and HTS consultation screen, and changed the notification text for customer suggestions handled to protect customer information and meet customer needs. In addition, we have strengthened the response system by sharing complaint trends and discussing difficulties through a meeting with working-level managers for complaint prevention. We conducted complaint-prevention training twice per year for compliance managers, and conducted training at branch offices twice to prevent recurrence of complaints relating to password management for personal information. In addition, we made improvements by requesting and requiring each department to take action on a total of eight requests for work improvement to prevent recurrence of complaints.

Enhancing Customer Satisfaction

Customer Satisfaction Risk Management and Indicators

Monitoring Process Related to Customer Satisfaction

When managing the customer satisfaction index of branches in the long term, we can increase the profitability and corporate value of the Company, Customer satisfaction In order to improve customer service and satisfaction, we aim to identify the level of customer satisfaction for customer service at the branch office level and improve the identified problems.

In 2024, we measured the comprehensive service level through the KBSI index, which combines customer satisfaction and branch-visit monitoring results. The customer satisfaction survey was conducted through a mobile survey of various customers, including customers who process business at each branch and customers by PB manager, targeting a wide range of age groups from 20s to 80s. Meanwhile, the branch-visit monitoring was conducted by visiting 81 KB Securities branches through mystery shopping for the Customer Service Team and PB Team.

Based on the survey results and VOC opinions collected, we identified problems and shared the results with branches to improve service quality and derive improvement measures. As such, key initiatives are selected and taken into account or reflected in system improvements.

| KBSI Score

Category	Customer satisfaction	Branch-visit monitoring	Comprehensive service (KBSI)
2024	90.0	96.4	93.9
2023	89.7	95.5	93.2

- Proportion in 2024 KBSI (monitoring via visiting 60% + customer satisfaction survey 40%)
- Grading criteria – S: 95 or more, A: 90 or more, B: 85 or more, C: 80 or more, D: 75 or more, F: less than 75
- Target: 10 persons per each branch’s customer service team, 4 persons per each PB manager



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Enhancing Customer Satisfaction

Enhancing Customer Satisfaction Activities

Training for Customer Satisfaction (CS)

We provide Customer Satisfaction Training (CST) to strengthen service quality and foster a customer-oriented mindset. We focus on training on weak areas such as employee service attitudes based on customer feedback collected from customer-satisfaction survey results. We conducted a total of 13 training sessions in the first and second half of the year, reflecting training topics requested by regional divisions and branches. We produced video training materials and conducted in-house broadcast training and uploaded them to the company intranet, and provided materials for continuous training. We also selected one CS leader for each branch and conducted autonomous CS training every month. To this end, we are providing training materials for customer-service satisfaction on the company intranet on the 5th day of every month.

| 2024 Education for Customer Satisfaction

First half	<ul style="list-style-type: none"> · Training target/method: CS leaders and customer service team leaders / Six face-to-face training sessions · Training topics <ul style="list-style-type: none"> - Inspecting key checkpoints for customer satisfaction - Communication method for Feeling & Needs: Careful/ Contextual/ Seamless
Second half	<ul style="list-style-type: none"> · Training target/method: CS training program tailored to customer characteristics by division / Seven face-to-face training sessions · Training topics <ul style="list-style-type: none"> - Customer response skills: Verbal expressions and dignified response methods for each customer contact point - CS communication: Understanding and self-diagnosis of verbal/nonverbal communication - Response to dissatisfied customers: Identifying needs by analyzing the psychological types of dissatisfied customers - CS and dignified customer response strategies: Building trust through sophisticated verbal expressions and facial expressions

Listening to Voice of Customers (VOC) and Reflecting the Customer Proposals

KB Securities operates online and offline channels to listen to the voice of customers (VOC), and VOC collected through each channel are classified by type is used to improve work, media, systems, products and services. Customers' voices, such as suggestions, proposals, and complaints or inconvenience are integrated and managed in the CCMS system, and a person in charge of VOC will contact the competent departments to give a prompt answer or register it with the 'Proposal Bank.' Through monthly VOC meetings, the status of the proposals' progress is checked, proposals under review are encouraged, excellent proposals are selected from the adopted proposals, etc. Rewards are given, such as 'pointtree' for excellent proposals adopted and coffee coupons for other adopted proposals. In addition, the status of customer-proposal implementation is monitored every other month and reported to the CEO. Meanwhile, in order to create an organizational culture that actively improves customer satisfaction, we are operating the CS Star system to reward excellent employees who have practiced customer satisfaction by reflecting the contents of the VOC four times per year, for five persons every quarter. In addition, excellent customer satisfaction cases are posted on the company's intranet to share them with all employees.

| Status of 2024 VOC Reception and Processing

Status of Financial Customers' VOC Reception and Processing					
	😊 Compliments	☹ Complaints	🗣 Customer proposals		No. of proposals adopted
2022	265	30	1,429	1,724cases	130
2023	558	21	1,548	2,127cases	101
2024	518	18	1,748	2,284cases	141



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Enhancing Customer Satisfaction

Enhancing Customer satisfaction Activities

Mystery Shopping

In order to prevent mis-selling and provide stable financial products that meet customer needs, KB Securities conducts 'Mystery Shopping' internally and externally in which investigators pretend to be customers and evaluate the customer service of a branch office. According to the external mystery shopping results conducted by the Korea Financial Consumer Protection Foundation in the second half of 2024, KB Securities was ranked 1st overall among securities companies and 2nd overall among 24 financial companies. In addition, according to the results of mystery shopping conducted by the Financial Supervisory Service on fund products of 12 companies, we scored 93.5 points, which is 0.8 points higher than the average score of 92.7 points of securities companies. According to the evaluation results, among the explanation obligation items, we were insufficient in 'Explanation of the contents of investment products' and 'Risks of investment', and among the bonus items, we received poor scores in items such as 'Establishment of a dedicated window for senior investors.' Going forward, we plan to strengthen education on items that must be explained during theoretical education on products, and conduct intensive inspections on 'whether a dedicated window for senior investors has been established' during on-site inspections. Meanwhile, in the face-to-face mystery shopping evaluation conducted by KB Securities, 59 out of 81 branch offices received an 'excellent' grade of 90 points or more, and our own non-face-to-face mystery shopping results showed that our score is 6.1 points higher than the average of other companies. Going forward, we will continue to strive to prevent mis-selling and comply with the Financial Consumer Protection Act.

Summary of 2024 Mystery Shopping Results

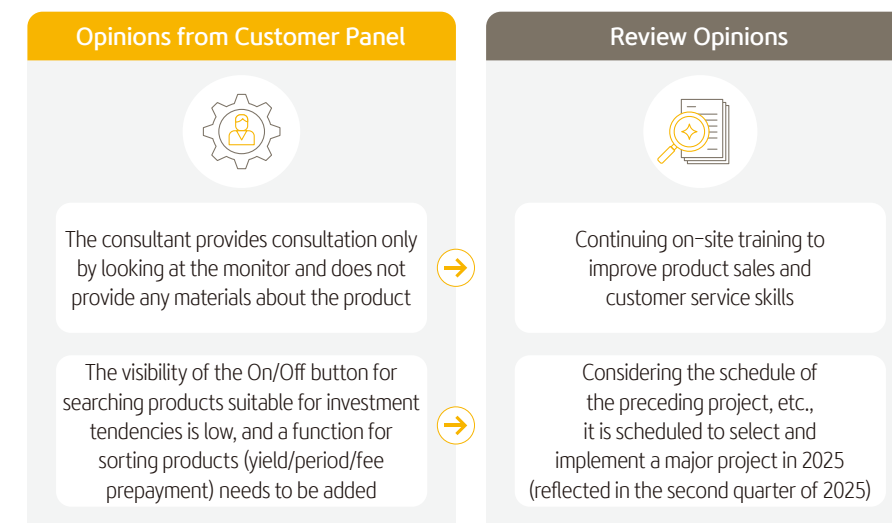
Korea Financial Consumer Protection Foundation	Financial Supervisory Service	KB Securities (Face-to-Face)	KB Securities (Non-Face-to-Face)
Fund	Fund	Fund	Bond
24 financial companies	12 branch offices	81 branch offices	4 securities companies
1 st overall among securities companies 2 nd overall among financial companies	93.5 points (Securities companies' average 92.7 points)	95.6 points (excellent)	73.8 points (4 companies' average 66.7 points)

Customer Panel System

The customer panel system is a program through which customers directly experience financial products, services, and web/apps, and propose and accept suggestions for improvements and ideas. We implemented a face-to-face customer panel system twice to collect specific VOCs on customer experiences at each contact point, understand KB Securities competitiveness, check improvement points to make substantial improvements in competitiveness, and derive future directions.

It consisted of various age groups in their 20s to 50s, and contributed to investigating the competitiveness of the fund products consulting capabilities of branches, and improving sales competitiveness by identifying improvement tasks and improving through the MTS competitiveness survey.

Key Opinions from Customer Panel Activities in 2024





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Protection of Customer Information

Information Security System

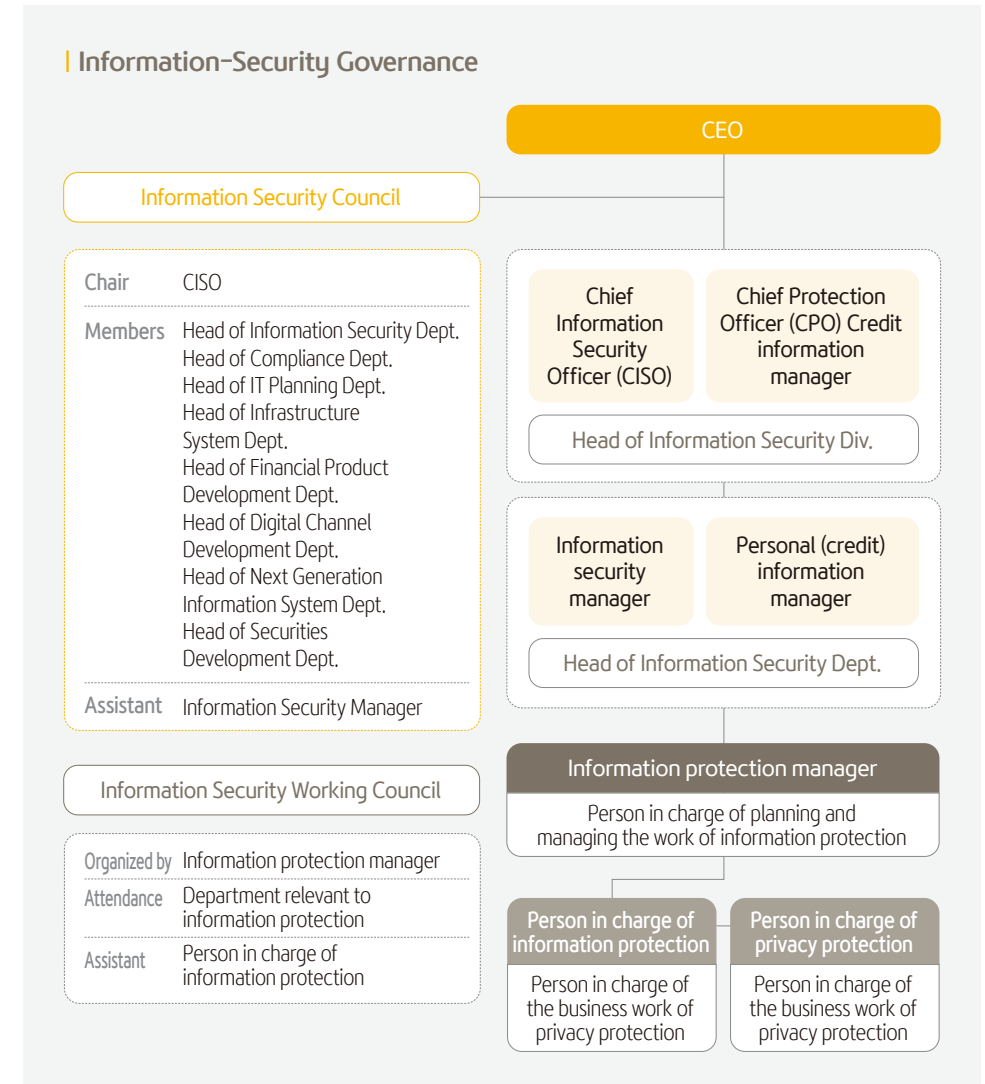
Information Security Governance

KB Securities regards customer information protection as its core value and has established the governance related to information protection and security to prevent personal-information leakage and infringement of privacy. We appointed the Chief Information Security Officer (CISO), the Chief Protection Officer (CPO), the Credit Information Manager, and the Customer Information Manager among the executives, and operate the Information Security Division and Information Security Council as the dedicated organizations responsible for important decision-making. The Council deliberates and decides on personal information protection, information protection risk management, introduction of new technologies to prevent customer-security incidents, and major security issues, and has a systematic reporting system that reports directly to the CEO. We maintain an internal information protection control system to ensure that customer information is safely protected at all stages from collection to storage, use, and destruction, and to prevent use for improper purposes. The management strives to make responsible decisions on material issues, such as the provision and use of customer information by an affiliate and evaluation on information protection.

Policy on Information Security

We are complying with the protection measures required by laws related to information protection by reflecting them in our internal policies. In addition, we are establishing and operating policies and guidelines by specifying roles, obligations, procedures, and risks related to information security and customer information protection. We are striving to support stable information system operation and provide reliable customer service by establishing information protection regulations (four types), guidelines (10 types), and manuals and standards (25 types).

(As of Jan. 2025)





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Information Security Strategy

Analysis of Risk and Opportunity Factors Related to Information Security and Response Strategy

KB Securities has identified major risks and opportunities by period (short-term/mid-term/long-term) for information security and customer information protection, analyzed potential impacts, and established response strategies.

| Information Security Related Risk and Opportunity Factors

Category	Risk factors	Opportunity factors	Responding strategies
Short-term	Increase in security risks due to deregulation on financial sector network separation and activation of new technology (AI, cloud, etc.) introduction	Strengthening prompt support for new business operations and competitiveness through establishing security policies and systems	<ul style="list-style-type: none"> Establishment of security infrastructure and implementation of security measures for generative AI and internal network SaaS management Continuous introduction of advanced information-protection systems to prepare for financial fraud and breach incidents due to support for new businesses (cloud services, etc.) and policy changes (deregulation of network separation, etc.)
Mid-term	Increase in complex and diversified security threats	Flexible response to paradigm shifts in information-management systems and transition to a company-wide autonomous security system	<ul style="list-style-type: none"> Improvement of governance, reorganization of internal regulations, and securing self-security capabilities to complete the autonomous security system
Long-term	Increased information-protection risks due to development of quantum technology (quantum computers, quantum cryptography, etc.)	Strengthening information protection and securing future security technology competitiveness through preemptive response	<ul style="list-style-type: none"> Promotion of conversion to PQC (Post Quantum Cryptography) system to eliminate the risk of disabling existing encryption systems due to the development of quantum technology Establishment and implementation of information protection response strategies to prepare for the introduction of new digital technologies



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Information Security Strategy

Mid- to Long-term Goals for Personal Information Security

KB Securities recognizes that customer information protection is the core value of the Company, and has established a personal information protection policy to protect customers' valuable personal information, and all employees are actively practicing it. We are reflecting and complying with the protection measures required by information protection-related laws and regulations in our internal policies, and we are safely keeping customer information from the time of collection to storage, use, and destruction of personal information, and maintaining an internal information protection control system to prevent use for improper purposes.

In the Short-term, we are building a security management system for external provision of personal (credit) information by 2025 to thoroughly prepare for security incidents such as compliance with laws and regulations on external provision of personal (credit) information, prevention of leakage accidents by trustees/affiliates through systematic contract management. In addition, we are aiming to record zero leakage accidents by trustees/affiliates. In the mid-term, we plan to establish a Privacy by Design (PbD) principle for each stage of personal information processing by 2027, and establish a system in which the appropriateness of personal information protection can be reviewed and reflected in the design from the stage of promoting customer service. In the long term, we plan to establish a governance system that will serve as a personal information protection control tower and establish a world-class personal (credit) information-management system through management and supervision of all activities related to personal (credit) information and enforcement of laws and regulations.

Meanwhile, we are actively investing in technology and building information protection systems to effectively manage rapidly changing information security risks and opportunities. In particular, we plan to continuously introduce future security infrastructure to proactively respond to changes in the digital financial environment and cybersecurity threats such as voice phishing. To this end, we are closely cooperating with IT and other related organizations to establish systematic implementation plans. Going forward, we plan to support new businesses and strengthen personal information systems to respond to increasingly intelligent breach threats and protect customer information and to establish an autonomous security system and complete a future-oriented information protection system that responds to the development of new digital technologies.

Mid- to Long-term Goals for Personal Information Security and Strategies

Category	Goals and strategies
Short-term	<ul style="list-style-type: none"> Establishment of a security management system for external provision of personal (credit) information <ul style="list-style-type: none"> Strengthening legal compliance and systematic contract management Prevention of leakage accidents by trustees/affiliates Goal: Zero leakage incidents
Mid-term	<ul style="list-style-type: none"> Establishment of Privacy by Design (PbD) principles at each stage of personal information processing <ul style="list-style-type: none"> Reviewing the adequacy of personal information protection at the stage of promoting customer service Establishment of a system to reflect personal information protection elements at the design stage
Long-term	<ul style="list-style-type: none"> Establishment of a governance system that serves as a personal information protection control tower <ul style="list-style-type: none"> Strengthening the management and supervision of all activities related to personal (credit) information Establishment of a world-class personal information management system through compliance with laws and regulations



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Information Security Risk Management

Inspection of Information Security Management System

KB Securities conducts risk assessments at least once per year to identify, evaluate, and manage risks related to information security. We are managing risks by considering and applying risk avoidance, risk transfer, risk reduction, and risk acceptance measures; and we establish action plans divided into immediate measures, short-term measures, and mid- to long-term measures regarding diagnostic items that reduce risks, and then continuously manage and monitor the relevant risks. All plans and the results of the measures taken are reported to the Chief Information Security Officer. In addition, we are continuously inspecting the management system to provide reliable customer service through stable information system operation. We are operating a continuous information security evaluation system that evaluates the appropriateness of credit information utilization and management for all personal credit information-related work, and we conduct Group-level compliance inspections every year to inspect IT security compliance in accordance with the regulations for provision and use of customer information.

Inspection Activities of Information Security Management System in 2024

Category	Details	Hosted by	Date of Implementation
Continuous information protection evaluation system	Based on the Credit Information Use and Protection Act, evaluating the appropriateness of the use and management of credit information about all works related to personal credit information	Financial Security Institute, Financial Services Commission	Mar.
Group compliance inspection	Based on the regulations on the provision and use of customer information, inspecting the appropriateness of the information security practices of the Group for IT security compliance	Information Security Dept. of KB Financial Group and specialized external agency	May

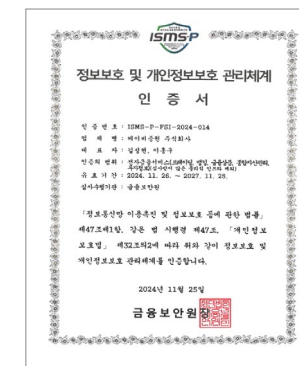
Certification of the Information Security Management System by an External Agency

In the Information Protection and Personal Information Protection Management System sector, KB Securities has been continuously carrying out information protection activities to maintain three types of information protection certifications, namely: credible domestic ISMS-P certification (electronic financial services, MyData) and international ISO 27001 certification.

In 2024, we passed the initial review and obtained a new certification by expanding the scope of cloud service in the ISMS-P Electronic Financial Services sector, and we are thoroughly preparing for the renewal of the ISMS-P certification for MyData Services in 2025, aiming not only to enhance customer trust but also to strengthen domestic and international business competitiveness.

Certification of Information Security by External Agency

Domestic ISMS-P certification	Information protection and personal information protection management system activities are reviewed to determine whether they are in compliance with the certification criteria
International ISO 27001 certification	Systematic nature of governance and security-management activities for the information-security management system is reviewed to grant the certification





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Protection of Customer Information

Information Security Activities

Inspection and Evaluation of Information Security

KB Securities periodically verifies its information security system and policies through various evaluations, inspections, and audits in connection with the key promotion directions for information security. To this end, in addition to regular/theme-based audits conducted by supervisory agencies and audit departments, we also conduct Group joint compliance inspections, self-inspections of personal information protection internal management plans, and continuous information protection evaluations every year.

In the 2024 Financial Services Commission-hosted regular information security evaluation, we received the highest grade (S). In addition, we conduct regular vulnerability analysis and evaluations of electronic financial infrastructure and public homepages, and are striving to prevent security incidents by establishing action plans, and conducting implementation inspections for identified vulnerabilities.

Information Security Inspection and Evaluation Status

Category	Major inspection and evaluation activities	Inspection cycle
Regular theme-based audits	Hosted by supervisory agency and audit department	Every year
Group joint compliance inspections	Group-level compliance inspection	Every year
Self-inspections of personal information protection internal management plan	Inspection of personal information protection system	Every year
Continuous information protection evaluation	Evaluation of information security policy and system	Every year

Stage-by-Stage Security Measures for Information Security

KB Securities applies security measures for each stage according to the procedures on information access and use to ensure the safe use of information. For example, in the authentication and access-control stage, a user must go through additional user authentication processes for safe information access, and access by unauthorized users is blocked through the access-control system. In the information inquiry and modification stage, we strengthen confidentiality of information through document encryption, and security measures are taken to ensure that only authorized users can access the information. Security measures for each stage contribute to maintaining confidentiality and integrity.

Step-by-Step Security Measures for Information Security

Step	Procedure	Security measures
Authorization	Authentication and access control	Access-control system, additional authentication
	Inquiry/modification	Check for excessive access rights
Use and storage	Encryption	Database, document encryption
	Printing/downloading	Watermark, document encryption
Provision	Online (mail/messenger, etc.)	Network separation, approval system for export, data loss prevention (DLP) for personal information search
	Offline (printouts, USB, etc.)	Approval system for export, PC security solution, security USB



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Information Security Activities

Personal Information Security Process

We are safely managing customer information by establishing a systematic management process to protect customer information. We only collect essential information necessary to fulfill contracts or provide services requested by customers, and protect important information through various security measures such as encryption, in strict compliance with laws and regulations. Furthermore, in order to guarantee customers' rights to take decisions on their personal information, we implement various procedures to guarantee rights, such as the right to access one's own information, and the right to request deletion. The use and provision of customer information to third parties without consent from the customer or beyond the previously agreed scope is strictly prohibited. In cases where we unavoidably have to entrust the customer information to an outside company to provide services, we conduct thorough management and inspection of the consigned management company to prevent personal information leakage by the consigned management company. We destroy customer information without delay or comply with the procedures to store it separately as specified in the laws and regulations if the retention period agreed by the customer has expired, or the purpose is fulfilled. In addition, we are updating protection measures and standard guidelines in accordance with the Personal Information Protection Act revised in 2024, and striving to provide safe financial transaction services.

Procedures for Privacy Policy

1 Collection

Consent of the data subject required /
Minimization of personal data collection



2 Use, storage

Use of information to the extent of consent /
Safe storage and management



4 Destruction

Destruction upon achievement of purpose /
Comply with statutory retention period



3 Provision/entrustment

Contracting and management for
entrustment of consent to the provision of
personal information to a third party



Process to Respond to Information Security and Data Infringement Incidents

KB Securities operates a regular monitoring system and strengthens security infrastructure to prevent information security incidents, while establishing a response system to make an immediate response upon occurrence of an incident. We operate a process to immediately convert the daily work system into an emergency organization system in accordance with the 'Customer-Information Leakage Response Manual' upon occurrence of customer-information leaks, and we maintain personal-information protection liability insurance with a coverage limit of KRW 2 billion to minimize customer damage. No data breaches and customer-information leaks have occurred over the past three years. We are conducting emergency simulation training at least once per year in preparation for external server hacking attacks, advanced persistent threat (APT), and DDoS attacks. We have strengthened information security by introducing a network forensics system that can analyze abnormal signs in the event of internal information leaks and illegal access attempts. We are equipped with measures to prevent customer information theft and financial incidents with solutions that detect forgery or tampering of smartphone apps and block remote-control attempts as external threats to the financial-transaction environment expand and become more intelligent. Moreover, in 2024, we further strengthened our customer financial incident prevention system by establishing an AI-based ID card authenticity verification system.

Simulation Training on Infringement Incidents and Customer Information Leakage

Response to and recovery from breach incidents (server hacking)

Inspection of the defense system by conducting
a drill against and recovering from hacking attacks
↓
Detection of server hacking attacks through security solutions

Response to and recovery from breach incidents (APT)

Raising awareness in employees
about malicious e-mails and codes
↓
Normal execution of malicious email detection and initial measures

Response to and recovery from breach incidents (DDoS)

Response to (internal/emergency response) and
recovery from a DDoS attack
↓
Proper detection and response to incoming attack traffic

Simulation training on customer information leakage

Familiarization with the step-by-step response system and detailed
action guidelines in case of customer information leakage
↓
Familiarization with the R&R of each department and step-by-step
response procedures through virtual scenarios



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Information Security Activities

Information Security Training for Employees

KB Securities is operating a systematic education program to raise employees' awareness of information security and establish a security self-control culture. We conduct statutory information-security education every year, and conduct self-inspections and regular security education through the implementation of Security Inspection Day every month. Various education programs we provide for personal information managers include education for new employees and entrusted personnel, and we continuously strive to enhance our company-wide information security capabilities through information-security education for compliance managers and customer-information compliance education for branches. In particular, in 2024, we strengthened in-depth theme-based training on information security, and all 300 persons (100%) in the IT and data handling departments completed the education.

| 2024 Online Curriculum for Information Security

General employees (6h)	<ul style="list-style-type: none"> · Understanding of information security · Measures to ensure personal information security · Understanding of personal information protection and management plan for collection/use stages · Management plan for personal information protection consignment/provision/destruction stages · Document and PC security · Physical security (access control)
Executives (3h)	<ul style="list-style-type: none"> · Understanding of information security · Understanding of personal information protection and management of collection/use stages · Document and PC security
In-depth theme (9 hours or more, IT/information security and data handling department)	<ul style="list-style-type: none"> · Understanding of MyData in the financial sector · Good and bad points of the AI revolution brought by ChatGPT · Personal information protection in the financial sector for handlers of personal data · Introduction and security of cloud services in the financial sector · Information protection for a person in charge of pseudonymous and anonymous processes · Understanding of secure coding for safe software

Digitalization and Innovation of Finance

Digital Financial System

Digital Financial Governance

In order to strengthen digital and platform business support functions, KB Securities has expanded and reorganized the existing Platform Division into the Digital Business General Division, and reorganized its structure to include directly affiliated departments, the M-able Land Tribe Division, and the Customer Contact Division under the Digital Business General Division. For the systematic operation of the General Division and effective profit-and-loss management, a monthly strategic meeting of the Digital Business General Division is held under the leadership of the Division head. At the meeting, the General Division shares management goals and performance status, and regularly manages and reviews monthly performance such as marketing strategies and important issues. Moreover, we integrated the non-face-to-face customer consultation organizations for efficient processing of work for customers using non-face-to-face services while improving the customer management system. As such, we are focusing on the establishment of governance that can proactively respond to rapidly changing digital financial trends.

| Organization Status of the Digital Business General Division (As of Dec. 2024)

Division	Department	Main tasks	
Digital Business General Div.	Digital Strategy Dept.	Establishment of digital/platform strategy; Agile organization management	
	AI Business Unit	Promotion/support of AI business, development of AI model, establishment and operation of AI governance system	
	Data Marketing Unit	Planning/operation of digital content, personalized marketing, data analysis management	
	UI/UX Unit	Planning/development/operation of customer media, platform UI/UX	
	M-able Land Tribe	MLT PO Unit	Activation of digital BK Biz, planning/operation of digital marketing advertising
		Wealth Management PO Unit	Activation of digital asset management business
		Global BK Unit	Planning and support of overseas BK sales
		Fintech Business Squad	Promotion of D-channel partnership business (including embedded finance)
	Customer Contact Div.	M-able Mini Squad	Development/operation of M-able Mini, M-able wide platform
		Prime Club Squad	PrimeClub service, planning and operation of investment content
Prime Center		Non-face-to-face customer wealth management and business consultation, non-face-to-face customer management	
Customer Center		Provision of customer consultation service	

Digitalization and Innovation of Finance

Digital Financial Strategy and Activities

Strengthening Digital Platform Competitiveness

KB Securities is continuously pursuing customer-centered innovation in the rapidly changing digital financial environment. Based on the digital platform, we aim to activate transactions, support customers in growing their assets, and secure differentiated competitiveness through strengthening customized services. To this end, we are implementing various strategies such as provision of various promotions, customer-tailored marketing, advanced trading and investment information services, and platform UI/UX improvements. We also aim to provide more convenient and efficient financial services by activating pension and overseas stock transactions and strengthening the sales force of the digital platform.

Stimulation of Media Transactions and Attraction of New Customers

To stimulate transactions on digital platforms, we are actively providing new customer promotions via various media (M-able, M-able Wide, etc.). In 2024, we induced transactions through the Again BUY KOREA promotion aimed at increasing new customer sign-ups, and regularly held domestic and foreign stock-related investment competitions to increase customer satisfaction, prevent loyal customers from leaving, and attract new customers.



'Again BUY KOREA' Event



2024 KB Securities' Investment Competition

Strengthening Asset Growth and Pension Service Competitiveness Centered on Tax-advantaged Accounts Products

We are seeking to strengthen our service competitiveness for asset growth and pension service centered on tax-advantaged accounts (ISA, IRP, pension savings). In 2024, we focused on marketing and promoting brokerage ISAs to expand balances, thereby inducing long-term investment by customers and further strengthening our position in the pension market.

Development of a Customer Analysis Model and Advancement of Personalized Marketing

We are developing and operating a customer analysis model to promote personalized marketing strategies. We are continuously implementing personalized marketing such as Today's Pick, LMS, and push notifications, and we are analyzing customers' investment behavior (brokerage ISA, overseas stocks, pensions, etc.) to improve the model, and we are applying a marketing automation system.

Enhancement of Trading and Investment Information Services

We have enhanced our trading and investment information services and strengthened the UI/UX of the platform to maximize customer convenience. We have continuously improved trading and investment information such as Stock AI, overseas partnered ETF content, and conditional search. In addition, we have established UX guidelines for the customer platform, and reorganized the retirement pension trading process and product recommendation function to create a more intuitive service environment.



Digitalization and Innovation of Finance

Digital Financial Strategy and Activities

Strengthening Digital Platform Competitiveness

Promotion of Strengthening Digital Platform Sales Forces

Going forward, we plan to further strengthen the sales power of the digital platform centered on pensions, credit transactions, and overseas stocks. We plan to hold events to activate pension account ETF transactions and AI-based autonomous driving (automatic investment) services, and continue to promote pension-related branding activities. In addition, we plan to carry out customized marketing to activate credit transactions based on analysis of customer tendencies and market conditions.

In particular, we plan to add fractional share trading services to the M-able platform and improve overseas stock-related functions (UI/UX). We plan to continuously promote customer-centered service improvements such as improving overseas stock notification services, reorganizing transfer tax proxy services, and reorganizing trading profit and loss screens to maximize the competitiveness of the digital financial platform.

Strengthening Non-face-to-face Customer Consultation Services

We have strengthened non-face-to-face customer consultation services to improve customer satisfaction and consultation quality. Our Prime Center and Customer Center operate job-specific and seniority-specific training to enhance consultation expertise, and have improved the consultation support system (SmartQ) to enhance the efficiency of consultation work. In addition, we have established a new Digital PB Team to strengthen non-face-to-face customer asset management, and a Prime Pension Team to increase pension assets. In addition, we plan to establish a Pension Asset Management Center to continuously strengthen competitiveness in pension service in the mid- to long-term.

Improvement of Work Efficiency and Establishment of a Customer Service Foundation through Generative AI

KB Securities has introduced a service that utilizes external generative AI models in the cloud system and connects them with the internal network to improve work efficiency and provide differentiated customer experiences. By operating WM Assistant, AI Financial Coach, and AI Trading Coach, which were designated as innovative financial services by the Financial Services Commission, we are supporting decision-making that takes into account the financial understanding of each investor to create social value in finance, such as eliminating the information gap among consumers. Furthermore, we are continuously striving to provide a better investment experience to financial consumers through KB AI for the financially vulnerable and the Work Productivity Improvement Studio that improves the convenience of employees' work. In order to operate these services more effectively, the AI Digital Division, which will be established in 2025, will be in charge of and operate the relevant services.

| Services with Generative AI technology

WM Assistant

A service that supports business and product consultation at Customer Center and Prime Center using generative AI

AI Financial Coach

A service that provides analysis information based on data such as domestic and international news and public information, and supports customers' investment decisions

AI Trading Coach

A service that creates customized investment strategies, tracks strategy performance, and links to a forward order system

KB AI

A service that provides a user-friendly interface for the financially vulnerable, such as beginners and the elderly, and provides a real-time financial work assistance service around-the-clock

Work Productivity Improvement Studio

A service that improves the convenience of employees' work based on in-house business documents and knowledge analysis data





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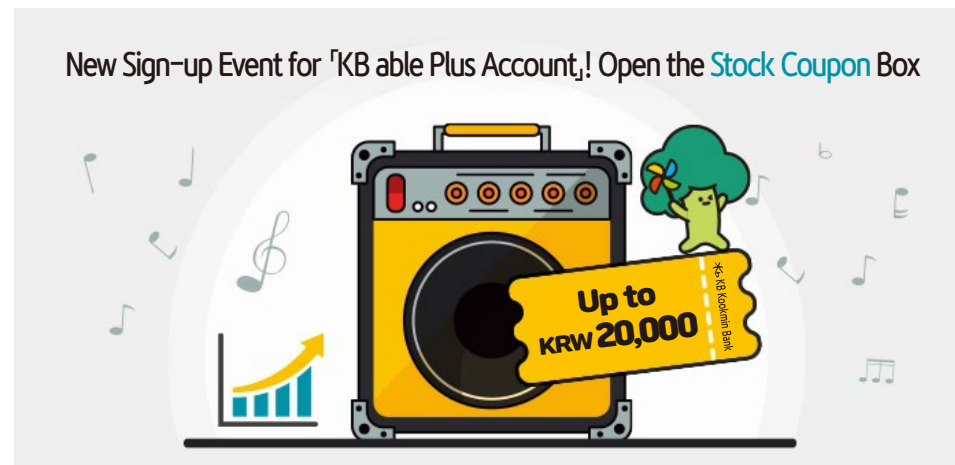
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Digitalization and Innovation of Finance

Digital Financial Strategy and Activities

Strengthening External Collaboration Network and Synergy with Affiliates

KB Securities has improved profitability by strengthening affiliate-linked securities services to enhance the competitiveness of its digital platform. To this end, we have implemented a joint promotion to increase subscription to KB able Plus accounts in cooperation with KB Kookmin Bank, and expanded channels for new customers by establishing a fractional share investment service within KB Pay with KB Card. Moreover, we have expanded our customer base by signing service partnerships with external partner companies. We have promoted account and financial product partnerships with platform companies such as Naver Pay and Kakao Pay, and have carried out a total of 10 linked partnership services in 2024 in cooperation with fintech companies such as December and Uprise.



KB able Plus Account Promotion

Digital Finance Metrics and Targets

Digital Finance Targets and Results

In order to strengthen the competitiveness of the digital platform, we have set a goal of expanding customer-centered services and are systematically managing the progress.

Firstly, we are providing customized platform services and on-time marketing as a strategy to expand our customer base. Accordingly, the total digital individual assets have increased by about 13% year-on-year to KRW 39.2 trillion, showing an ongoing upward trend, and overseas stock assets have increased by about 92% year-on-year to about KRW 6.3 trillion, in line with the bullish stock market in the USA. The overseas stock market share (M/S) in 2024 exceeded the target by recording 7.58%.

Secondly, we are improving customer satisfaction by strengthening non-face-to-face customer consultation services. As a company with excellent consultation service quality, we have been selected as an excellent company for KS-CQI for three consecutive years and KSQI for two consecutive years. In addition, the chatbot response rate in 2024 has increased by 6% year-on-year to 95%, providing faster and more accurate customer response.

Digital Finance Metrics and Results

Category	Unit	2023	2024	GAP
Total digital retail assets	KRW 100 million	346,211	392,000	+13.2%
Overseas stock assets	KRW 100 million	32,780	63,000	+92.2%
Overseas stock market share (M/S)	%	6.10	7.58	+1.48%p



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Employees



Approach

Our employees are the foundation leading KB Securities' sustainable growth, and KB Securities pursues the development of its members in line with the growth of the Company. In order to flexibly respond to changes in the rapidly evolving financial environment and provide customer-centered services, it is essential to strengthen the capabilities of employees and improve their work culture. Accordingly, KB Securities is creating a culture where employees can work with autonomy and expertise by respecting the human rights of employees, improving the talent nurturing system, creating a healthy and flexible organizational culture, expanding diversity and inclusion, and creating a safe and pleasant work environment. Going forward, we will continue advancing toward becoming a sustainable company by working together with employees.

| Governance |

- Proclamation of KB Financial Group Human Rights Declaration
- Establishment of Safety and Health Governance centered on the Industrial Safety and Health Committee and enactment of Occupational Safety and Health Management Policy

| Strategy |

- Establishment of a human rights management system
- Establishment of an employee education system
- Operation of female talent competency building program
- Operation of a system to support for work-family balance such as parental leave and flexible work systems
- Carrying out activities to improve organizational culture

| Risk Management |

- Conducting regular human rights impact assessments
- Operation of complaint processing channels and processing complaints
- Establishment of an occupational safety and health management system certified in accordance with international standards

| Targets & Metrics |

Turnover rate / voluntary turnover rate / years of service	Ratio of female employees / Ratio of disabled employees	Education hours per person	Complaint resolution rates	Number of industrial accidents
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Human Rights Management

Human Rights Management System

Human Rights Management Strategy

KB Securities has established a human rights management strategy to fulfill its responsibility to respect human rights of employees and stakeholders. Based on this, we will realize the value of mutual-prosperity through internalization of human rights management and establish ourselves as a human rights-respecting company.

Strategy	2023~2024 Establishment of a human rights management operation system	2025~2026 Internalization of a culture of respect for human rights	2027~ Strengthening human rights management leadership
Strategic tasks	<ul style="list-style-type: none"> Establishment of a foundation for human rights management operations Strengthening the human rights impact assessment system Establishment of a foundation for disclosing human rights management performance Expansion of human rights management to overseas branches 	<ul style="list-style-type: none"> Strengthening activities to spread a culture of respect for human rights Strengthening the expertise of grievance handling bodies Expansion of human rights management education at home and abroad Establishment of codes of conduct to prevent human rights violations 	<ul style="list-style-type: none"> Strengthening the cooperation network for human rights Strengthening human rights monitoring Promotion of innovation in employment discrimination, labor-management culture of mutual trust, and work-family balance

Policies Related to Human Rights Management

KB Financial Group has established a Human Rights Declaration for all affiliates, and prohibited any and all forms of discrimination, and respects diversity in all human resource management processes, including employee recruitment, evaluation, compensation, and training. KB Securities strives to improve the welfare of employees and organizational culture by establishing various systems and policies in accordance with domestic laws and regulations. Furthermore, we comply with all labor principles recommended by the International Labor Organization (ILO) and ratified by the government (e.g. prohibition of child labor and forced labor, and compliance with health, safety, and working hours, etc.). In March 2022, we joined the global initiative, the United Nations Global Compact (UNGC), and have established our own human rights management system by complying with international human rights standards such as the UNGC 10 principles, domestic human rights laws and standards, and government policies.

KB Financial Group Human Rights Declaration



KB Financial Group strives to prosper with stakeholders through ethical management and meet the social expectations and demands. It believes that the enhanced corporate image forms the value of intangible assets, such as increased customer loyalty, and becomes the basis for corporate competitiveness. Based on this belief, the Group respects the basic rights of customers, employees, shareholders and investors, business partners and local communities for mutual prosperity. KB Financial Group supports the human rights principles represented by the 'Universal Declaration of Human Rights' and the 'UN Guiding Principles on Business and Human Rights' of the UN Human Rights Commission, and strives to consider relevant principles in all business activities, such as customer response, investment, human resource management, and relationships with partner companies.

KB Financial Group:

- Prohibits any and all discrimination based on gender, age, race, disability, religion, political orientation, and region of origin in all human resource management processes, including employee recruitment, evaluation, compensation, and training, and respects diversity.
- Prohibits child labor and forced labor, and complies with all labor principles relating to health, safety, and working hours recommended by the International Labor Organization (ILO) and ratified by the government.
- Sets customer satisfaction as its top priority and prohibits any discrimination based on gender, age, race, disability, religion, political orientation, or region of origin in the process of serving the customers.
- Requires only the minimum amount of personal information necessary for law compliance, and strives to have and operate systems and procedures to protect customer information.
- Considers human rights in all business activities, including the provision of financial products and services, and decisions on investment and trading relationships.



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Human Rights Management System

Human Rights Management Implementation Process

KB Securities is implementing human rights management based on the human rights management implementation process that includes establishing a human rights management system, conducting a human rights impact assessment, implementing and disclosing human rights management, and remedying human rights violations.

KB Securities Human Rights Management Implementation Process

Steps	Main activities
Establishment of a human rights management system	<ul style="list-style-type: none"> · Proclamation of the Human Rights Declaration · Establishment of internal regulations for human rights management · Establishment and operation of a human rights management committee · Designation of a dedicated human rights management organization
Conducting human rights impact assessments	<ul style="list-style-type: none"> · Establishment of a human rights impact assessment system and development of checklists · Conducting training on human rights impact assessment · Conducting human rights impact assessment · Identification of human rights risks
Implementation and disclosure of human rights management	<ul style="list-style-type: none"> · Development of activities to prevent human rights violations and promote human rights, implementation of tasks to improve vulnerable human rights areas · Management of human rights management performance, disclosure and dissemination of information
Provision of relief procedures for human rights violations	<ul style="list-style-type: none"> · Establishment of internal regulations related to relief · Establishment and operation of reporting system · Evaluation and improvement according to implementation of relief procedures

Establishment of a Human Rights Management System



In order to protect and promote the human rights of stakeholders including employees, supply chain, and customers, we are operating policies and programs, and managing them through the Human Rights Declaration and bylaws related to human rights. KB Securities respects and supports global human rights standards such as the UNGC, the Korean Labor Standards Act, and the Occupational Safety and Health Act, and complies with domestic and international laws.

Conducting Human Rights Impact Assessments



Human Rights Impact Assessments refers to the process by which a company identifies and evaluates actual and potential human rights risks that may affect human rights as a result of business relationships or business activities. In 2023, KB Securities conducted a human rights impact assessment of key stakeholders based on the human rights impact assessment about institution operation of the Human Rights Management Manual of the National Human Rights Commission of the Republic of Korea. Based on the result, we are striving to identify human rights risks, come up with and implement the improvement measures.

Implementation and Disclosure of Human Rights Management



KB Securities discloses its efforts to protect and promote the human rights of employees and stakeholders in the Sustainability Report published every year, and strives to further strengthen the human rights management program for more systematic disclosure and communication.

Provision of Relief Procedures for Human Rights Violations



KB Securities operates a Grievance Handling Committee within the Labor-Management Council and a separate Customer Service Employees Protection Committee to handle employee grievances. We have also established whistleblowing guidelines to meet the requirements for the human rights violation relief system, such as handling of reports, requests for corrective action and disciplinary actions, and confidentiality pledges. We plan to identify and improve any supplementary elements through the human rights impact assessment.



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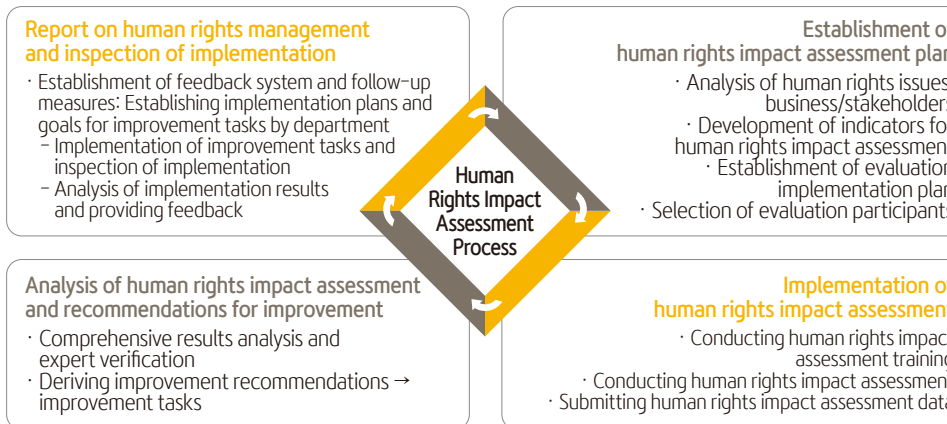
Human Rights Management

Human Rights Management Risk Management

Human Rights Impact Assessment Process

As the issue of human rights violations related to business activities has emerged as a major social issue, the UN Guiding Principles on Business and Human Rights (UNGPR) adopted by the UN Human Rights Council in 2011 have become an international norm, and the National Human Rights Commission for Korea has also announced the Human Rights Management Guidelines and Checklist. KB Securities established a human rights impact assessment process to identify, prevent and improve human rights risks for stakeholders. Based on this, we are continuously evaluating and checking actual and potential negative impacts. Among the approximately 150 indicators included in the Human Rights Management Guidelines and Checklist announced by the Human Rights Commission for Korea, indicators unrelated to employment conditions, management, and business were excluded, and indicators related to the operation of relief procedures were added, creating a total of 139 indicators. In the meantime, in order to conduct the human rights impact assessment, we assigned (matched) the person in charge (department) for each index according to the task and conducted face-to-face training. We separately produced and distributed a self-inspection guidebook to support the managers to conduct the evaluation without any difficulties.

| Human Rights Impact Assessment Process



Response to Malicious Complaints and Handling Grievances to Protect Employees' Human Rights

In order to protect employees from violent and abusive language, and personal insults by malicious complainants (“black consumers”), which may happen in the course of performing their duties, we are operating the Customer Service Employees Protection Committee, a regular grievance-handling body. The Committee deliberates on the issues or matters reported by the victims or department manager, or a branch manager, or recognized by the Committee. It provides administrative and legal support, and medical expenses, etc. to protect employees who have suffered from malicious complaints. In addition, we are operating a Grievance-Handling Committee within the labor-management council to handle employee grievances. The Grievance-Handling Committee receives various complaints and requests from employees, including sexual harassment and harassment in the workplace, and implements measures such as fact-finding and protection of victims. We have established a system that enables employees to report grievances 24/7 from inside and outside the company via the intranet or telephone voicemail, so that they can conveniently and easily access and use grievance-handling channels.

| Protection of Employees who are Suffering from Malicious Complaints

Category	Details
Administrative and legal support	Administrative and legal support through deliberation by the Committee, when an employee who has been victimized by abusive language, etc., directly files a complaint with the competent investigation agency, etc.
Report to investigative agency	If it is judged that the abusive language of a malicious complaint, etc., violates the criminal punishment provisions of the relevant laws, it is reported to the competent investigative agency through deliberation by the Committee.
Support for treatment and counseling expenses	The company provides support for psychiatric treatment and counseling expenses for employees who have suffered serious mental damage from malicious complaints.

| Responses to Grievances in 2024

Year	No. of cases received	No. of cases processed
Grievance Handling Committee	7 cases	7 cases
Customer Service Employees Protection Committee	3 cases	3 cases



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Human Rights Management

Human Rights Management Activities

Education Program on Human Rights

In 2024, all employees were provided with human rights-related legally required training (prevention of sexual harassment, improvement in awareness of the disabled, prevention of workplace bullying, etc.). A total of 2,954 employees participated in the training courses and completed a total of 8,862 hours of training.

| Status of the Human Rights Education Program

Prohibition of harassment in the workplace	<ul style="list-style-type: none"> · Cases of harassment in the workplace, prevention, and response · Establishment of a proper organizational culture through appropriate use of appellation term
Prevention of sexual harassment	<ul style="list-style-type: none"> · Cases of sexual harassment in the workplace · Efforts to prevent sexual harassment in the workplace
Improvement of awareness of persons with disabilities	<ul style="list-style-type: none"> · Etiquette for persons with disabilities · Working with colleagues with disabilities

<p>Total training hours of human rights education 8,862 hours</p>	<p>Total number of trainees for human rights training 2,954 persons</p>
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Diversity and Inclusion

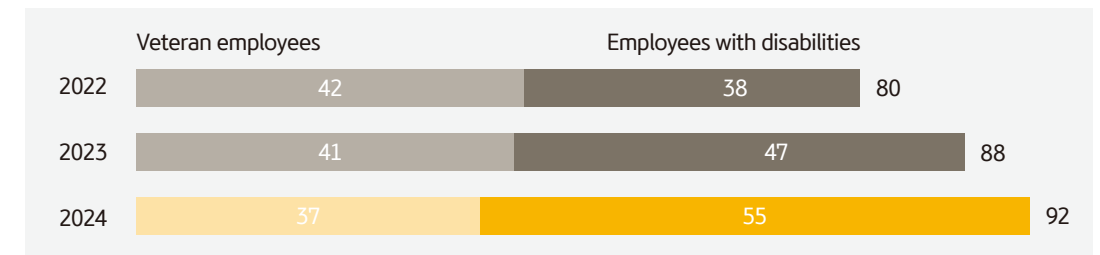
Diversity and Inclusion Activities

Expanding Socially Equitable Employment

KB Securities seeks to be an inclusive organization where all members work together with fair opportunities. To this end, we are hiring the socially disadvantaged through various methods including hiring the disabled and veterans as employees. We are directly hiring persons with severe disabilities by operating the Somesumoksu project, and the Health Keeper (massager) service, and we are also contributing to the creation of jobs for persons with severe disabilities by making equity investments in Bravo Beaver, a standard workplace for the disabled, in Gyeonggi province from January 2023, and in Bravo Beaver in Busan from January 2024. Thanks to these efforts, the number of disabled employees increased from 38 in 2022 to 55 in 2024, exceeding the mandatory employment rate for disabled employees of 3.1%.

Somesumoksu	A project that provides free nail care services to train passengers in the idle spaces in train stations by hiring persons with severe hearing impairments in collaboration with the Korea Employment Agency for Persons with Disabilities (KEAD), KORAIL, and other companies.
Health Keepers	A social contribution project of KB Securities that employs people with severe visual impairments as Health Keepers (massagers) and assigns them to nearby senior welfare centers to provide massage services to seniors with dementia and low-income seniors living alone.
Bravo Beaver	A standard workplace for the disabled established with the goal of 'creating jobs for persons with severe disabilities in the local community.' It is established to hire persons with disabilities in proportion to the equity investment of a company.

| Status of Socially Equitable Employment





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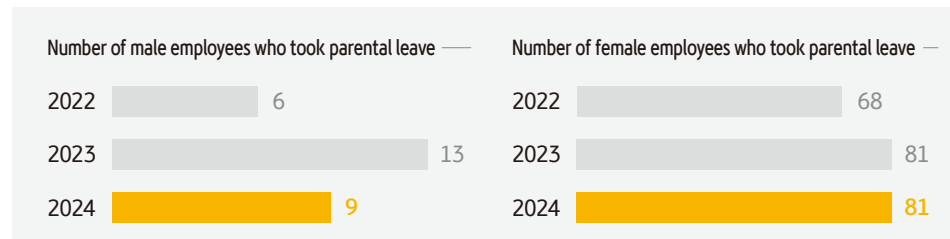
Diversity and Inclusion

Diversity and Inclusion Activities

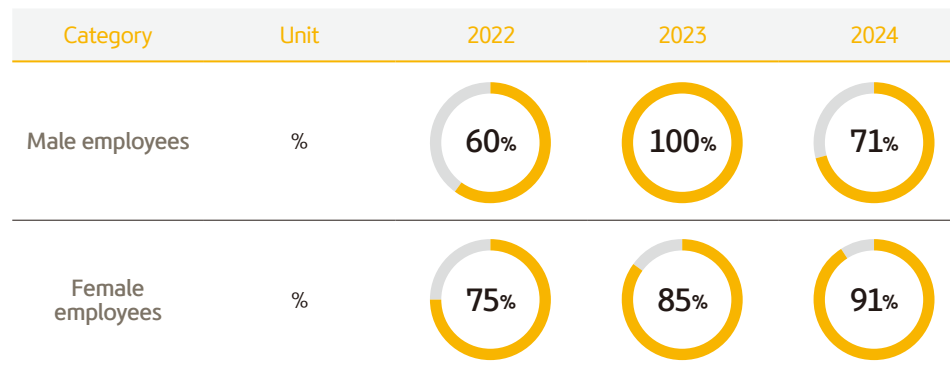
Supporting Work-Family Balance

KB Securities supports work-family balance and strives to create an organizational culture that allows employees to work without gaps in their careers. As of 2024, the average service years of female workers recorded 15.6 years, among the highest in the industry. And the number of male and female employees who took parental leave reached a total of 90 persons in 2024, and the rates of male and female employees returning from parental leave reached 71% and 91%, respectively.

Number of Employees who Took Parental Leave



Number of Employees who Returned to Work



Varied Work System



KB Securities is operating a variety of work systems to meet the demands of employees who call for adjustment of their working hours. Flexible work systems such as flexible working hours, selective working hours, and staggered commuting are in operation. We actively adopt work systems that meet employee needs through consultation between labor and management. Moreover, in order to comply with the statutory working hours and provide appropriate compensation for overtime work in accordance with the laws and regulations, we introduced the PC On/Off system in 2018 and have been operating it consistently since then.

Flexible Work Systems

System	Details
Flexible working hours	Operating a flexible work schedule for departments that have to concentrate on work regularly
Selective working hours	Discretionally adjusting working hours within the range of working hours of one month
Staggered commuting	Employees who need to adjust their commuting hours due to work-related reasons or childcare, etc., can choose their working hours within the available work time range

Supporting Vacation Pay



KB Securities provides vacation pay proportional to the number of annual leave days used, when five or more days are taken consecutively.

Diversity and Inclusion

Diversity and Inclusion Activities

Supporting Work-Family Balance

Maternity Leave and Childbirth Support



Female employees are granted 120 days of leave before and after childbirth, which is longer than the statutory leave of 90 days. In particular, we are providing support to female employees to secure more than 60 days of leave after childbirth, and paying congratulatory money to employees who have given birth. We also provide 20 days of paid leave to male employees when their spouse gives birth. In addition, we operate miscarriage leave for employees who have suffered from miscarriage, and a leave of absence system for employees suffering from infertility.

Prevention of Career Break of Employees on Parental Leave



KB Securities provides up to two years of childcare leave, exceeding the statutory one-year leave, and offers quarterly support payments after reinstatement, equivalent to the salary for the period of leave. We support employees' self-directed learning such as KB STARDIUM online training, certification test application fees and special lectures to prevent career disruption of those on childcare leave, and to strengthen the capabilities of employees on parental leave. In addition, we are operating a Healing Academy, a reinstatement support program for employees on parental leave. In this regard we publish a bimonthly newsletter containing important company news for employees on parental leave including online/offline education programs and parenting coaching.

Operating a Workplace Daycare Center



KB Securities has established an in-house daycare center to improve work attitudes and job satisfaction of employees with young children. KB Securities is jointly operating the 'Puruni Daycare Center' of the Korea Financial Investment Association located in Yeouido, Seoul, and entered into agreements with three daycare centers operated by affiliates of the KB Financial Group (KB Insurance in Hapjeong, KB Kookmin Bank in Guui, and KB Kookmin Bank Ainuri (in Jongno)) to jointly utilize these daycare centers.

Childcare Cost Support



For employees who are unable to enroll their children (aged 2-5 years) at workplace daycare centers, KB Securities provides either a childcare allowance or kindergarten tuition support of KRW 100,000 per month for up to four years. In addition, when an employee's child enters elementary school, a congratulatory gift certificate worth KRW 200,000 is provided.

Family Day



KB Securities designates every Wednesday as Family Day, and encourages all employees to leave work on time.

Reduction of Working Hours



KB Securities allows a two-hour reduction in working hours and flexible work system to provide convenience for pregnant employees. In addition, employees with children entering elementary school are allowed to work for shortened hours for one month in March so that they can care for their children while they are adapting to school life.





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Diversity and Inclusion

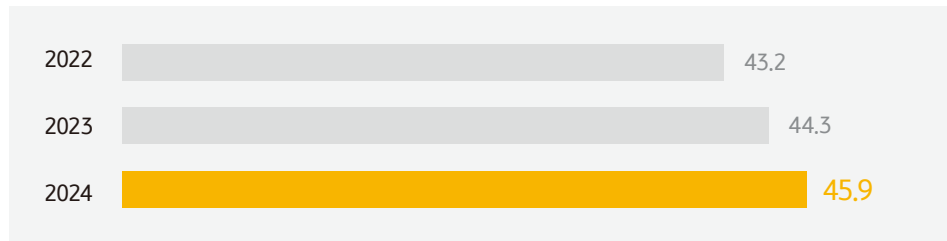
Diversity and Inclusion Activities

Expansion of Female Talent

KB Securities pursues the values of diversity and social equity so that employees can enjoy equal opportunities and rights according to their abilities without discrimination based on age, region, or academic background and gender. In order to create a workplace where gender equality is realized, we are increasing the ratio of female employees and female managers. As of 2024, the ratio of female employees was 45.9%, and the ratio of female team leaders or higher was 35.6%, reflecting an increase of 1.6%p and 0.9%p, respectively, from the previous year.

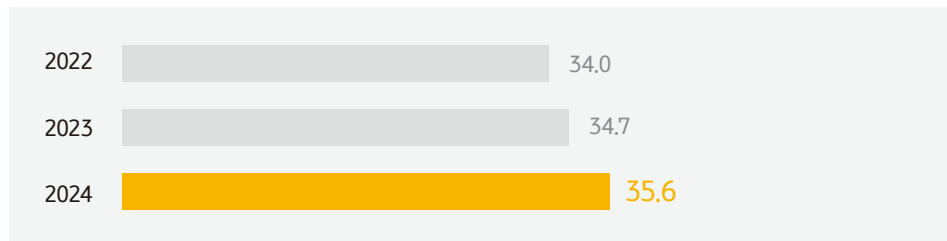
| Ratio of Female Employees

(Unit: %)



| Ratio of Female Team Leaders or Higher

(Unit: %)



Female Talent Competency Building Program

As an official supporter of the Women Empowerment Principles (WEPs), KB Securities offers customized training programs for each position to support competent female talents. We operate the KB-Ewha Leadership Forum jointly with Ewha Womans University for department/branch manager and team leaders in leadership positions. In addition, we offer a course for junior female employees with excellent performance and female prospective leader courses for female employees promoted to each position. We also provide opportunities for new female deputy managers to participate in the Group-wide WE STAR mentoring. KB Securities will support high-potential female talents to grow through systematic education programs and demonstrate outstanding abilities.

| Female Talent Training Program

Position	Training program
Junior (associate ~ assistant manager)	· Course for junior female employees with excellent performance
Middle manager (manager ~ deputy general manager)	· Female prospective leader course
Leader (team leader ~ head of department)	· KB-Ewha Leadership Forum · Group WE STAR mentoring for new female department/branch manager



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Safety and Health

Safety and Health System

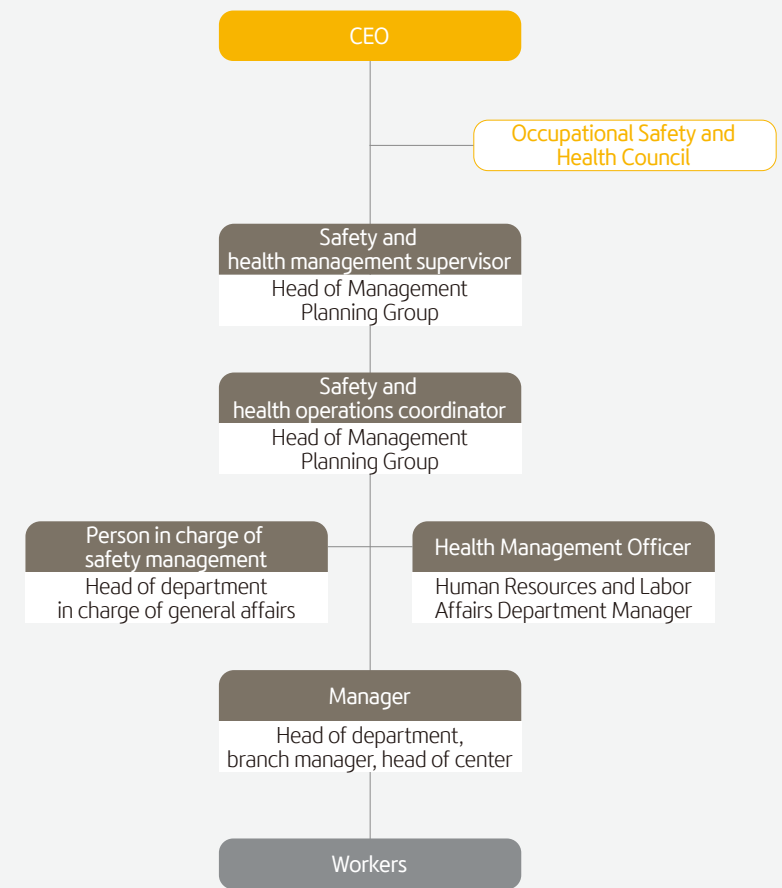
Safety and Health Governance

To ensure that all employees can work in a safe environment, KB Securities has established goals and management policies regarding safety and health, and established safety-related governance — including an Occupational Safety and Health Council under the CEO. The Occupational Safety and Health Council consists of at least four workers and at least four executives including the CEO, and holds regular quarterly meetings, and convenes ad hoc meetings as needed. The Council deliberates and decides on important matters related to safety and health, such as industrial-accident prevention plans, and plans for safety and health management and improvement.

The person in charge of each safety and health management organization faithfully performs his or her role, prevents occupational accidents, and improves the safety and health conditions of employees. In particular, in 2024, the existing organization consisting of a safety and health management supervisor, safety management officers, health management officer, and managers was reorganized to additionally designate a safety and health operations coordinator.

The safety and health management supervisor oversees safety and health-related work, and the safety and health operations coordinator, in cooperation with the person in charge of safety management and the health management officer, guides the managers, and manages general matters related to safety and health at the workplace. The health management officer is responsible for establishing and monitoring the implementation of safety and health management plans and preventive measures in accordance with the Occupational Safety and Health Act. The safety management officer is responsible for conducting facility safety inspections and facility management at the head office and branches. The management officers directly supervise employees and identify risk factors, and strive to prevent accidents at workplaces and to promote employee health.

| Safety and Health Management Organizational Chart



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Safety and Health

Safety and Health System

Safety and Health Related Policies and Reporting System

In accordance with the Occupational Safety and Health Act, KB Securities has established safety and health goals and management guidelines. We prepare a health & safety plan reflecting changes in internal and external conditions related to safety and health at the beginning of each year and implement it with approval from the Board of Directors. Based on this, we are implementing various activities to create a healthy and safe workplace so that employees can work with peace of mind.

KB Securities Safety and Health Goals

1



Thorough prevention of major industrial accidents in the workplace

2



Compliance with safety and health laws and regulations, including holding Occupational Safety and Health Council meetings

3



Creation of a pleasant workplace such as improving break areas

KB Securities Management Guidelines for Occupational Safety and Health

- 1 The company and employees exert their utmost efforts into creating a safe and healthy workplace.
- 2 The company and employees comply with laws and regulations on safety and health.
- 3 The company improves safety and health based on the participation and cooperation of the employees.
- 4 The company continuously removes hazardous, risky factors by establishing and implementing a safety and health plan.

Occupational Safety and Health Management System Certification

In March 2024, KB Securities obtained ISO 45001 certification, an international standard that specifies requirements for an occupational health and safety management system, for the head office workplace. Prior to obtaining the certification, we evaluated the current status of occupational safety and health, identified areas for improvement, and strengthened the management system. Going forward, KB Securities plans to prevent occupational safety and health risks at our business site and continue to develop our occupational safety and health management system.



Obtained ISO 45001 Certification



ISO 45001 Certification



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Safety and Health

Safety and Health Activities

Creation of a Pleasant and Safe Workplace

KB Securities is striving to ensure a pleasant and safe working environment for its employees. We have built separate relaxation rooms (such as a canteen) for 63 branches including the head office and training centers and 11 lounges, and the PB Center Lounge in Haeundae shares its facilities with KB Kookmin Bank. In addition, we conduct various facility management and regular inspections, such as elevator inspections, city gas and pressure regulator inspections, septic tank cleaning, and electrical safety inspections for our own buildings and training centers. Meanwhile, we spent KRW 7.6 billion to construct and relocate five branches in 2024. We have recently established KB GOLD&WISE the FIRST Banpo Branch and relocated KB GOLD&WISE the FIRST Dogok Branch, Yeoksam PB Center, Yongin Branch, and Suwon Financial Center.

Prevention of Industrial Accidents and Disasters

In 2024, we achieved zero industrial accidents. To continuously prevent such incidents, we are implementing various management activities. In preparation for disasters such as building fires, we purchased 4,500 fire evacuation masks and placed them near fire hydrants or emergency exits at our head office and branches. These masks are designed to protect employees' respiratory systems from toxic gases in the event of a fire.

| Status of Industrial Accidents

Category	Unit	2022	2023	2024
Lost workdays due to industrial accidents	Days	24	148	7*
Number of victims	Persons	1	2	0

* The number of lost workdays in 2024 is the number of lost workdays of employees who suffered industrial accidents in 2023.

Support for Employee Health Management

KB Securities also provides support for the costs of general health checkups for employees every year. For employees aged 35 years or older, health checkup expenses for the spouse or parents are also covered, in addition to the expenses for himself/herself. Moreover, in partnership with GC Care, we are encouraging health checkups by providing access to about 93 hospitals and checkup centers nationwide. In 2024, a total of 2,306 (78.8%) out of 2,925 employees eligible for health checkup support received the health checkups, and received support for medical expenses of KRW 1.39 billion, including family health checkup costs. In addition, we provide support for medical expenses of up to KRW 6 million per year for all employees. All medical expenses (100%) were covered for the employees, while 80% for covered service costs and 50% for uncovered service costs were provided for family members. If the annual limit is exceeded, unused amounts from the previous year can be carried over and used. Meanwhile, as part of our response to the COVID-19 pandemic, we supported a total of 18 test costs for employees who received COVID-19 tests, and additionally supported quarantine disinfection upon request at our head office and branches, striving to protect the health and safety of our employees.

Creation of a Healthy Management Culture

In order to continuously promote the physical and mental health of employees, we plan to operate various health management programs with the goal of establishing a health-friendly organizational culture in 2025. We plan to actively support the healthy lives of employees through various practice-oriented health programs such as the Challenge to Create Health Routine for forming healthy habits in daily life such as eating habits, exercise, and sleep, Reducing Body Fat, 100-Day Walking Challenge, and Blood Sugar Management Program. Beyond simple health management, we will create a more pleasant and healthy corporate environment by creating a culture where employees can feel healthy pleasure in their daily lives.



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Safety and Health Activities

Management and Prevention of Mental Stress of Employees

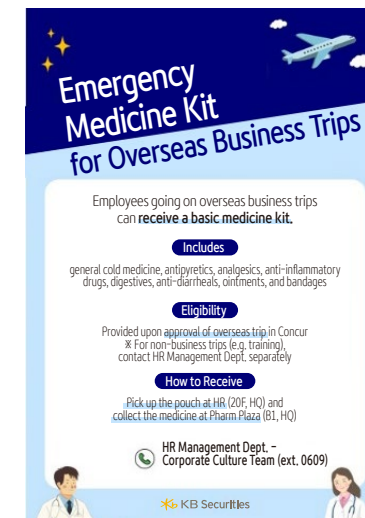
KB Securities is continuously expanding its activities to manage the mental health and relieve work-related stress for employees. First, we operate the Customer Service Employee Protection Committee to deliberate employee protection measures such as supporting litigation procedures when damages due to problem-causing customers are reported. In 2024, we supported four body cams to one branch office where damages were reported to the Consumer Protection Department to prevent additional damages. In addition, we conducted two sessions of Customer Center CS education and special lectures on healing. We also provided KRW 7.36 million to establish a healthy organizational culture and teamwork among Customer Center employees and establish positive communication with customers. We also operate a Healing Center that provides massage services to relieve physical and mental stress so that employees can take sufficient rest during work. In addition, through a partnership with the Korea EAP Association, we provide employees with access to psychological counseling for workplace issues or personal concerns, offering up to eight sessions per person annually through in-person, phone, or video consultations. In 2024, a total of 97 employees received 397 counseling sessions.

| Status of Psychological Health Counseling

Category	Unit	2022	2023	2024
Psychological Health Counseling	Persons	54	90	97
	Cases	296	382	397

Provision of First Aid Kits for Employees on Overseas Business Trips

KB Securities provides first aid kits to employees who go on overseas business trips so that they can work in a health and safe environment. Pouches containing essential medicines that can be carried during business trips are provided. The first aid kits are contained in a special pouch featuring KB Securities' Star Friends characters and consist of six essential first aid medicines (general cold medicine, antipyretics, analgesics, anti-inflammatory drugs, digestives, anti-diarrheals, ointments, and bandages). Employees can use the first aid kits to quickly respond to health problems such as mild cold symptoms or indigestion while on business trips. We will provide meticulous support that prioritizes the health and safety of employees in various work environments and strive to create a work environment where employees can focus on their work with peace of mind.



Guidance on first aid kit support

First aid kit



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Talent Training

Talent Development Strategy

Training System for Employees

KB Securities operates a systematic education program to foster talents who can actively respond to changes in the financial market and lead innovation. We support the step-by-step growth of employees from new employees to top management by establishing a customized education system by position and duty. In addition, in order to enhance the expertise of employees in each business area, online and offline learning opportunities to enhance job competency in each sector are provided. Furthermore, we operate a self-learning course to establish a learning culture within the organization by encouraging self-directed learning. Going forward, KB Securities will continue to foster financial talents with expertise and expand the talent pool with flexible thinking and competitiveness to lead financial innovation.

Training System for Employees

HRD Vision	Education for each class (Leadership)			Job training				Self Learning	
<p>Nurturing talents who are flexible in innovation and have expertise in line with KB's value system</p> <p>Expanding the pool of outstanding talent by strengthening competencies in core business sectors and improving job expertise</p>	<p>Organizational value</p> <p>Group's core values & ethics & management issues</p>	<p>Leadership by position</p> <p>Advanced Management Program (AMP) & Management Summer Forum</p>	<p>Leadership by position</p> <p>New Management Course (NMC)</p>	<p>Education for each class</p> <p>Future Management Course (FMC)</p> <p>New department/ branch manager course</p> <p>New team leader course</p>		<p>WM Sales Training</p> <p>Wealth Management Academy (Optional)</p>		<p>Job competency</p> <p>Digital</p>	<p>Domestic and foreign finance/digital/language qualification courses</p>
		<p>Leadership by position</p> <p>Executive leadership</p>	<p>Education for each class</p> <p>Promoted staff course</p> <p>Deputy general manager</p> <p>Manager</p> <p>Assistant manager</p> <p>Senior staff</p>	<p>Education for each class</p> <p>Female department/branch manager course</p> <p>Female team leader course</p> <p>Preliminary female leader course</p> <p>Course for junior employee with excellent performance</p>	<p>Education for each class</p> <p>Nurturing female workforce</p>	<p>Education for each class</p> <p>Freshman introductory course</p> <p>Build-Up course</p> <p>Career introductory course</p>	<p>Education for each class</p> <p>Online</p> <p>Basic Intermediate Advanced</p>	<p>Education for each class</p> <p>WM IB S&T Wholesale</p> <p>Digital Global Head office management Other</p>	
		<p>Leadership by position</p> <p>MBA's at home and abroad</p>	<p>Leadership by position</p> <p>Department/branch manager leadership</p> <p>Lunch Special Lecture for Leader Group</p>					<p>Job competency</p> <p>Global</p> <p>Global talent development program</p>	<p>Activation of shared knowledge and education result report</p>

Talent Training

Talent Development Activities

Tailored Training by Job/Position

Job-Specific Professional Training



KB Securities operates job-specific customized training programs to enhance the job expertise of employees. We provide Upskill/Reskill programs by core business such as IB, S&T, risk and head office management on a semiannual basis to enhance job competency. In addition, we offer programs to strengthen PB capabilities in each business through the Asset Management Academy WM basic course, Special/Advanced Course, PB Aptitude Course, New PB Training Course, and Junior PB Education Course.

Capacity-Building Training by Position



Training tailored to each rank is conducted to help employees learn the Group's core values, ethics, management issues, and grow into talents with expertise which conform to their position — from new employees to the executive level. In particular, since 2019, we have introduced SERICEO, a management information service of the Samsung Economic Research Institute (SERI), to provide the management with economic and management expertise and advanced information.

Digital Competence Development Program



We are operating various programs to foster convergence and multi-functional talents suitable for the DX era. First of all, KB Securities has been operating the Digital Finance Academy to improve the digital literacy of all employees, and is providing various educational programs to foster digital talents, such as the Digital One-day School, ChatGPT courses, and DT grow-up course. In addition, in order to nurture professional personnel, we are also implementing the 4th cohort of the Digital Scientist Training program and running a number of programs to strengthen the capabilities of the Digital Business Group, which is the DX group. In addition, we are, in collaboration with KAIST and Soongsil University, providing support to our employees to complete digital finance expert courses.

Advanced Talent Training

Providing Educational Programs in Collaboration with External Organizations



KB Securities is providing educational programs in collaboration with various external educational institutions in order to enhance expertise in providing talent education. We conducted group training for each job category, including IB, digital, WM, corporate sales, and S&T, in cooperation with the Financial Investment Education Center, Korea Banking Institute, Korea Venture Capital Association, and Fast Campus. In 2024, a total of 320 employees participated in the training and education for a total of 5,609 hours.

Support for Obtaining Degrees and Qualifications



To improve the expertise of employees and secure excellent human resources, we support the acquisition of degrees and qualifications. To nurture next-generation leaders, KB Securities provides support for employees to acquire degrees, and non-degree programs. In 2024, six employees acquired degrees, and five employees completed non-degree programs. In addition, we provide support for the acquisition of various qualifications for all employees, including contract workers. KB Securities has established its own exam preparation courses for financial qualifications hosted by the Korea Financial Investment Association, FPSB Association, etc., and provides full support for the examination fee, renewal fee, and continuing education fee every year.

Supporting Self-Directed Learning through an Online Platform



KB Securities operates KB STARDIUM, an online and mobile learning platform. We reorganized the existing learning platform KB W.I.T.H, and have operated KB STARDIUM since 2025. The platform offers educational courses in various fields such as job/class/qualification/reading correspondence. The number of courses has increased by 20% from last year to 1,200. Employees can engage in self-directed learning in areas such as IB, WM, S&T, digital, risk financial qualifications, etc. related to their jobs according to their individual needs such as job and position. Employees can develop their personal capabilities through humanities, management, and leadership courses. The number of employees who have learned through KB STARDIUM continues to increase, and in 2024, a total of 59,622 employees completed 312,490 hours of learning through KB STARDIUM.





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Talent Development Activities

Advanced Talent Training

Global Talent Development



KB Securities is providing a step-by-step CDP program to develop global reserve personnel and expand the global talent pool. We encourage all employees to undertake e-Learning (languages, global business, cross-cultural understanding courses, etc.), and provide support for language-test application fees. For the Global Talent Pool course, we select excellent employees with superior language skills and global basic knowledge. We provide global qualification education and job training along with language courses for global reserve personnel selected through competition. Candidates for overseas assignment are selected after verification through working in overseas International Business Department and serving as RMs at local subsidiaries. Candidates for global business must complete a practical training program focused on strengthening global core competencies. They strengthen overseas business capabilities through modules such as business management plans for foreign countries in which they will stay and work, global management environment, regional experts, organization management, and performance creation coaching. In addition, we provide all employees with the opportunity to participate in the Group's joint global training program.

ESG Value Education



In order to respond to sustainability and ESG-related regulations and stakeholder demands, we are conducting various kinds of education on spreading ESG values. We provide various lecture videos on global management trends, successful ESG strategies, evaluation response, and report preparation on the Group training platform KB STARDIUM. We are also conducting customized ESG education when necessary for each organization. Furthermore, we are sharing KB Securities' ESG management and strategic direction with new employees and conducting special lectures on the humanities for all employees, striving to internalize ESG management within the organization.

Improvement of Organizational Culture

Activities to Improve Organizational Culture

Communicative Corporate Culture

Hot-Talk Meeting



KB Securities is operating a 'Hot-Talk' meeting to strengthen field-centered communication through open dialogue with employees, and to increase the flexibility of organizational culture. We planned the meeting so that the CEO and employees could enjoy warm and lively conversations ("hot") over hot dogs in a casual setting, encouraging active two-way communication. In 2024, a total of 15 meetings were held, including five meetings at the General Division-level, seven meetings at Division-level, and three meetings for junior employees, and we are striving to enable more employees to participate in communication.

KB Securities is also collecting opinions from employees who were unable to attend the meeting by conducting an anonymous survey using the employee experience management solution (Qualtrics). We are listening to the voices of employees who usually are reluctant to express their opinions, and we are trying to reflect the needs of employees more broadly. Employee suggestions and matters requiring improvement go through the internal review to be actively reflected in management, so that they can lead to actual changes instead of being stopped as just simple conversations. Going forward, we aim to build a more open communication culture based on trust between management and employees, and strive to ensure that employees' opinions are practically reflected in the operation of the organization.





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Improvement of Organizational Culture

Activities to Improve Organizational Culture

Communicative Corporate Culture

Reverse Mentoring

Reverse mentoring is a program to strengthen horizontal communication within the organization, and foster leadership that reflects new perspectives. Unlike general mentoring programs, junior employees become mentors and share the latest trends and values with executives through various activities. In 2024, we promoted inter-generational understanding by experiencing leisure activities of the junior generation such as MBTI test, personal color diagnosis, fortune telling for fun, traditional experiences, and visiting popular restaurants with long queues.

Idea Board

We operate the Idea Board as a communication channel to reflect the creative ideas of junior employees in the operation of the organization. In 2024, we shared ideas which can be applied to each job under the theme of 'Creating a corporate culture and environment to become the best in my field.' In particular, we added the Solve-A-Thon activity to share junior employees' ideas, and had an opportunity to recognize problems from the perspective of junior employees and seek solutions together.



Reverse Mentoring Program



Idea Board Solve-A-Thon

Kkaebi Salon (Career Employee Onboarding)

In order to help excellent salaried employees adapt to the organization, we are operating a career employee onboarding program called Kkaebi Salon. The name was created by combining 'Kkaebi', which is an abbreviation for KB and a nickname used by employees, and the word 'Salon,' which is used to refer to social gatherings. It is a program that helps career employees adapt to the organization smoothly, and was designed so that career employees and employees hired through open recruitment can freely interact. In addition, we help them effectively adapt to the work by matching them with people in support departments with high job relevance, and helping them build practical collaborative relationships. In line with the trend of the new recruitment market where the number of career employees continues to increase, we will come up with various other measures to support the organizational integration of new employees.

'You and I are Meant to Be' Day

In order to increase the members' understanding of the organization and collaborative synergy, we are operating a communication program between divisions called 'You and I are Meant to Be' Day. It is an internal network building program where employees from different branches and departments are randomly matched and eat meals together, and it focuses on building organic collaborative relationships between departments. In 2024, we have diversified the monthly themes/missions to increase the participation rate, such as Spring in Film (Spring Flower photo mission), KB Arcade, Don't You Want to Go See the Stars, and Bakery Tour.



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Activities to Improve Organizational Culture

Communicative Corporate Culture

Pit-a-pat, # Ki-moonToon



To establish a healthy corporate culture, we are publishing an in-house webtoon and moving toon named Pit-a-pat, # Ki-moonToon. We are effectively delivering messages related to corporate culture by utilizing familiar content such as webtoons, and we have made it easy for all employees to access them by displaying a single cut of the webtoon as a pop-up when booting up their PCs. Last year, we emphasized responsible work performance and collaboration under the theme of establishing a responsible work culture, and in 2024, we have reflected important issues that we face in the actual work environment, such as activating the use of workshop costs, thorough work handover during vacations, and observing break times, in the webtoon.



Pit-a-pat, # Ki-moonToon

Flexible Corporate Culture

Junior Employees' Parents Invitation Event, 'You're My Pride'



In order to increase the sense of belonging and pride of employees, we held the 'You're My Pride' event by inviting junior employees below the assistant manager level and their parents. The event was designed to convey three messages contained in the word 'Pride': 'Children, who are the pride of parents, parents, who are the pride of children, and employees, who are the pride of KB Securities', and to share respect and gratitude. In particular, we collected questions that employees' families were curious about or could easily empathize with through an anonymous survey in advance, and operated a Pit-a-pat Sotonghassi-o (Communicating with the CEO), where the CEO personally answered questions and communicated with employees' families, to form closer bonds. In addition, we provided various programs where employees could share emotions and pleasures such as singer performances, lucky draws, and thank-you gifts, to provide an opportunity to create special memories with their families. Going forward, we will continue to practice respect and gratitude through various programs in which employees and their families can participate, and create a compassionate organizational culture.



You're My Pride Event



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Improvement of Organizational Culture

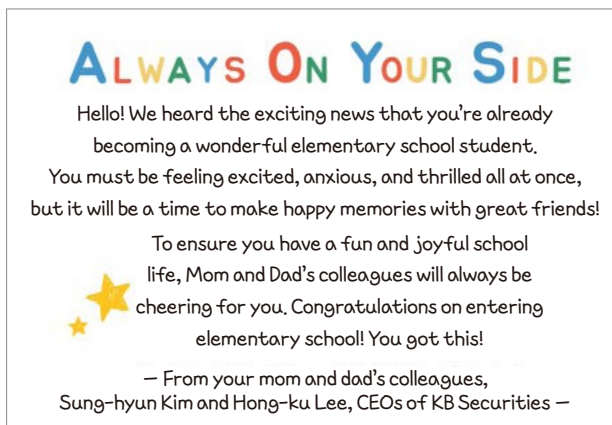
Activities to Improve Organizational Culture

Flexible Corporate Culture

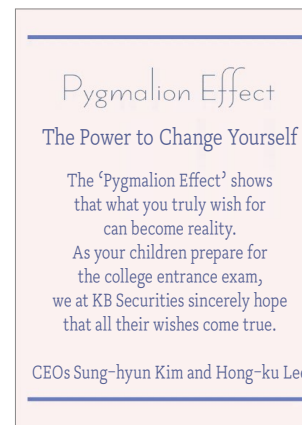
Program to Encourage Children of Employees



To create a family-friendly corporate culture, we operate a program to encourage children of employees. The company provides congratulatory and encouraging items along with a message from the CEO to employees with children entering elementary school or taking college entrance exams. We provide a special gift to children entering elementary school, along with the CEO's congratulatory message tailored to children's level, and provide hand-made candies to children taking the SAT, to help relieve exam stress, along with encouraging messages from the CEO. We are striving to establish a corporate culture that cares for families by allowing not only parents of employees but also children of employees to feel a sense of kinship with KB Securities. Going forward, we will continue to plan various programs that can accompany the families and lives of our members.



Congratulatory message to employees' children entering elementary school



Encouragement message for employees' children taking college entrance exams

Corporate Culture Event for Warm Year-End



To celebrate the end of the year, we had a snack-sharing event to express our gratitude for the hard work of KB Securities employees throughout the year. We placed a food truck in front of the head office building and provided snacks and drinks to employees. In addition, we sent coffee gift certificates to employees at branch offices (branches and centers) who were unable to participate in the snack-sharing event, so that all employees could enjoy the equal treatment.



Snack-sharing event, Food truck

Sound Labor-Management Relations

KB Securities complies with laws and principles, guarantees legitimate union activities. And we build a mutual-prosperity labor-management relationship through continuous communication with the labor union. We conduct collective bargaining every year and hold a labor-management council meeting quarterly, while labor and management meet frequently to discuss various current issues. The labor-management council is attended by an equal number of members from labor and management (more than three but less than six members). During the regular meetings, we discuss various agenda items to improve the working conditions of employees, such as wages and welfare benefits, striving to establish a positive labor-management culture. In 2024, a total of four regular labor-management council meetings were held to discuss measures to improve the efficiency of the organization and human resource management system. Matters agreed upon by labor and management are applied to all employees.



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Overview of Report on Human Capital

KB Securities considers its employees as partners who grow together with the company and as its most important assets. We also believe that systematic management and development of human capital are essential for the company's sustainable growth and enhancement of competitiveness. In order to share these values with stakeholders, including employees, and to transparently disclose the status of human capital management, KB Securities has disclosed information on human capital in accordance with ISO 30414 for the first time in the industry. The report on human capital was prepared in accordance with the disclosure requirements of ISO 30414, global guidelines for human capital reporting, and includes human capital data of KB Securities in various aspects such as recruitment and retention, diversity, education, performance and compensation, and well-being.



Recruitment and Retention

As of December 2024, KB Securities has a total of 2,998 employees, and hired 186 new employees during the year. The new hiring rate, which indicates the number of new employees compared to the total number of employees, was 6.2%. It takes an average of 30 days from the job posting to actual hiring.

Current Status of Employees' Composition

Category	Unit	2022	2023	2024
Total number of employees*	Persons	2,986	2,984	2,998
Executives	Persons	61	64	59
Permanent employees	Persons	2,095	2,169	2,206
Non-permanent employees	Persons	830	751	733
Full time equivalents (FTE)	Persons	2,886.88	2,885.63	2,903.75

* Excluding short-term interns, part-time workers, and digital partners among part-time workers within the Group

Hires

Category	Unit	2022	2023	2024
Average days to hire	Days	30	30	30
New hires	Persons	299	208	186
Male	Persons	198	132	101
Female	Persons	101	76	85
New hire rate	%	10.0	7.0	6.2
Male	%	11.7	7.9	6.2
Female	%	7.8	5.7	6.2

Both the turnover rate and voluntary turnover rate have been on a downward trend for three consecutive years, and the turnover rate and voluntary turnover rate in 2024 were 5.1% and 2.8%, respectively. The average length of service for male and female employees continues to increase. In 2024, the average length of service of male employees was 14.3 years, and the average length of service of female employees reached 15.6 years.

Turnover Rate

(Unit: %)



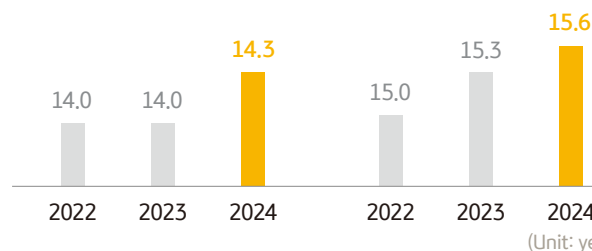
Voluntary Turnover Rate

(Unit: %)



Average Length of Service of Male Employees

Average Length of Service of Female Employees





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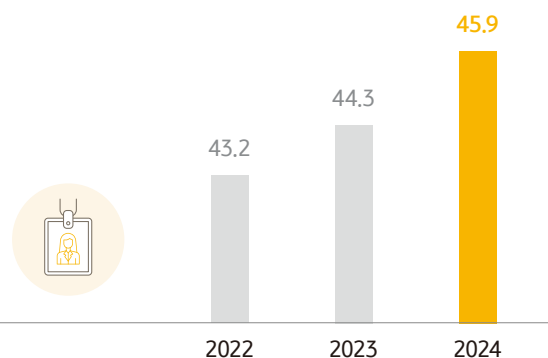
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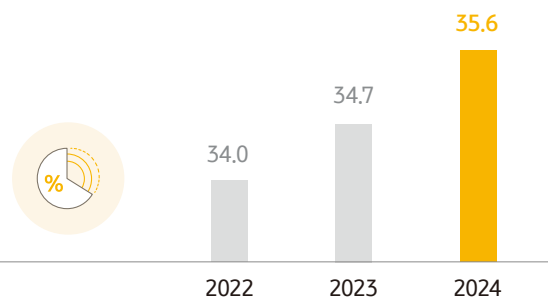
Diversity

We are pursuing the expansion of female talent through various systems that support work-life balance and programs to strengthen women's capabilities. In 2024, the overall female employee ratio was 45.9%, and the female employee ratio above team leader level was 35.6%.

Ratio of Female Employees (Unit: %)

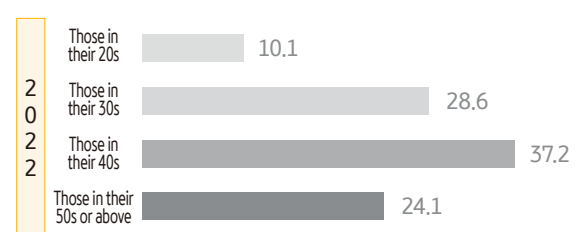
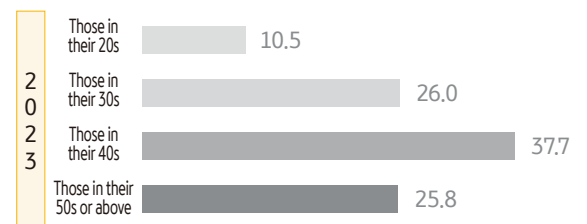
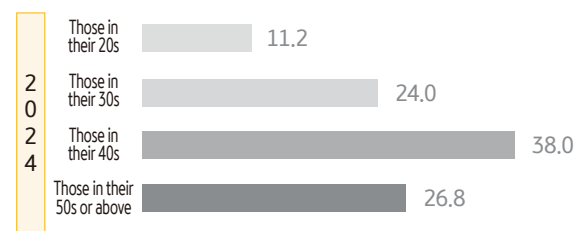


Ratio of Female Employees above Team Leader Level (Unit: %)



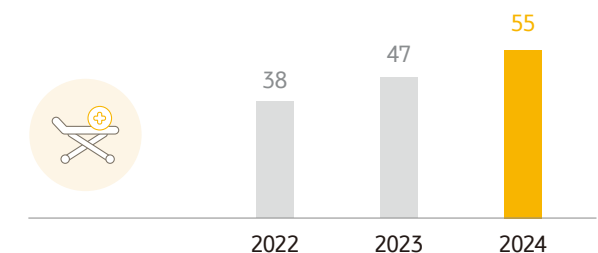
We are injecting vitality and creativity into the organization through ideas and perspectives from different generations. We are also creating an inclusive organizational culture through communication programs that promote cooperation and mutual understanding between generations.

Age Diversity (Unit: %)



We are working to hire persons with disabilities through finding jobs program tailored to the disabled, and investment in stocks of standard workplaces for the disabled. As of 2024, a total of 55 disabled employees are working for KB Securities, which shows KB Securities' performance in employment rate that exceeds the mandatory employment rate for the disabled.

Number of Employees with Disabilities (Unit: persons)



In addition, we are continuously recruiting and hiring veterans through separate recruitment processes.

Number of Veterans

Category	Unit	2022	2023	2024
Veterans	Persons	42	41	37
	%	1.4	1.4	1.2



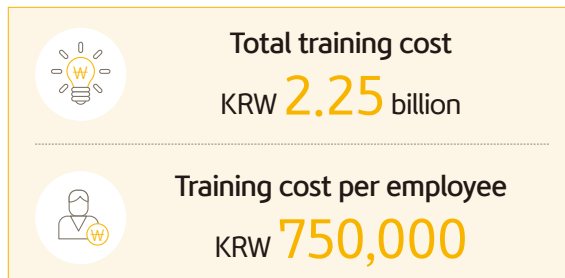
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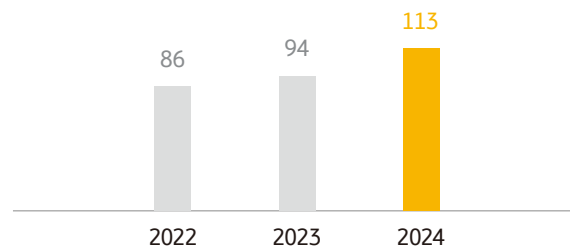
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Education

To improve the expertise of employees, we are conducting talent training tailored to job and position, as well as human rights training, anti-money laundering training, and information protection training. In 2024, each employee was provided 113 hours of training, which is 19 hours more than the previous year. In addition, we are conducting compliance and ethics training for all employees every month, and the average number of people receiving compliance and ethics training per month in 2024 is 2,774.



| Training Hours per Person (Unit: hours)

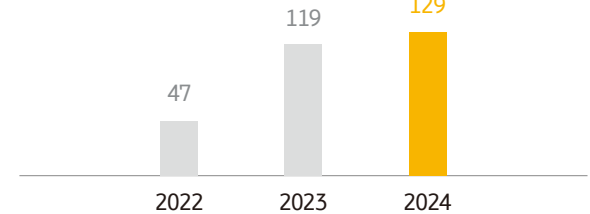


Performance and Compensation

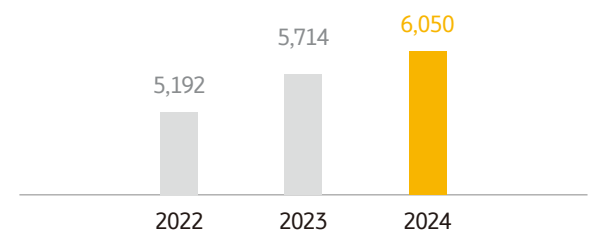
We are striving to fairly evaluate and compensate the performance created by our employees. In 2024, sales per employee were recorded at KRW 3.6 billion, and the human capital ROI – which refers to the financial value created by employees compared to the cost invested in employees – reached 129%, up 10%p from the previous year. For compensation based on performance, the total cost paid to employees was approximately KRW 605 billion.



| Human Capital ROI (Unit: %)

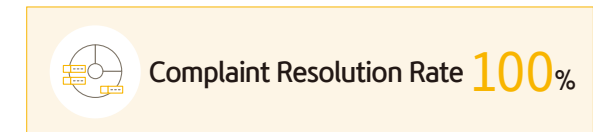


| Total Labor Costs (Unit: KRW 100 million)

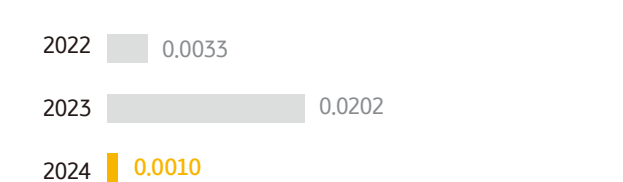


Health (Well-being)

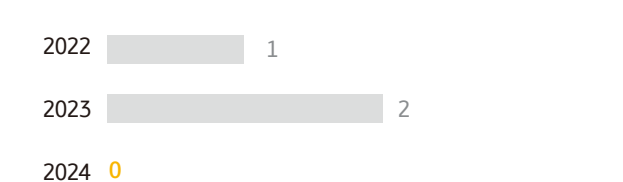
The physical and mental health of employees is an essential element for protecting human capital. In 2024, the number of accidents and deaths resulting from occupational accidents was zero. Meanwhile, employees can file complaints, such as grievances on workplace bullying and discrimination, through the complaint-handling channel. In 2024, a total of seven complaints were received, and all were processed, thereby actively supporting the emotional stability of employees.



| Lost Time Incident Rate (LTI) (Unit: %)



| Number of Industrial Accidents (Unit: Cases)



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Approach

Beyond the original role of finance, increasing economic and social vitality in the local community and accompanying the vulnerable are important corporate responsibilities that have a great impact on sustainability. In addition, partner companies are important partners in the value chain, and KB Securities carries out its business based on connections with various partner companies. KB Securities is conducting various social contribution activities based on its own social responsibility system for mutual prosperity with the local community, while establishing a purchasing contract system for partner companies to implement ESG management, and creating a sustainable supply chain through win-win cooperation measures such as meetings.

| Governance |

- Operation of the Brand Strategy Department, a department dedicated to social contribution

| Strategy |

- Establishment of a social responsibility system based on care and mutual prosperity
- Spreading care and mutual prosperity values, providing support for childbirth, fostering future generations, supporting small business owners, and supporting global medical care and education
- Holding of regular meetings with partner companies
- Activities to support mutual prosperity with partner companies such as issuing gift certificates for Family Month

| Risk Management |

- Restricting participation of ESG-related fraudulent business operators in bidding through a purchasing contract system that reflects ESG factors
- Processing the purchasing process, such as reviewing the credit status and transaction history of partner companies based on the purchasing-management system

| Targets & Metrics |

Social contribution
support amount

Payments to
partner companies
for purchases and
services rendered

Number of meetings
held with partner companies

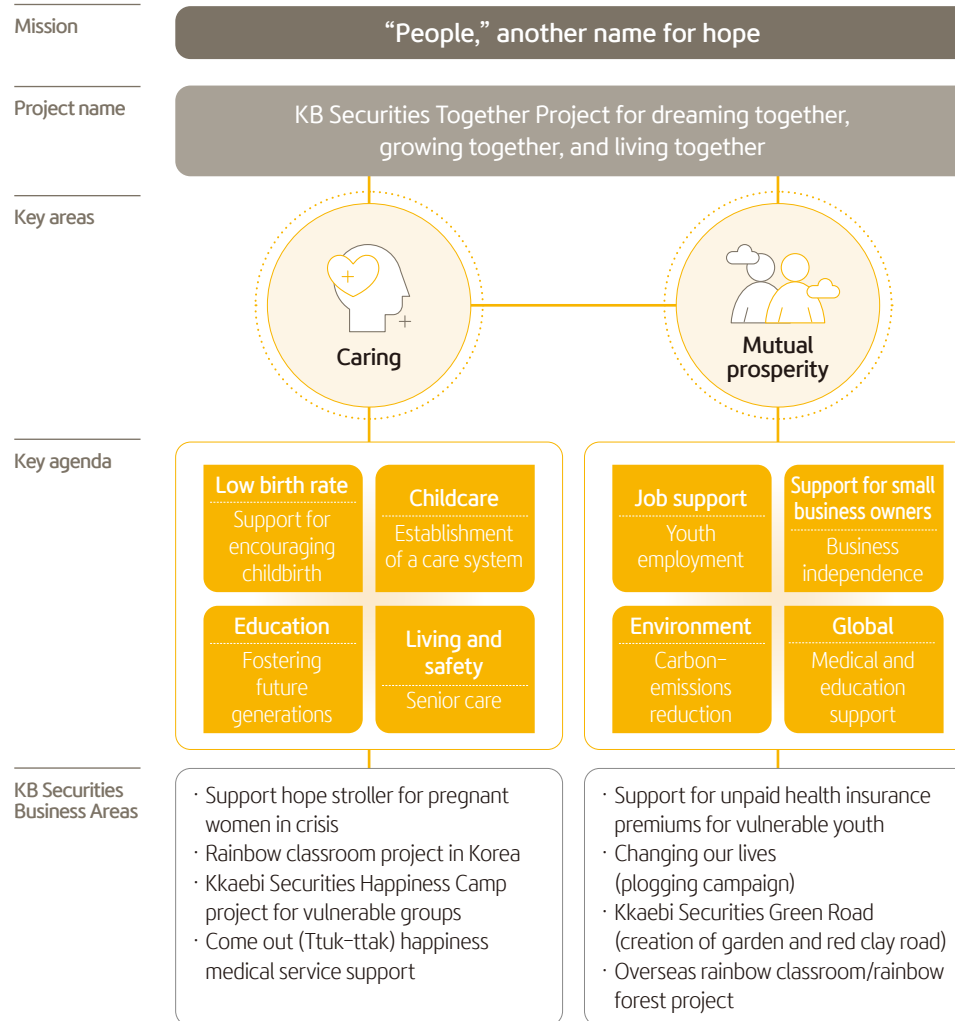


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Local Communities

Social Contribution System

Social Responsibility System



KB Securities is participating in the KB Financial Group's efforts to reorganize the social responsibility system and is pursuing its own social value realization strategy linked to the new social-responsibility system. Under the mission of 'People ("Kookmin" in Korean), another name for hope,' caring and mutual prosperity were set as the key areas of social responsibility. By implementing the KB Kookmin Together Project centered on these two key areas, we have reorganized the social responsibility system so that finance can play a central role in solving social problems. Through this reorganization, we aim to find fundamental solutions to the problems facing society and realize finance that grows together with the people.

Among the key areas, 'caring' focuses on establishing a support system linked to the life cycle of the people. We are promoting improvements to the childcare environment and expansion of educational opportunities to help solve the low birthrate problem and foster future generations. Furthermore, we are strengthening living and safety support for senior citizens to create an environment where everyone, from infants to seniors, can be protected and enjoy healthy lives within the care system. The 'mutual prosperity' focuses on establishing a foundation for KB Securities and the local community to grow together. We support young people to have quality jobs and create an environment where small business owners can grow and become economically self-reliant. In addition, we will contribute to creating a sustainable global environment by reducing carbon emissions, expand the scope of social responsibility through global medical care, education, and support, and continue our efforts to create a tomorrow that grows together with the people.



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Social Contribution Activities

Resolving the Low Birthrate Problem and Encouraging Childbirth

KB Securities is carrying out social contribution projects to help solve the nation's low birthrate problem and encourage childbirth, targeting low-income vulnerable couples and pregnant women at risk. We are supporting the event, Outdoor Wedding at Han River for vulnerable couples who cannot hold a wedding due to economic difficulties. We select two couples every half year with recommendations from autonomous districts in Seoul Metropolitan city and social welfare centers and provide full support for their wedding expenses. In 2024, outdoor wedding ceremonies were held in May, Family Month, and in October when roses bloom at Gwangnaru Hangang Park. We also provided additional support so that needy couples could go on a honeymoon like other couples. Furthermore, we are delivering childcare supplies to pregnant women at risk who are having difficulties giving birth and raising children due to economic difficulties or social prejudice. On October 10, 2024, a Pregnant Women's Day, we provided 100 'Kkaebi Securities Hope Strollers' to pregnant women at risk, and delivered supplies through the National Center for the Rights of the Child, which operates and supports 16 regional counseling centers for pregnant women at risk nationwide. KB Securities will continue to provide substantial support for the safe birth and child protection of pregnant women at risk.



Kkaebi Securities Hope Strollers Delivery Ceremony

Establishment of a Care System in the Childcare Sector

For children at risk of malnutrition from dual-income families, single-parent families, etc., we have introduced the Baemin (delivery service provider) Vacation Lunch Box support project in collaboration with Woowa Bros. The project provides four meals per week, including lunch boxes, to children at risk of skipping meals during vacation when they cannot have meals, and provides lunch boxes and meal vouchers. At the same time, we conduct economic education for children to instill the right economic values. In 2024, we provided support for a total of 2,000 meals in eight regions nationwide during the summer and winter vacation periods. We also worked to revitalize the local economy by purchasing lunch boxes provided to children from small business owners. Moreover, we operated the 'KB Star Economic Class' during the summer vacation, where an economic education expert from the KB Financial Public Welfare Foundation visited in person to teach rational consumption and asset management. In the meantime, we are also striving to establish a care system in the childcare sector, such as providing book vouchers to ensure children's rights to be educated.



Poster of Baemin (delivery service provider) Lunch Box supported by KB Securities during winter and summer vacations



KB Star Economics Class



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Social Contribution Activities

Fostering Future Generations

Rainbow Class Project

Since 2009, KB Securities has conducted the Rainbow Class project to improve the educational and playing environment for children, both at home and abroad. In 2024, KB Securities built a multipurpose field and an outdoor playground at 'Pine Tree Home', which is the child welfare facility with the largest number of children in Incheon, but lacked outdoor space for children to play safely. A total of 36 Rainbow Classes have been built so far, with 23 in Korea and 13 overseas.

Jamsil Water Park Children's Invitation Event

Celebrating the opening of the newly renovated Jamsil Water Park, we invited about 300 children from local children's centers and provided them with admission fees and snacks so that they could enjoy playing in the water freely. Even after the event, parasols were installed so that all citizens could enjoy playing in the water together in a pleasant environment. We will continue to work to provide opportunities for vulnerable children and families who usually find it difficult to enjoy leisure time to make precious memories.

KB Securities Soccer School

In order to promote healthy growth and give less-privileged children more opportunities for participating in sports, KB Securities launched a soccer class project in 2024. KB Securities, in close cooperation with GS Sports and World Vision, has provided free soccer lessons, uniforms, and sports equipment for 10 months to 40 less privileged children living in Seoul. We will provide children, the future leaders, with opportunities to cultivate a sense of cooperation and empathy through sports, and help them grow healthily.

Come out (Ttuk-ttak) Happiness Kkaebi Securities Green Camping

The Green Camping project, started as a camping event inviting vulnerable families to Nanji Campground in 2022, marks its third anniversary this year. In May 2024, a Family Month, we invited families of children who participated in the KB Securities Soccer Class (92 people from a total of 23 families) and provided tents, camping equipment, and food to the participants. We also planned various experiential activities such as treasure hunts and campfires to present special memories for the whole family.



Rainbow Class Completion Ceremony at Pine Tree Home



Support for parasol at Jamsil Water Park



KB Securities Soccer Class Launch Ceremony



Come out (Ttuk-ttak) Happiness Kkaebi Securities Green Camping

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Social Contribution Activities

Improvement of Life and Safety

Come out (Ttuk-ttak) Happiness Rural Medical Volunteer Service

In order to eliminate the medical gap between urban and rural areas, we visit the elderly in areas with low medical accessibility, and provide general medical services with professional medical staff. Free medical services were provided to approximately 450 elderly citizens in four regions, starting with Miryang, Gyeongnam in April; Gapyeong, Gyeonggi and Gumi, Gyeongbuk in May; and Gokseong, Jeollanam in June 2024. A total of 40 KB Securities employees and volunteer medical personnel from the Korean Open Doctors' Society working in the region participated in the activity to provide general medical services in internal medicine, dentistry, and Oriental medicine sectors, and also delivered simple medicines such as patches and nutritional supplements and souvenirs to the elderly who received treatment.



Come out (Ttuk-ttak) Happiness Rural Medical Volunteer Service

“KB Box Filled with Love” on Holidays

The KB Box Filled with Love project, which provides supplies to those in need of care, celebrated its 8th anniversary in 2024, and delivered gift sets to a total of 4,720 households, on holidays of the year. During the 2024 Lunar New Year holiday, we provided food ingredients and winter heating products to vulnerable elderly people, and during Chuseok (Korean Thanksgiving Day), we delivered holiday gift sets and convenience foods to busy families with many children. Going forward, we will continue to work together so that our local neighbors can enjoy the holidays better.



“KB Box Filled with Love” on Chuseok Holidays

Supporting First Floor for All x Seoul Project

We participated as the first private company to sponsor the First Floor for All x Seoul project to improve accessibility for persons with mobility limitations. It is an initiative that promotes various projects with the goal of creating a convenient 1st floor for everyone, and Seoul that accompanies persons with mobility limitations, and we have supported the installation of slopeways in the first floor of franchise stores and general small businesses in areas with people with mobility limitations in Seoul since May 2024. Through this, we have helped not only the people with mobility limitations, including wheelchair users, but also all citizens to use the facilities more conveniently. In addition, we have strived to expand social consensus on policies and projects for the people with mobility limitation by improving related systems to improve mobility convenience and inducing citizen participation.



Donation to the First Floor for All x Seoul Project and MOU Signing



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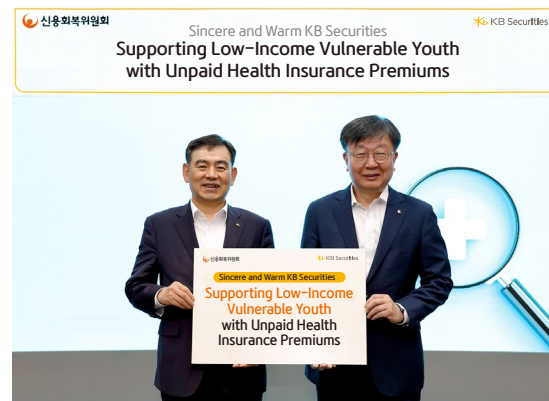
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Social Contribution Activities

Improvement of living and safety

Project Supporting Low-Income Vulnerable Youth Who Have Unpaid Health Insurance Premiums

The debt burden of vulnerable young persons is increasing due to employment instability, high prices, and high interest rates caused by the economic downturn. So, in order to provide substantial help to youth who cannot even enjoy basic medical services due to unpaid health insurance premiums resulting from economic hardship, we implemented a support project together with the Credit Counseling & Recovery Service. We selected 158 college students and unemployed youth aged 39 years or younger and provided support totaling KRW 50 million, approximately KRW 320,000 per person, to help youths return to the credit society early and make an economic comeback. We prevented youth who are restricted through financial and economic activities due to unpaid health insurance premiums resulting from economic hardship from falling into the financially vulnerable class, and supported them so that they could continue healthy economic activities by focusing on job seeking or making a living.



Supporting Low-Income Vulnerable Youth with Unpaid Health Insurance Premiums

Global Social Contribution Activities

Rainbow Class Project

KB Securities is creating a better learning environment for future generations by constructing Rainbow Classes in Vietnam and Indonesia, where we are engaged in business. We completed the construction of the Rainbow Class at Al Ayaniyah High School in Tangerang, Indonesia, which had a severe income gap and lacked overall educational facilities. In cooperation with the Korean Red Cross and the Indonesian Red Cross, we improved the overall educational infrastructure by renovating aging facilities and creating new essential spaces such as libraries, restrooms, and cafeterias. We also sought to create a balanced educational environment at Tan Kim Elementary School in Phu An District, Thái Nguyên Province, Vietnam. We renovated the existing multipurpose auditorium and classrooms and provided IT equipment such as projectors and computers. Going forward, we will continue to seek mutual prosperity with local communities and actively expand the Rainbow Class project overseas.



Rainbow Class, an Educational Environment Improvement Project, in Vietnam

Rainbow Forest Project

We have started a new Rainbow Forest project to create mangrove forests to prevent damage from natural disasters such as typhoons and tsunamis due to climate change, and to preserve biodiversity. In 2024, the first forest was created in Indonesia, which was severely affected by natural disasters such as recent floods. In Indonesia, about 200,000 mangrove trees were planted on Tidung Island, an island region. Mangrove trees not only serve as habitats for various creatures, but also store a significant amount of carbon. Starting from Tidung Island, we will actively promote the creation of mangrove forests for environmental protection in various parts of the world.



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Partner Companies

Supply-Chain Management

Fair Trade with Partner Companies

KB Securities strives to create a culture of fair trade with its partner companies. KB Securities ensures competitive bidding for fair trading, in principle and operates a transparent procurement management system in the entire process, ranging from bid notices to selection of a company and signing of contracts. Companies that have engaged in unfair trade practices are registered in the purchasing system and are restricted from participating in new businesses. We are providing education through case-sharing to prevent unfair trade practices. In addition, all procedures and standards related to procurement are strictly managed in accordance with the company regulations. Pursuant to the revised Act on the Promotion of Mutually Beneficial Cooperation Between Large Enterprises and Small and Medium Enterprises, employees requesting the procurement are obliged to sign a Non-disclosure Agreement for Mutual prosperity when concluding a contract.

Unfair Trade-related Risk Management

KB Securities is continuously improving the system to evaluate and effectively manage the risks related to unfair competition and unfair trade. We are improving the purchasing system to manage the risks of the trading counterparty, strengthening the history management of disqualified partner companies, and minimizing the possibility of unfair trade by closely reviewing credit status and transaction history. In addition, we have revised the IT standard contract to ensure that contracts with partner company undergoing rehabilitation procedures are fairly concluded, thereby reducing legal risks. KB Securities is regularly conducting education and monitoring for transparent transactions with partner companies, and is ensuring that appropriate inspection procedures and cost execution are carried out in the process of concluding and implementing the contracts. In particular, we are thoroughly inspecting IT purchase and maintenance status, and tracking any delays in decisions on expenditure of computer operating expenses to ensure that the step-by-step procedures are carried out smoothly. We have also clearly guided the inspection procedures related to general purchases, and established a system that automatically notifies the inspection manager of unresolved cases where the contract termination date has passed 30 or 60 days or more, thereby enhancing the transparency of contract execution. As such, we are minimizing unfair trade elements throughout the entire process, from contract signing to termination, to build trust with our partner companies.

Building a Sustainable Supply Chain

KB Securities has institutionalized a procurement contract system that reflects ESG factors in accordance with Article 17 of the Guidelines on Procurement and Management, in order to restrict unsuitable companies related to ESG from participating in bids. In addition, we are strengthening responsible supply-chain management, such as requiring human rights pledges at the time of signing purchase contracts, in order to encourage our partner companies to respect human rights and engage in human rights-friendly management activities.

Strengthening Communication and Support for Mutual Prosperity with Partner Companies

KB Securities holds regular meetings with the employees of IT outsourcing companies to actively communicate with partner companies and reflect their voices. At the meetings held once in the first and second half of the year, respectively, we collect complaints or requests for improvement from partner companies, seeking better operational management. In 2024, the meeting was held in an open atmosphere where participants freely shared opinions on topics such as compensatory leave and the company messenger. Meanwhile, we are continuously improving the contract system with partner companies to further systemize the communication base with partner companies. In 2024, in order to secure consistency in communication with partner companies, we revised the IT standard contract format, and structured the maintenance contract by dividing its provisions into article, clause, paragraph and sub-paragraph according to the format standard specified in the Financial Investment Services and Capital Market Act. Accordingly, we have increased the clarity of contract terms and ensured that transactions with partner companies can be conducted in a more transparent and trustworthy environment.



Meeting with Partner Companies in First Half

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Governance



2024 Achievements



Board of Directors operation and discussion

Held 13 meetings for 80 discussion agenda items



Internal control training

Compliance manager at department/branch
Total of 213 persons in 1st half, and 207 persons in 2nd half



Implementing compliance and ethics training

Total of 2,774 persons
(average number of participants per month)



Strengthening the internal control system

Introducing a responsibility map



Korea Institute of Corporate Governance and Sustainability
Received 'A' grade for five consecutive years in the evaluation for Governance sector (highest grade in the industry)



Sustainvest ESG Rating

AA Grade
(Highest Rating in the Industry)

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01 Board of Directors



Approach

In a rapidly changing domestic and international environment, the role of the Board of Directors (BOD), the highest decision-making body, is becoming more important than ever to enhance long-term corporate value and secure stakeholder trust. KB Securities pursues transparent and professional management, strengthens the soundness and professional capabilities of the BOD, and establishes various subcommittees within the Board to create governance that can ensure proper decision-making on important issues. In particular, in order to strengthen ESG management, we are conducting ESG education for the BOD, and establishing an ESG Committee to approve related strategies and policies and carry out management and supervision tasks, thereby promoting sustainable management.

| Governance |

- The Board of Directors serves as the highest decision-making body of KB Securities
- Nine subcommittees under the BOD deliberate and decide on matters delegated by the Board — such as ESG, audit, risk management, and director candidate recommendations

| Strategy |

- Composition and operation of the BOD based on the principles of independence, transparency, expertise, and diversity
- Disclosure of management activities, Board operation, and decision-making process through Business Reports and Sustainability Reports, etc.

| Risk Management |

- Implementation of specialized ESG education for the Board of Directors
- Evaluation and compensation of the BOD based on the performance measurement system

| Targets & Metrics |

ESG evaluation rating

Number of subcommittee
meetings under the BOD

Number of BOD meetings

BOD attendance rate



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Board of Directors

Board of Directors and Subcommittees

Roles and Composition of the BOD

The Board of Directors (BOD) of KB Securities resolves on matters as prescribed by laws and regulations or articles of incorporation, including setting management goals, approving budgets and settlements, supervising conflicts of interest, matters delegated by the General Shareholders' Meeting, and important matters regarding the company's operating policies and business execution in accordance with the BOD regulations. As of May 2025, the BOD consists of seven members: two CEOs, four non-executive directors, and one non-standing director. In order to make quick decisions regarding management, the CEO also serves as Chairperson of the BOD, while the number of non-executive directors accounts for more than half of the total directors to strengthen the independence of the BOD and its function of checks and balance on the management. Meanwhile, the CEO is appointed at the General Shareholders' Meeting through deliberation by the CEO Nominating Committee. Non-executive directors are appointed fairly and transparently based on the regulations on non-executive director nomination procedures specified in the internal regulations, and a non-executive director is finally appointed at the General Shareholders' Meeting by a resolution of the BOD.

(As of May 2025)

	<p>Sung-hyun Kim (Male)</p> <p>CEO & President, Chairperson of the Board of Directors</p> <p>Term Jan. 01, 2019 ~ Dec. 31, 2025</p> <p>Major career achievements Former Vice President of the IB Group of KB Securities Former Vice President of the IB Group of KB Investment Securities</p> <p>DOB Born in 1963</p>		<p>Hong-ku Lee (Male)</p> <p>CEO & President</p> <p>Term Jan. 1, 2024 ~ Dec. 31, 2025</p> <p>Major career achievements Former Vice President of the WM Group of KB Securities Former Executive Director of the WM Group of KB Securities</p> <p>DOB Born in 1965</p>
	<p>Jeung-won Yang (Male)</p> <p>Non-executive Director</p> <p>Term Mar. 23, 2023 ~ date of AGM in 2026</p> <p>Major career achievements Former CEO of Samsung Active Asset Management Former Executive Director of Marketing Solutions Group at Samsung Asset Management</p> <p>DOB Born in 1961</p>		<p>Jong-hoon Hyun (Male)</p> <p>Non-executive Director</p> <p>Term Mar. 23, 2023 ~ date of AGM in 2026</p> <p>Major career achievements Former CEO of ING Korea Former Chairman, Association of Foreign Banks in Korea</p> <p>DOB Born in 1961</p>
	<p>Eugene M. Ohr (Male)</p> <p>Non-executive Director</p> <p>Term May 30, 2025 ~ May 29, 2026</p> <p>Major career achievements Former Capital Group Companies Analyst in charge of Korea/Japan/Australia</p> <p>DOB Born in 1968</p>		<p>Hye-jeong Nam (Female)</p> <p>Non-executive Director</p> <p>Term May 30, 2025 ~ May 29, 2026</p> <p>Major career achievements Professor of Accounting at Dongkuk University (Present) Former non-executive director of the Export Import Bank of Korea</p> <p>DOB Born in 1971</p>
			
			<p>Young-june Park (Male)</p> <p>Non-Standing Director</p> <p>Term Feb. 07, 2025 ~ date of AGM in 2026</p> <p>Major career achievements Chief Strategy Officer of KB Financial Group (Present) Former Executive Director, Management Strategy Division, KB Asset Management</p> <p>DOB Born in 1969</p>



Board of Directors

Board of Directors and Subcommittees

Role and Composition of Subcommittees

The BOD has nine subcommittees. In order to increase the efficiency in operating the Board, each committee conducts deliberation and resolution on matters delegated by the BOD, including monitoring and advising on important matters. The ESG Committee carries out duties of approving ESG-related strategies and policies, managing and supervising implementation, and promoting sustainable management of KB Securities.

| Committee Roles and Composition

Committee Name	Composition	Key roles
Audit Committee	3 (3 non-executive directors)	· Business execution, auditing, review on the soundness of financial activities, evaluation of the internal control system, etc.
CEO Nominating Committee	3 (3 non-executive directors)	· Screening and recommending CEO candidates selected by the CEO Nominating Committee of KB Financial Group
Audit Committee Member Nominating Committee	3 (2 non-executive directors)	· Recommending candidates for the Audit Committee to be appointed at the AGM
Non-executive Director Nominating Committee	3 (2 non-executive directors)	· Recommending non-executive director candidates to be appointed at the AGM
Compensation Committee	3 (3 non-executive directors)	· Designing incentive policies, evaluating and deliberating the appropriateness of operation of incentive policies
Risk Management Committee	3 (2 non-executive directors)	· Decision-making on the basic guidelines of risk management, setting the risk limits, discussing major risks and overall risk management and control
ESG Committee	3 (2 non-executive directors)	· Approving ESG-related strategies and policies, managing and overseeing implementation of ESG management
Management Committee	2 (2 inside directors)	· Opening, closing, and relocating branches, sales branches, sub-branches, and other offices in and outside Korea, appointing and dismissing managers, disciplinary measures of executives
Internal Control Committee	3 (3 non-executive directors)	· Establishing basic internal control policies and strategies, and managing and supervising implementation status



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Board of Directors

Principles of the Board of Directors

Expertise and Diversity

The BOD of KB Securities is composed of seven experts with abundant experience in different areas to ensure expertise and diversity. As of May 2025, the BOD consists of seven directors with diverse practical experience and professional knowledge — three in finance, three in business, and one in accounting — to ensure a balanced composition without bias toward any specific background, profession, or academic field. In addition, the company is addressing challenges and tasks efficiently by holding ordinary and extraordinary meetings of the BOD whenever needed to utilize most of their expertise and improve inadequacies. Furthermore, the research materials of the KB Financial Group and the Research Division are shared to add to the expertise and basic capabilities of the non-executive directors, and the directors can receive reports or discuss with internal experts if necessary. KB Securities will continue to provide flexible training to non-executive directors to assist them in carrying out their independent roles by adopting professional training programs.

Independence

The Board of Directors of KB Securities consists of seven members: Four non-executive directors, two inside directors, and one non-standing director. The Non-executive Director Nominating Committee is operated to ensure an independent nomination process. Qualification/disqualification and expertise are assessed when nominating candidates. The Non-executive Director Nominating Committee consists of three directors, of which the majority (two) is non-executive directors. The Audit Committee, the Compensation Committee, the Internal Control Committee, and the CEO Nominating Committee under the Board consist of 100% non-executive directors, and non-executive directors are the majority in other committees except the Management Committee to ensure that the BOD is independent and provides checks and balances.

Transparency

All directors are appointed by resolution of the General Meeting of Shareholders, and the resolutions of the BOD and Committees are disclosed in quarterly reports, and the information on the annual activities, management succession, remuneration, and other governance-related information is disclosed transparently in the Annual Report on governance and remuneration system. In addition, we are taking the lead in operating a sound and transparent BOD by disclosing qualifications such as expertise, job fairness, ethics and responsibility, and integrity of non-executive director candidates. The CEO concurrently serves as the Chairperson of the Board to ensure stable management and professional and efficient operation of Board meetings.

I Expertise of Board Members

(As of May 2025)

Name	Sung-hyun Kim	Hong-ku Lee	Jeung-won Yang	Jong-hoon Hyun	Eugene M. Ohr	Hye-jeong Nam	Young-june Park
Finance			○	○	○		
Business	○	○					○
Accounting						○	

Board of Directors

Operation of the Board of Directors

Activities of the Board of Directors

KB Securities seeks to protect stakeholders including shareholders and promote corporate growth by operating the Board of Directors to discuss and oversee key business operations and decision-making matters. Ordinary Board meetings are held quarterly to be reported on business results and to discuss management issues, and ad hoc meetings are held whenever there are material matters to discuss. The BOD was convened 13 times in 2024, and the average attendance rate of non-executive directors was 96.9%. In 2024, the BOD convened and resolved on key management-related issues including: approval of 2025 management plans and approval of KB Securities performance evaluation system (proposed), and appointment of the chairperson of the BOD. In addition, to supporting rational decision-making of the Board, non-executive director sessions were held, and the independence, expertise, and activities of the non-executive directors were evaluated in an integrated way, which is used in nomination and re-appointment of non-executive directors.

Board of Directors Operation Status

	Category	Unit	2022	2023	2024
	Convocation	No. of meetings	16	17	13
	Agenda	Cases	83	82	80
	Total	%	94.2	92.2	90.7
Attendance rate	Inside director	%	88.3	88.2	81.4
	Non-executive director	%	97.5	96.5	96.9

Agenda Items for the Board

Convocation dates	Key agenda items
Jan. 4, 2024	Report on the appointment and dismissal of executive officers and appointment of management advisors, and two other agenda items
Feb. 26, 2024	Approval of transactions with affiliates, and seven other agenda items
Mar. 5, 2024	Approval of safety and health plans, and five other agenda items
Mar. 20, 2024	Resolution to convene the 63rd AGM and decide on agenda items, and five other agenda items
Apr. 2, 2024	Report on inspection of high-difficulty financial investment products, and seven other agenda items
Apr. 24, 2024	Approval of KB Financial Group's joint donation share in 2024, and five other agenda items
May 21, 2024	Approval of extension of payment guarantee for overseas local corporations, and five other agenda items
Jul. 22, 2024	Approval of corporate bond issuance, and six other agenda items
Sep. 12, 2024	Approval of sales of high-difficulty financial investment products (over-the-counter derivatives), and eleven other agenda items
Oct. 22, 2024	Report on the provision and use of customer information between affiliates, and four other agenda items
Dec. 2, 2024	Approval of KB Securities' 2025 management plan, and two other agenda items
Dec. 20, 2024	Approval of KB Securities' performance evaluation system, and three other agenda items
Dec. 26, 2024	Appointment of the chairman of the Board, and five other agenda items





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Board of Directors

Operation of the Board of Directors

Education Status

To enhance management’s decision-making capacity on ESG and strengthen ESG management, we provided ESG education for the BOD. We shared knowledge on global trends related to ESG management, international regulations affecting companies, and financial institutions’ counter-strategies, pursuing sustainable growth of the company. Going forward, we will conduct ESG education for the BOD at least once per year to internalize ESG management.

| Details of Board of Directors’ ESG Education

Category	Details	Date
Sustainability under Strengthening Regulations and New Opportunities	<ul style="list-style-type: none"> Recent Market Trends International Regulations Affecting Companies Pre-emptive Investment for Sustainability 	June 18, 2024

Evaluation of Board of Directors and Job Evaluation of Directors

Every year, the BOD is evaluated in three areas: the composition and operation of the BOD, roles and responsibilities, and relationships with shareholders and customers. All directors attend the evaluation of the Board, which is conducted through the process of distribution and completion of an evaluation questionnaire, examination and analysis of the evaluation questionnaire, and report on evaluation results. In addition, the job evaluation of directors is conducted based on comprehensive evaluation of the BOD’s activities and decision-making efforts, considering their expertise in the business, fairness in performing duties, responsibility, and integrity.

Compensation (Remuneration)

Remuneration is paid to the directors according to separately established standards considering the duties and performance of the director, and the remuneration of the directors is determined by a resolution of the General Shareholders’ Meeting in accordance with Article 388 of the Commercial Act. Fair evaluations for non-executive directors are conducted based on their activity records, and transparent disclosure is made through Business Reports. The total remuneration amount of inside directors, non-executive directors, and non-standing director in 2024 was KRW 2.453 billion, and the average remuneration per person is KRW 307 million.



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02 Risk Management



Approach

Risk management is a key function for securing the sustainability and soundness of financial institutions, and its importance is increasingly highlighted under the increased market volatility and changes in the regulatory environment. KB Securities is strengthening its risk response capabilities across the company through an integrated risk management system that reflects ESG factors while preventing financial losses. Based on risk-management governance, we have expanded the risk profile to include not only traditional risks such as market, credit, and operational risks, but also sustainability risks and we are seeking to preemptively detect and respond to risks through a systematic risk-management process.

| Governance |

- Establishment of risk management governance centered on the 'Risk Management Committee'
- Operation of separate risk management organizations under the CEO, 'Risk Management Division' and 'Investment Assessment Division'
- Risk management-related policies, such as risk management regulations

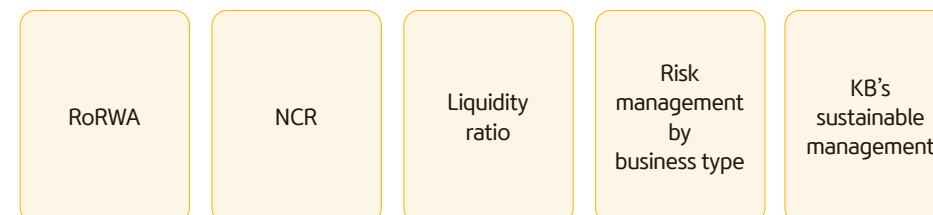
| Strategy |

- Analysis of risk and opportunity factors related to risk management, and establishment of response strategy
- Establishment of risk management goals and tasks

| Risk Management |

- Risk management by type, such as market risk, credit risk, liquidity risk, operational risk, and sustainability risk
- Establishment of risk management process of recognition-measurement-control-reporting-analysis of emergency situations
- Establishment of emergency response process

| Targets & Metrics |





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Risk Management System

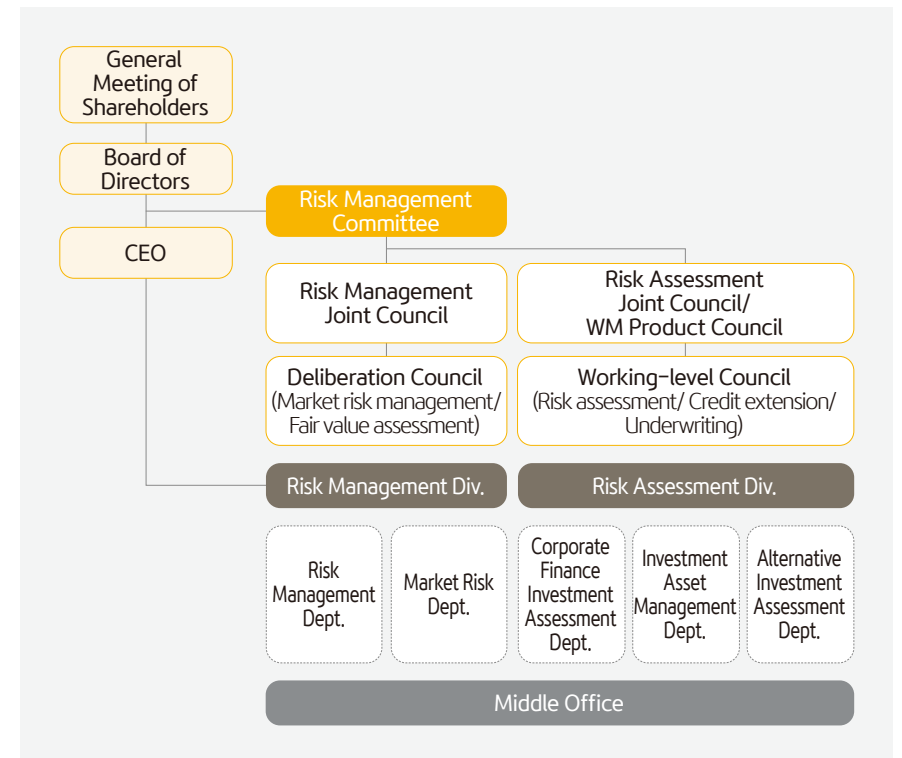
Risk Management Governance

KB Securities' Board of Directors and the Risk Management Committee establish annual risk-management directions and strategies, and supervise and decide on major policies such as deliberation on major business activities involving risks. The Risk Management Committee is comprised of two non-executive directors with industry experience and one KB Financial Group executive. The Risk Management Joint Council supervised by the Chief Risk Officer and the Risk Assessment Joint Council supervised by the head of the Investment Assessment Division deliberate and decide on matters delegated by the Risk Management Committee or practical agenda items. For investment decisions that require professional decision-making, or have a relatively low-level of risk, the Market Risk Management Council, the Fair Value Assessment Council, the Risk Assessors Council, the Credit Extension Council, and all working-level councils are authorized to make prompt decisions on delegated issues. The Risk Management Committee holds meetings at least once per quarter, and the Risk Management Joint Council and the Risk Assessment Joint Council hold meetings at least once per month, in principle and also when necessary. In order to strengthen the independence of risk management, KB Securities has established the Risk Management Division and the Investment Assessment Division, which are risk management organizations under the direct control of the CEO, and established a separate decision-making and reporting system independent from the front office and back office, to ensure mutual checks and balances. The Risk Management Division under the Chief Risk Officer and the Investment Assessment Division under the head of the Investment Assessment Division handle practical risk-management tasks in accordance with risk-management policies, principles and strategies established by the Committee and Councils.

Risk Management Governance Role

<p>Risk Management Committee</p>	<p>Risk Management Joint Council</p>	<p>Risk Assessment Joint Council</p>	<p>Risk Management Division / Risk Assessment Division</p>
<p>A decision-making body that establishes and approves risk management policies, principles and strategies to identify, assess, monitor, and control risks that arise from various transactions in a timely manner together with the Board</p>	<p>A decision-making body that is operated mainly by executives in charge of risk, finance, IB and S&T to ensure efficient risk management, including setting the details and making revisions to the matters approved by the Board and Risk Management Committee</p>	<p>A body responsible for monitoring the company's investment decisions and post-investment management, and for establishing and implementing necessary corrective measures</p>	<p>Bodies that handle risk-management tasks in accordance with risk-management policies, principles and strategies established by the Board and the Risk Management Committee</p>

KB Securities Risk Management Governance





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Risk Management

Risk Management System

Risk Management Policies

KB Securities has established risk management regulations reflecting the laws and regulations supervising the financial investment industry, as well as internal regulations of the Group, and operates internal control procedures by establishing stipulated procedural regulations (Committee and Council regulations) and related guidelines based on these. In addition, by continuously revising and supplementing the risk management regulations, we secure the continuity of risk management work and maintain risk management policies relevant and appropriate to the changing market environment. For the purpose of minimizing risks that accompany business activities while maximizing profits, we set a goal of optimal risk capital allocation, and have set company-wide annual risk limits on major risk management indicators. The annual limit determined by the Committee is allocated to each operation desk in consideration of the risk type, and the use of the limit is continuously monitored. In addition, we incorporate Risk-Adjusted Performance Management (RAPM) into performance evaluations to ensure that the Sales Department does not take on excessive risk in the course of generating profits. Furthermore, we have updated our risk-management policies by managing the profit and loss levels in line with the risk-weighted asset amount calculated by applying international standards to prevent resources from being concentrated in profitable but risky products. With the reorganization of the Basel III market and operational-risk regulations, we have adopted a new standard methodology for market risk from 2023, and carried out an Operational Risk-Management System (ORMS) advancement project to comply with the “Sound Operational Risk-Management Principles.” We are also establishing an efficient monitoring system by continuously maintaining and repairing the Enterprise Risk-Management System (ERMS).

Risk Management Policies

Category	External Rules
Internal Rules	<ul style="list-style-type: none"> · Risk Management Regulations · Risk Management Committee Regulations · Risk Management Joint Council Regulations
Guidelines	<ul style="list-style-type: none"> · Market Risk Management Guidelines · Credit Risk Management Guidelines · Operational Risk Management Guidelines · Liquidity Risk Management Guidelines, etc.

Risk Management by Type

In order to create a sustainable financial environment, KB Securities manages both financial and non-financial risks arising from our business activities, thereby responding quickly to the volatility of the financial market and stakeholders’ demands. We manage major risks by type that may occur in the course of engaging in financial investment business—such as market risk, credit risk, liquidity risk, and operational risk—and also comprehensively identify and respond to all risks across the organization. In addition, we define new risks such as sustainability-related risks, and proactively establish and implement management plans suitable for the risk profile.

I Types of Risks

Market risk	<ul style="list-style-type: none"> · Risk of asset loss due to market price fluctuations – Management indicators: Position, VaR, duration, internal capital, nominal limit, loss limit, VaR limit, sensitivity limit, stress test limit, etc.
Credit risk	<ul style="list-style-type: none"> · Risk of loss due to credit events such as default of trading counterparty – Management indicators: Exposure by credit rating, limits by country/ corporate group/company and industry (Total Exposure limit), etc.
Liquidity risk	<ul style="list-style-type: none"> · Risk of cash shortfalls due to asset/liability maturity mismatch – Management indicators: asset/liability gap, stress test, liquidity ratio
Operational risk	<ul style="list-style-type: none"> · Risk of loss due to accidents resulting from lack of internal controls, etc. – Management indicators: Risk Control Self-Assessment (RCSA)/ Key Risk Indicator (KRI), Loss Event Trends
Sustainability risk	<ul style="list-style-type: none"> · Risk of loss that may arise due to ESG issues

Risk Management

Risk Management System

Risk Management Process

We systematically manage risks through a structured process of recognition, measurement, control, reporting, and emergency situation analysis.

| Risk Management Process

Recognition



Identifying risk types to recognize risks

① Market risk ② Credit risk ③ Operational risk ④ Liquidity risk ⑤ Other risks, etc.

Measurement



(Risk-related working-level department)

- Implement quantifiable risks in the ERMS (Enterprise Risk Management System) based on the measurement methods established by the Joint Council for each risk type.
- Regularly measures and analyzes risks per scale, risk type, and strategy.
- Retains all relevant information about the measurement model, including the decision-making process and methodology of variables used in measurement, source of data, basic assumptions, and the system design requirements in the form of written documents.
- Detailed information on risk measurement shall be in accordance with the risk management regulations for each risk type.

Controls



(The risk-related working-level department)

submits the limit of risks to the Committee and the Joint Council to keep risk-management within the company's resources as per the business plan.

(The department in charge of trading) operates within the risk limits assigned by the Committee and the Joint Council, in principle. The risk-related working-level department monitors the risk limits management status on a daily (or in real time) basis.

(The risk-related working-level department) monitors the limits of the department in charge of trading, and if a risk level reaches a certain level, sends a warning in advance. If the limit is exceeded, details of the breach are communicated to the trading department, the risk-related working-level department, and the Chief Risk Officer.

(The department in charge of trading) identifies causes and establishes countermeasures, and submits the issue to relevant councils or reports it according to established procedures, then takes actions based on the results.

Reporting



(The risk-related working-level department)

- monitors company-wide risks and the remaining limit every day and reports them to the management.
- reports the company's risk management status to the Committee and the Joint Council regularly.

Analysis of emergency situations



Analysis and reporting of emergency situations

- Being conducted at least once every six months.
- Results, response measures, and emergency response plans for each scenario are reported to the Risk Management Committee.





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Risk Management

Risk Management System

Emergency Response Process

KB Securities has established a risk management system to effectively respond to emergency situations resulting from various political/economic/social issues. We have updated our operating manual for the emergency management system assuming that crisis situations occur, and came up with measures to analyze the impact of an emergency on the finance and capital adequacy in preparation for emergencies. We established an emergency response manual according to national crises such as natural disasters and epidemics and changes in the internal and external financial environment, and regulations for an Emergency Committee and other related regulations in order to strengthen our counter-emergency capabilities. With the contingency plan in place for the seven major emergency situations, we have refined the process — from reporting to decision-making, execution, and management to respond to the different situations. As such, we further strengthened the basis for our sustainable management through the emergency response system in preparation for crisis situations.

Emergency Response Process



※ We select emergency situations that can affect us currently or in the future based on major events with the potential to have an enterprise-wide impact

※ Establishment of response system for 'company reputation risk' in addition to the seven major emergency situations * Branch: WM Sales Promotion Department Manager, Division: Strategic Planning Dept.

Emergency Committee

- **Composition:** CEO, Division Head, Group Head, Head of Strategy & Planning Div., Head of Risk Management Div., Head of Compliance Div.
- **Chairperson:** CEO in charge of Business Management
- **General Operational Management:** Strategic Planning Department
- **Convocation:** When a major emergency situation occurs and the chairperson determines it necessary to form and convene the Committee to make a company-wide response
- **Comprehensive Response Team:** Each department in charge of each emergency situation determines a role to operate, understand the situation, prepare a response plan, and report it to the Committee



Risk Management

Risk Management Strategy

Analysis of Risk Management-related Risks and Opportunities

We identified key risks and opportunities related to risk management, analyzed their potential impacts, and established response strategies and tasks.

| Risk Management-related Risks and Opportunities

	Risks and Opportunities	Potential Impacts
Risk factors	Increasing tariffs in trading partner countries	Increasing uncertainties over delayed rate cuts due to continued price pressures
Opportunity factors	Volatility trends	Generation of additional profits through portfolio rebalancing and trading using market direction

| Countermeasures for Risks and Opportunities Related to Risk Management

	Strategy	Details
Short term	Managing sales departments to prevent excessive risk exposure resulting from blindly following short-term market trends	Reinforcing the criteria for applying risk-adjusted performance assessment (RAPM) to avoid actions that negatively affect financial soundness by holding assets purchased for sale for a long time Updating risk-management policy by managing the profit and loss level in line with the risk-weighted asset amount (RWA) calculated by applying international standards to prevent resources from being concentrated in profitable but risky products
Long term	Managing to ensure efficient risk capital allocation by considering the correlation between profits and risks	Project to advance operational risk/market risk management system reflecting Basel III standards Education and learning related to RoRWA measurement and management techniques, recruitment of risk management experts Conducting seminars related to risk management, etc.



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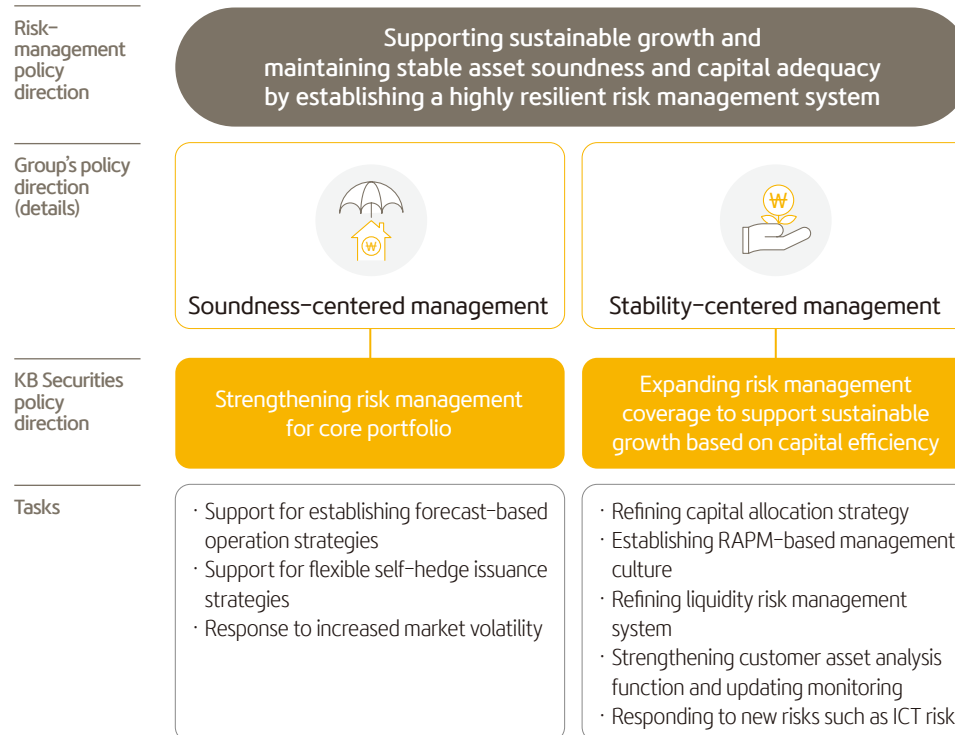
Risk Management

Risk Management Metrics and Targets

Risk-Management Metrics

KB Financial Group has established a risk-management policy with a focus on soundness and stability, based on main direction of ‘Supporting the Group’s highly resilient sustainable growth.’ Accordingly, KB Securities has established a risk-management policy direction based on the Group’s risk-management policy and the resolution of the Risk-Management Committee in December 2023.

Risk-Management Targets and Tasks



Risk Management Indicators and Performance

Quantitative and qualitative KPIs are set and monitored according to the risk-management policy direction and tasks.

KPI Quantitative Evaluation

KPI	Target
RoRWA	Return on risk-weighted assets
NCR	Net capital ratio
Liquidity ratio	Three month liquidity ratio Three month foreign currency liquidity ratio
Sell-down asset size / Real estate PF contingent liability ratio / ELS self-hedging risk exposure management / Operational risk management	Monitoring and risk management

KPI Qualitative Evaluation

KPI	Target
Establishment of an efficient management system (company KPI items)	Improvement of the efficiency of risk-capital use Qualitative/quantitative improvement of risk-response system
KB sustainable management	Expansion of risk-management coverage Implementation and participation in ESG management tasks



03 Ethics and Compliance Management



Approach

Fulfilling ethical responsibilities and complying with the law are key elements in building trust with stakeholders. In particular, as the importance of financial consumer protection and internal control increases in a complex financial environment, establishing an ethics and compliance management system is directly related to the sustainability of a company. KB Securities complies with ethical standards in all management activities, and strives to internalize ethical management by operating various ethical management practice programs based on the Code of Ethics and Code of Conduct. In addition, we have established internal control governance and internal control standards, introduced the responsibility map, and strengthened inspections on internal control to solidify the internal control system.

| Governance |

- Establishment of KB Financial Group Charter of Ethics
- Establishment of KB Securities Code of Ethics including Code of Conduct and Action Guidelines for Employees
- Establishment of internal control governance based on international standard three-line model
- Introduction of responsibility map

| Strategy |

- Promoting internal controls through the operation of internal control-related guidelines and standards
- Encouraging compliance awareness through collection of compliance and ethics pledge from employees and provision of ethics, compliance, and internal control education

| Risk Management |

- Operation of self-inspections of compliance system
- Operation of anti-money laundering system
- Operation of internal control inspection system
- Operation of whistle-blowing system

| Targets & Metrics |

Number of financial incidents	Number of legal sanctions	Rate of practicing ethics pledge	Rate of completion of ethics education
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Ethics and Compliance Management

Ethics and Compliance Management Governance

KB Financial Group Charter of Ethics

KB Financial Group's Charter of Ethics consists largely of a declaration and five pledges for action, and represents KB Financial Group's commitment to ethical management toward customers, shareholders, employees, the country, and society. The Charter of Ethics embodies the spirit of ethical management and presents the standards for proper value judgment and principles of conduct that all employees must adhere to as mission, vision, and core values.

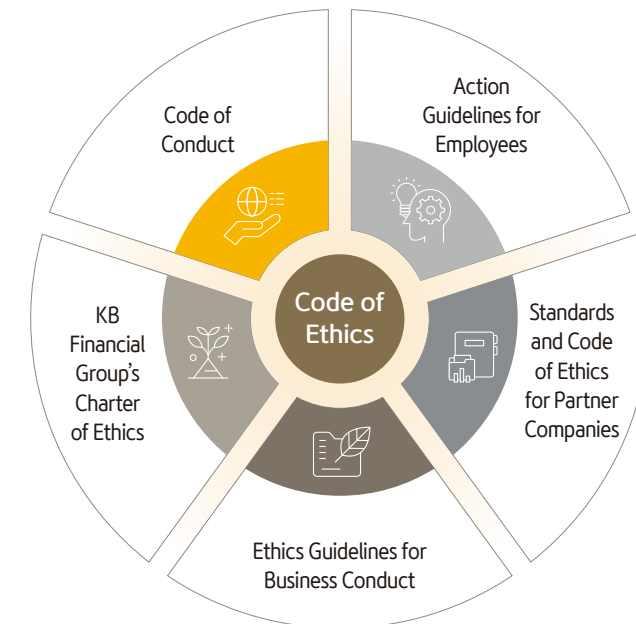
KB Financial Group's Charter of Ethics

KB Financial Group Inc. ("KB Financial Group") shall provide the best financial service to its customers and shall foremost consider the interests of its shareholders. KB Financial Group shall support the self-fulfillment of its officers and employees and shall strive to improve their quality of life. In addition, KB Financial Group shall contribute to the development of Korea by implementing a sound and fair corporate culture and fulfilling its corporate social responsibility. In order to achieve the foregoing, all members of KB Financial Group hereby pledge to enact and adhere to the Charter of Ethics so that their actions shall be foremost guided by ethical values.

- 01 We shall always consider and act from our customer's point of view and strive to achieve total customer satisfaction by providing financial products and services of the highest quality that meet the customers' needs and expectations.
- 02 We shall strive to increase shareholder value by maximizing our corporate value through transparent and rational business management.
- 03 We shall observe all applicable laws and regulations and be respectful of diverse cultures and values. We shall strive for the development of Korea, as well as for the co-prosperity of mankind.
- 04 We shall share our corporate policies and visions, and based on mutual trust and collaboration with our affiliates, we shall focus the resources of the group and strive for the continuous growth of our group.
- 05 We shall be sincere and honest. Our work ethics shall serve as a model for others in the financial industry to follow.

Code of Ethics

KB Securities has established and has been operating its Code of Conduct that employees must comply with based on the KB Financial Group's Charter of Ethics, which is the highest Code of Ethics at the Group level, as well as mission, vision, and core values. In addition, we have established and operated Action Guidelines for Employees and Standards and Code of Ethics for Partner Companies so that all employees can practice the basic principles presented in the Code of Conduct, make correct value judgments and practice ethical behavior in various decision-making situations. Accordingly, all employees sign the Pledge on Compliance and Ethics at the beginning of each year to reaffirm their commitment to the Code of Conduct and enhance their awareness of compliance with laws and regulations.





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Ethics and Compliance Management-related Policy

KB Securities prohibits improper solicitation in the course of performing business through the enactment and operation of the Improper Solicitation and Graft Guidelines and prevents unsound business conduct by adopting standards and procedures related to the provision of money, goods, etc.

The KB Securities Action Guidelines for Employees stipulate that employees should strive to ensure transparent transactions by selecting partner companies in a reasonable way based on objective and fair assessment standards. It also stipulates the operation of integrity pacts to prohibit forcing trading conditions, passing on costs, and exerting undue influence using superior power. The company also has a whistleblowing policy to prevent employees from abusing their position and power to direct or force improper work or engaging in improper behavior, such as bribery, and to allow employees to report any such occurrences or suspicious cases.

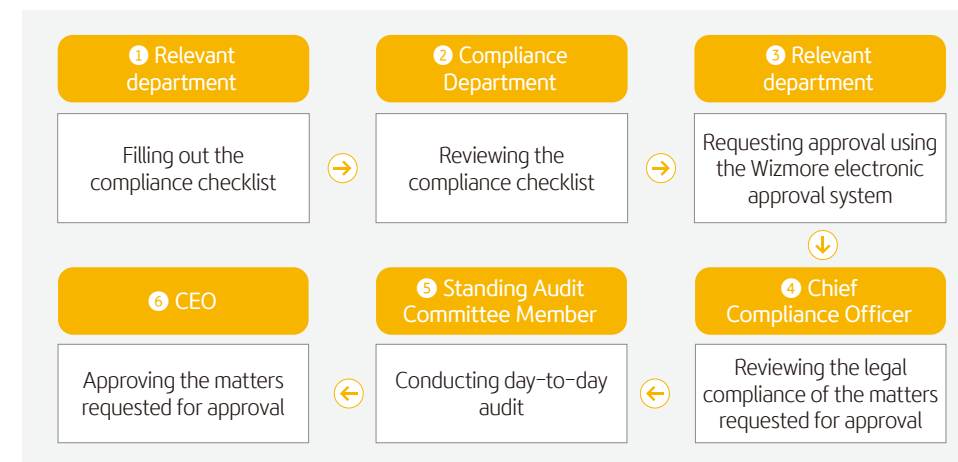
The employees of KB Securities must report to the company in case of receiving property interests from the trading counterpart in the process of performing business, and the department/branch manager inspects whether an employee receives undue property interests every month. In the event that an illegal act is detected while inspecting whether an employee receives undue property interests, we provide guidance to prevent recurrence by calling attention of the Compliance Officers. Such anti-corruption compliance monitoring results are regularly reported to our Audit Committee, Board of Directors, and the holding company's Audit Committee through the semi-annual and annual performance report and plans.

Ethics and Compliance Management Activities

Ethics and Compliance Self-Inspection

KB Securities encourages its employees to check their own compliance with laws and regulations during their work processes through various institutional systems. Before starting work on the third Wednesday of every month, employees conduct self-inspection of ethical issues within the organization when they log in to their work PCs. When the computer boots up, a Checkpoint for Code of Conduct screen pops up, and if any employee responds that he/she has witnessed or recognized any irregularities, misconduct, or illegal or unfair work processes, the screen is linked to the reporting channel so that he/she can report the violation. We also thoroughly comply with laws and regulations during major work processes. When conducting major work such as contract conclusion, we operate a compliance self-inspection system in which all departments conduct self-inspection on whether they are complying with internal and external laws and regulations at the deliberation stage. Through this system, we are preventing risks that may arise during major work in advance.

| Self-compliance Checks Process



Ethics and Compliance Management

Ethics and Compliance Management Activities

Operation of the Anti-Money Laundering System

The Anti-Money Laundering System is a legal and institutional device to detect and prevent laundering of illegal funds, both domestically and internationally. It is a comprehensive management system that links the judicial system, financial system, and international cooperation. Money laundering generally means "the process of hiding the illegal source of funds and disguising it as legitimate funds," and in Korea, it is defined as "an act of disguising the fact of acquisition or disposal of illegal assets or concealing such assets, and an act of disguising the fact of acquisition or disposal of assets or concealing such assets for the purpose of evading taxes" (Please refer to Article 2, subparagraph of the Act on Reporting and Using Specified Transaction Information).

Based on the inspection of anti-money laundering (AML) works, KB Securities is committed to establishing improvement and response measures for the key inspection items specified by the financial supervisory authorities. Reports to the Board of Directors and management regarding AML work are regularly and appropriately made, and AML education and systems for employees are systematically established. In addition, KB Securities has thoroughly prepared and managed AML-related internal regulations and manuals. We developed and consulted the advancement of the AML system in 2024 to properly operate a risk-management system.

The Company received an excellent grade in the Korea Financial Intelligence Unit's anti-money laundering system implementation evaluation, and was evaluated as properly complying with the obligations under the Act on Reporting and Using Specified Transaction Information as a result of an independent audit by an external organization (Kim & Chang Law Firm). In 2025, we plan to further strengthen AML work by upgrading Know Your Customer (KYC), Suspicious Transaction Reports (STR) system, and Currency Transaction Report (CTR) system. We will also encourage AML education for all employees so that AML work can continue to be performed by experts with high-level work capabilities and qualifications.

AML Training Program

KB Securities is continuously providing job-specific anti-money laundering (AML) training to all employees, including the Board of Directors and management, and is striving to increase the training completion rate and strengthen expertise. We are encouraging AML -handling employees at the head office and branches to obtain certifications. As a result, all employees in the AML department took the newly established Test of Proficiency in AML/CFT (TPAC) this year and passed. Meanwhile, for overseas local corporations, we provided training via video system to heads of local corporation and compliance managers to share key contents of the Financial Action Task Force (FATF), updating the watchlist, and independent audits.

Fulfillment of Tax Obligations

KB Securities follows the KB Financial Group's tax policies, and complies with tax laws and makes tax reports, faithfully fulfilling its tax obligations. Corporate tax-related information, such as the standard for calculating corporate tax expenses and details of deferred corporate tax assets and liabilities can be found in the audit report of the company disclosed via the Data Analysis, Retrieval and Transfer System (DART) of the Financial Supervisory Service. Risks and tax issues that might occur related to taxation are reviewed with the advice of external professional organizations, and tax-related risks are prevented and managed through fair and transparent implementation of tax obligations. Moreover, KB Securities complies with the Korean tax laws and OECD transfer pricing guidelines when trading with overseas subsidiaries in the United States, Hong Kong, Vietnam, and Indonesia, and fulfills its tax obligations based on local laws. KB Securities subsidiaries transparently disclose the amounts of tax payment in each region where it conducts business.





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Ethics and Compliance Management Activities

Compliance and Ethics Education

KB Securities conducts various forms of compliance and ethics education for its employees. Through the online education platform KB STARDIUM, we provide education on ethical management, compliance systems, Know Your Customer obligations, etc., so that employees can learn and understand them at all times. Major sales departments at the head office are conducting collective education every year, led by the Compliance Department to share main issues, cases of sanctions by supervisory authorities, and the status of revisions and amendments to laws and regulations. In addition, we include compliance, ethics, and internal control education in the education courses for new/experienced employees and new branch managers, so that all employees can raise their ethics and compliance awareness regardless of job and position.

We are also conducting thorough training for compliance officers. In accordance with the Compliance Manager Operation Guidelines, we conduct regular training every six months for compliance managers who are responsible for monitoring each branch's own legal compliance. We provide training on detailed cases on overall ethics management and compliance work and sanction cases imposed regarding ethics management and the Charter of Ethics, and then compliance managers provide an education to disseminate it to each branch, and manage the results of the education through the compliance support system.

| Status of Ethics and Compliance Training, and Employees' Participation

Targets	Timeline	Details	No. of participants
All employees	Once per month (3rd Wednesday of each month)	Compliance and Ethics Training Day	Average 2,774 persons per month
Employees of the head office sales departments	Once per year (every year)	Collective education by Division	702 persons (cumulative)
All employees	At any time	Provision of education through the educational platform, KB STARDIUM, and addition of points to the compliance evaluation upon completion of the course	2,179 persons (cumulative)

Operation of Compliance and Ethics Training Day

KB Securities designates the third Wednesday of every month as 'Compliance and Ethics Education Day' and conducts compliance and ethics education for all employees. Education is conducted on different topics each month, such as prohibition of unsound business practices and accident cases, and the completion status is systematically managed through the compliance support system.

| Implementation Status of Compliance and Ethics Training Day in 2024

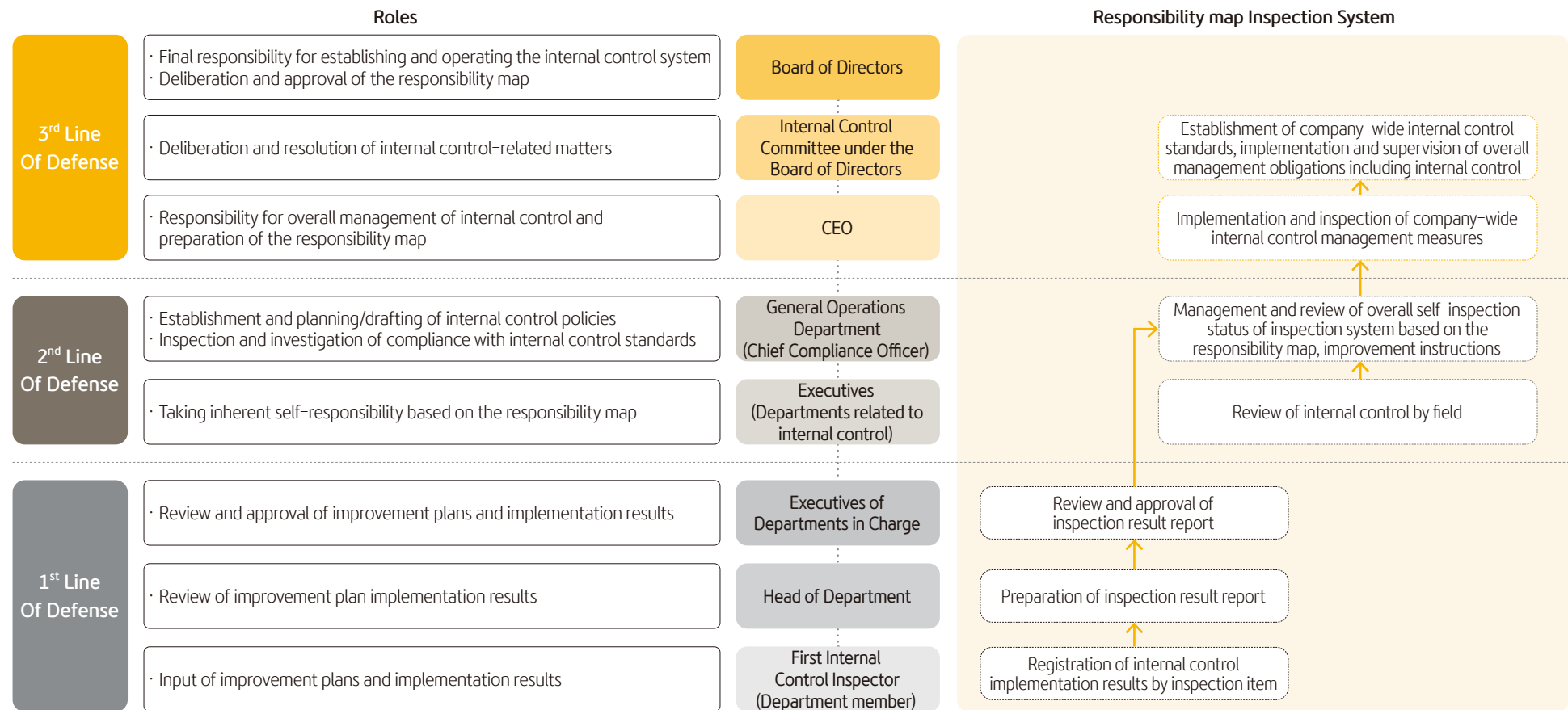
Category	Topics	Target	Number of training participants
Compliance and Ethics Training Day	Jan. Exemplary cases violating standards for financial investment product trading by employees	All employees	2,746
	Feb. Internal reporting system for incidents and major information	All employees	2,765
	Mar. Prohibition of provision, receipt, and solicitation of property interests	All employees	2,765
	Apr. Whistleblowing system, etc.	All employees	2,754
	May. Internal reporting system for incidents and major information, etc.	All employees	2,767
	Jun. Sharing of compliance manager education in the first half of 2024 – Ethical management, internal control system, etc.	All employees	2,760
	Jul. Understanding conflict-of-interest management and blocking of information exchange, etc.	All employees	2,799
	Aug. Understanding the Responsibility Map (I)	All employees	2,750
	Sep. Understanding the Responsibility Map (II)	All employees	2,797
	Oct. Understanding the Responsibility Map (III)	All employees	2,807
	Nov. Prohibition of provision and sharing of internal information to outside parties, etc.	All employees	2,809
	Dec. Sharing of compliance manager training in the second half of 2024 – Ethical management, internal control system, etc.	All employees	2,768



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Strengthening Internal Control System Governance

Despite the fact that the Act on the Governance Structure of Financial Companies (“Governance Structure Act”) provides statutory standards for internal control, financial incidents have continued to occur due to lack of effectiveness without actual control activities. In this regard, the revised Act was enforced from July 2024, specifically obligating the financial company’s executives to conduct internal control management and to introduce a responsibility map. In line with this enforcement, KB Securities has introduced a responsibility map to strengthen the internal control system and clarify the responsibilities and roles of management. In this way, we aim to contribute to the prevention of financial incidents by increasing the effectiveness of internal controls and strengthening risk-management capabilities.





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Strengthening the Internal Control Inspection System

KB Securities has strengthened its internal control inspection system by maximizing the effectiveness of the internal control system and refining the risk management system by introducing a responsibility map. By expanding the existing inspection conducted by department/branch managers to a head office -level inspection, and organizing the inspection items around the items specified in internal regulations, we are able to manage the internal control system more systematically and effectively. In particular, the inspection procedure has been improved by adding an executive-level approval stage to clarify responsibility and reporting the inspection results to the CEO. This has allowed us to secure transparency in internal control activities and enabled active management and supervision by the management. In addition, a statutory proof management system for internal control activities has been introduced to establish a system to systematically store and manage all records. We expect to further strengthen not only the prevention of financial incidents but also the ability to identify and respond to risks.

| Major Changes by Subject

Board of Directors	<ul style="list-style-type: none"> · Shift from ex-post control to strengthened preventive control · Deliberation and approval of responsibility map
Internal Control Committee under the Board of Directors	<ul style="list-style-type: none"> · Establishment → Deliberation and resolution of internal control-related matters
CEO	<ul style="list-style-type: none"> · Comprehensive responsibility → General management responsibility <ul style="list-style-type: none"> - As the general manager of internal control, establishing the company-wide internal control system and supervising executive control activities - As the person in charge of preparing the responsibility map, allocating internal control responsibilities to each executive and having the duty to manage them (manage so that there is no duplication, gap, or omission of responsibilities)
Executives (Departments related to internal control)	<ul style="list-style-type: none"> · Comprehensive responsibility → Clarification and strengthening of internal control responsibilities <ul style="list-style-type: none"> - In the event of a financial incident, assuming inherent responsibility according to the responsibilities specified in the responsibility map

| Change in the Inspection System

Inspection target	<ul style="list-style-type: none"> · Unified to inspect the internal control work manual for the department/branch manager <ul style="list-style-type: none"> - The internal control checklist only checks the existing daily/weekly items - The rest are integrated into the monthly, quarterly, semi-annual, etc., internal control work manual check for the department/branch manager
Inspection system	<ul style="list-style-type: none"> · Expanded to head office-level inspection activities <ul style="list-style-type: none"> - Employees check, the department/branch manager confirms, and the head of Division or other executives in charge approve - Employees → department/branch manager → executives (head of Division, Group manager)
Inspection items	<ul style="list-style-type: none"> · Operating internal control inspection items centered on the obligations of the department/branch manager, executives, etc. specified in the internal regulations
Proof management	<ul style="list-style-type: none"> · Evidence related to the inspection must be recorded/managed <ul style="list-style-type: none"> - Evidence materials are uploaded to the responsibility map management system (within the compliance support system)
Report to CEO	<ul style="list-style-type: none"> · Executives prepare an activity report on internal control activities such as reviewing the inspection results by branch and report it to the CEO

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Internal Control Related Policies

Standards for Internal Controls

In order to strengthen the soundness of management and protect the interests of stakeholders, KB Securities has established the Standards for Internal Control stipulating the internal control standards and procedures that employees must comply with when performing their duties. It presents internal control standards for all businesses, including clear standards for conduct for each segmented job activity, such as matters to be complied with during business operations, account management, and processing of transaction orders, as well as conflict of interest management. In addition, we are maintaining an effective internal control system by continuously revising it through reflecting changes in the internal and external environments.

Conflict of Interest Prevention System

In order to prevent conflicts of interest between customers, or between customers and the company, KB Securities has established and is operating the Standards for Internal Control and Guidelines for Management of Conflict of Interest and Information Barriers. Business groups that handle information subject to information exchange prohibition as stipulated by law have installed information barriers to permanently block information exchange. In exceptional cases where information exchange is necessary, the information is exchanged at the minimum level with prior approval from the Chief Compliance Officer, and transactions with corporations with interests are computerized and registered in a list of transaction restrictions and transaction cautions to systematically prevent conflicts of interest from occurring.

Internal Control-related Risk Management

Identification and Implementation of Improvements for Internal Control

In order to create a responsible internal control management culture and increase the execution power of Measures to Suppress and Reduce Financial Sanctions that are currently implemented at the company level, we are continuously identifying matters for improvement in internal controls. We are also supporting the performance of internal control tasks by business departments by expanding the provision of internal control-related data. KB Securities categorizes cases of sanctions that financial supervisory authorities imposed on the securities industry into seven business areas, and inspects the reasons for sanctions in each area to derive issues to be preemptively improved in internal control. We are now checking the implementation status by identifying improvement tasks for internal control. In addition, in order to reduce the company's overall operational risks, we are re-examining unsound and unreasonable business practices from the customer's perspective, and are identifying and improving matters that may affect the company's reputation or profits and losses, but have not been eradicated as industry practices.





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Training on Internal Controls

KB Securities operates various training programs to strengthen the internal control capabilities of its employees. Every year, mandatory training on internal controls is provided for department/branch managers online, focusing on nurturing basic knowledge required to become a frontline internal control officer. In addition, compliance managers of each department/branch are convened every half year for education on the internal control system and matters regarding performance of their duties. The training results are reflected when evaluating the compliance. In addition, for all employees, the third Wednesday of each month is designated as "Compliance and Ethics Training Day," providing regular training on internal controls. If practical training is needed in the field, we operate an Internal Control On-Site Training System, in which employees of the Compliance Department visit the site and provide training upon request from each department/branch. In addition, we are constantly providing educational courses on various topics related to internal control by utilizing KB STARDIUM, the educational platform of KB Financial Group, and are operating a system that awards additional points in compliance evaluations when employees have completed the education, thereby encouraging voluntary learning by employees.

| Status of Internal Control Training and Employees' Participation in 2024

Target	Timeline	Details	No. of participants
Department/branch manager	Once per year (every year)	Online training on internal controls	213 Persons
Compliance manager of department/branch	Twice per year (every half term)	Internal control system, anti-money laundering system, training on financial incidents, sanctions, and other matters to be informed	First half: 213 persons Second half: 207 persons
All employees	Once per month (3rd Wednesday of each month)	Compliance and Ethics Training Day	Monthly average: 2,774 persons
Field in need	When necessary	Internal Control On-Site Training System	-

In 2024, in order to create a responsible internal control culture and improve understanding and adaptability to the responsibility map in line with the introduction of the responsibility map, education was conducted three times through the Compliance and Ethics Training Day.

| 2024 Responsibility Map Education Status

Timeline	Details
Aug.	Explanation on background for introduction of the responsibility map and main contents
Sep.	Management obligations and roles of each member to fulfill responsibility, changes in existing internal control activities
Oct.	Guidelines for operating sanctions related to responsibility (draft)

Introduction of the "Responsibility Map" to Strengthen Internal Control
Implementation of the Revised Governance Act (Effective July 3, 2024)

- 01 Definition** Obligation to execute and operate internal control and risk management that employees must comply with.
- 02 Allocation** The CEO and others allocate the related tasks to responsible executives.
- 03 Execution** Executives must fulfill control duties for their assigned areas.
* Department heads and staff inspect control items and manage evidence.
- 04 Sanctions** Even without legal violations, failure to perform routine control duties may lead to sanctions.

KB Securities

Screensaver image related to the introduction of the responsibility map



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Whistleblowing System

Policy and operation

KB Securities implemented the whistleblowing policy to allow employees to report cases of strong suspicions concerning the abuse of position and power to direct or force improper work upon someone; or engaging in improper behavior, such as solicitation. We have established various reporting channels such as the intranet, dedicated report email and telephone, which are always available, and are preventing financial incidents and internal irregularities and taking prompt measures to prevent recurrence. In addition, we are conducting regular compliance and ethics training to ensure that employees are familiar with whistleblowing, and are implementing various measures to encourage whistleblowing, such as providing guidance on the system, using the log-in pop-up message and screen saver on the work PC every Wednesday.

Whistleblower-Protection and Reward System

To guarantee the strict confidentiality of whistleblowers, KB Securities designates an agent in charge of whistleblowing who has signed the Confidentiality Agreement, and the agent investigates the cases after receiving the report. We also support anonymous reporting when necessary. Whistleblowers are protected from unfair treatment in terms of HR, and employees who treat the whistleblowers in an unfair way may face sanctions as per the company regulations. In addition, whistleblowers may be rewarded with up to KRW 1 billion or commendation, depending on the amount of money related to the incident, timeliness of report, credibility and prevention effect of the reports.

| Whistleblowing Channels



Intranet	Wizmore → Others → Internal reporting → Register
Report e-mail	jebo@kbsec.com
Report telephone line	02-785-1808 (caller ID blocked)
Registered mail	To Whistleblowing personnel, Compliance Department, KB Securities 50, Yeouinaru-ro, Yeongdeungpo-gu, Seoul, 07328
In-person conversation	Chief Compliance Officer



Red Whistle website	www.redwhistle.org (Helpline ▶ Helpline reporting ▶ Filling out a report)
Smartphone app	“KB Financial Group Helpline” on Android phones, “Red Whistle” on iPhones
Intranet	KB-Wisenet ▶ OneKB communication ▶ Report ▶ Ethical Management Report Center (Compliance) ▶ Register
Report telephone line	02-2073-7804 (caller ID blocked)
Registered mail	To Chief Compliance Officer of KB Financial Group 141, Uisadang-daero, Yeongdeungpo-gu, Seoul, 07332 (New building of KB Kookmin Bank)
Hot-Line	After installing the Viber or Telegram app, send it to the mobile phone number of the holding company’s Chief Compliance Officer

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Financials

Financial performance¹⁾

Category	Unit	2022	2023	2024
Total assets	KRW trillion	53.8	61.3	63.4
Equity capital	KRW trillion	5.9	6.3	6.9
Operating profit	KRW 100 million	2,450	6,802	7,808
Net income	KRW 100 million	1,948	3,880	5,904
Operating revenue (sales)	KRW 100 million	142,700	115,851	108,320

1) Based on KB Securities' consolidated financial statements

Credit ratings

Category	Unit	2022	2023	2024	
Korea Ratings	Non-guaranteed bonds	Rating	AA+	AA+	AA+
	Short-term bonds	Rating	A1	A1	A1
S&P	Long-term	Rating	A-	A-	A-
Moody's	Long-term	Rating	A3	A3	A3

Distribution of economic value¹⁾

Category	Unit	2022	2023	2024	
Customers	Customers' deposit interests, RP interests, savings interests	KRW 100 million	2,038	3,641	3,608
Shareholders	Dividend ²⁾	KRW 100 million	3,000	1,500	2,800
Employees	Pay, welfare benefits	KRW 100 million	5,192	5,714	6,050
Local communities	Total social contributions	KRW 100 million	81	39	73
Partner companies	Purchase, Service Fees (Data processing, commission fees, advertising, etc.)	KRW 100 million	1,160	1,236	1,393
Government	Corporate tax expenses	KRW 100 million	675	1,047	1,583
Total		KRW 100 million	12,146	13,177	15,507

1) Based on KB Securities' consolidated financial statements

2) Sum of year-end dividend and interim dividend

Client status

Category	Unit	2022	2023	2024	
Total number of customers	Persons	8,485,639	8,879,982	9,216,668	
No. of online users	HTS	Persons	250,402	198,504	197,067
	MTS	Persons	4,214,796	3,198,611	3,302,665

ESG bond underwriter

Types of bonds	Unit	2022	2023	2024
Sustainability Bonds	KRW 100 million	9,982	4,570	3,000
Green Bonds	KRW 100 million	12,649	10,221	25,494
Social Bonds	KRW 100 million	9,371	10,062	10,124
Total	KRW 100 million	32,001	24,854	38,618

ESG bond investment

Types of bonds	Unit	2022	2023	2024
Foreign currency bonds	KRW 100 million	1,638	797	2,076
KRW currency bond	KRW 100 million	2,929	4,296	4,502
Total	KRW 100 million	4,567	5,093	6,578

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ESG Investments, Loans, Products

	Category	Unit	2022	2023	2024	
Investment	Integrated ESG	Integrated ESG	KRW 100 million	19	21	20
	Environment	Production of renewable energy	KRW 100 million	332	345	422
		Improvement of energy efficiency	KRW 100 million	1,089	652	629
		Prevention and management of pollution	KRW 100 million	13	104	96
		Use of natural resources and land	KRW 100 million	36	26	18
		Use of eco-friendly transportation and transport	KRW 100 million	220	250	294
		Expansion of eco-friendly buildings	KRW 100 million	138	0	5
		Creation of a circular economy	KRW 100 million	314	339	306
		Utilization of carbon-neutral core technologies	KRW 100 million	200	384	444
		Social	Job creation	KRW 100 million	0	1
Supporting SMEs and microfinance	KRW 100 million		1,848	2,256	3,334	
	Subtotal	KRW 100 million	4,208	4,378	5,569	
Loans	Environment	Production of renewable energy	KRW 100 million	700	700	1,078
		Improvement of energy efficiency	KRW 100 million	0	1,300	3,203
		Prevention and management of pollution	KRW 100 million	1,700	1,233	250
		Expansion of eco-friendly buildings	KRW 100 million	0	100	258
		Use of eco-friendly transportation and transport	KRW 100 million	0	228	238
		Creation of a circular economy	KRW 100 million	145	145	1,579
	Social	Housing support for the underprivileged and working class	KRW 100 million	600	245	0
	Subtotal	KRW 100 million	3,145	3,951	6,605	

	Category	Unit	2022	2023	2024		
Product	ESG combined	ESG combined	KRW 100 million	1,236	1,210	1,288	
	Environment	Production of renewable energy	KRW 100 million	3,508	3,466	3,358	
		Improvement of energy efficiency	KRW 100 million	297	260	251	
		Sustainable management of water resources	KRW 100 million	12	5	4	
		Use of eco-friendly transportation and transport	KRW 100 million	258	243	196	
		Governance	Socio-economic development and human rights promotion	KRW 100 million	0	15	36
			Enhancement of shareholder value	KRW 100 million	4	3	3
			Subtotal	KRW 100 million	5,315	5,202	5,136
			Total	KRW 100 million	12,668	13,530	17,310



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Inclusive financial products – KOSDAQ Venture Funds

Item name	Unit	Amount
KB KOSDAQ Venture Company IPO Shares Stock Securities Investment Trust 3 [Hybrid Equity Derivatives]	KRW 100 million	5
QBV1 KOSDAQ Venture Professional Private Equity Investment Trust 1 Type 1	KRW 100 million	1
SP KOSDAQ Venture General Private Equity Investment Trust 4	KRW 100 million	60
Daol KTB KOSDAQ Venture IPO Shares Focus Securities Investment Trust [Hybrid Equity]	KRW 100 million	9
Daol KOSDAQ Venture Securities Investment Trust [Hybrid Equity]	KRW 100 million	5
The J Pre-IPO KOSDAQ Ventures General Private Equity Investment Trust 1-A	KRW 100 million	36
DS Quattro.E2 KOSDAQ Venture General Private Equity Fund	KRW 100 million	142
DS Quattro.U KOSDAQ Venture Private Equity Fund Type	KRW 100 million	21
Rhinos KOSDAQ Venture Mezzanine General Private Equity Investment Trust 5	KRW 100 million	90
Life IPO KOSDAQ Venture General Private Equity Investment Trust 9 Type A	KRW 100 million	113
METHEUS V1 KOSDAQ Venture Hedge Fund	KRW 100 million	34
BRAIN KOSDAQ Venture Securities Investment Trust [Hybrid Equity]	KRW 100 million	45
VM KOSDAQ Venture Hedge Fund 1	KRW 100 million	110
SUSUNG KOSDAQ Venture D2 General Private Equity Investment Trust Type A1	KRW 100 million	62
SUSUNG KOSDAQ Venture D6 General Private Equity Investment Trust Type A1	KRW 100 million	33
SUSUNG KOSDAQ Venture R4 General Private Equity Investment Trust Type A1	KRW 100 million	1
SUSUNG KOSDAQ Venture R5 General Private Equity Investment Trust (profit and loss tranching fund) Type 1	KRW 100 million	45
SUSUNG KOSDAQ Venture T4 General Private Equity 1	KRW 100 million	41
iTrust M KOSDAQ Venture General Private Equity Investment Trust 4 Type C-I	KRW 100 million	30
A ONE Mezzanine KOSDAQ Venture Private Equity Fund	KRW 100 million	34
A ONE Convertible KOSDAQ Venture General Private Equity Investment Trust 2-A	KRW 100 million	29
A ONE Prime KOSDAQ Venture General Private Equity Investment Trust A	KRW 100 million	15
A ONE Platinum KOSDAQ Venture General Private Equity Investment Trust A	KRW 100 million	31
Orion Luxury KOSDAQ Venture General Private Equity Investment Trust 102 Class A	KRW 100 million	45
WellBridge KOSDAQ Venture 50 Hedge Fund 1	KRW 100 million	3
Welcome IPO Shares Stock KOSDAQ Venture Company Securities Investment Trust [Hybrid Equity Derivatives]	KRW 100 million	33
Welcome IPO Shares Stock KOSDAQ Venture Securities Investment Trust 3 [Hybrid Equity Derivatives]	KRW 100 million	27

Item name	Unit	Amount
Welcome IPO Shares Stock KOSDAQ Venture Securities Investment Trust 4 [Hybrid Equity Derivatives]	KRW 100 million	21
Welcome IPO Shares Stock KOSDAQ Venture Securities Investment Trust 5 [Hybrid Equity Derivatives]	KRW 100 million	29
Welcome KOSDAQ Venture IPO Shares REITs Securities Investment Trust [Hybrid Equity Derivatives]	KRW 100 million	27
Welcome KOSDAQ Venture IPO Shares REITs Securities Investment Trust [Hybrid Equity Derivatives]	KRW 100 million	74
Cornerstone General Private KOSDAQ Venture Equity Fund 1	KRW 100 million	76
Tiger KOSDAQ Venture Mezzanine Perfect 329 General Private Equity Investment Trust A	KRW 100 million	5
Truston KOSDAQ Venture IPO Shares REITs Securities Investment Trust [Hybrid Equity Derivatives]	KRW 100 million	40
Platform Solid Income KOSDAQ Venture General Private Equity Investment Trust (Professional)	KRW 100 million	110
Hana-UBS KOSDAQ Venture Company & IPO Shares Securities Investment Trust [Hybrid Equity Derivatives]	KRW 100 million	16
HYUNDAI KOSDAQ Venture Securities Investment Trust 1 [Hybrid Equity]	KRW 100 million	3
Total	KRW 100 million	1,500

Inclusive financial products – KOSDAQ Venture Fund

Item name	Unit	Amount
KOSDAQ venture investment	KRW 100 million (balance)	1,016

Inclusive financial products

Item name	Unit	Amount
SMEs' microfinance support	KRW 100 million (balance)	3,334

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Internal GHG emissions ¹⁾

Category	Calculation scope	Unit	2022	2023	2024
Energy Direct GHG emissions (Scope 1)	Head office, training center, and branch offices (office buildings)	tCO ₂ eq	812	766	810
Energy Indirect GHG emissions (Scope 2)	Company-wide	tCO ₂ eq	5,488	5,243	5,152
Internal GHG emissions		tCO ₂ eq	6,300	6,009	5,962
KRW Unit Internal GHG emissions ²⁾		tCO ₂ eq/ KRW 100 million	0.04415	0.05187	0.05504

1) Calculated according to the SBTi methodology, which is the standard applied to KB Financial Group

2) Based on KB Securities sales (consolidated financial statements) for the year

GHG emission from asset portfolio

Category	Calculation scope	Unit	2020	2021	2022
Emissions from asset portfolio (Scope 3) ¹⁾	Corporate finance	tCO ₂ eq	877,817	1,782,585	1,019,619
	Power generation PF		66,729	57,309	6,869
	Commercial real estate		838	1,694	1,684
	National bonds (net emissions) ²⁾		-	-	943
GHG emissions from asset portfolio		tCO ₂ eq	945,384	1,841,588	1,029,115
KRW Unit GHG emissions from asset portfolio ³⁾		tCO ₂ eq/ KRW 100 million	9.40132	21.54017	7.21173

1) Scope 3 is calculated until 2022 due to the different timing of measuring carbon emissions of financial assets. Calculated based on the methodology of PCAF (Carbon Accounting Finance Association), and the scope is limited to assets for which emission data can be secured.

2) Calculation of government bond emissions after 2022

3) Based on KB Securities's operating revenue (consolidated financial statements) for the year

Energy consumption

Category	Calculation scope	Unit	2022	2023	2024
Electricity ¹⁾	Head office and training center	kWh	6,535,512	6,180,741	6,293,941
	Branches	kWh	5,527,753	5,232,745	4,921,261
	Subtotal	kWh	12,063,265	11,413,486	11,215,201
City Gas ¹⁾	Head office and training center	m ³	152,406	154,152	166,116
	Branches(Office Building)	m ³	54,280	36,723	35,228
	Subtotal	m ³	206,686	190,875	201,344
Fuel consumption ²⁾	Business Vehicles ³⁾	L	163,887	158,692	168,196
Total Energy Usage ⁴⁾		TJ	129.95	122.86	121.72
Total Energy Usage in Units ⁵⁾		TJ/ KRW 100 million	0.00091	0.00106	0.00112

1) Energy consumption of buildings other than KB Securities' buildings is calculated and measured based on the area they cover out of the total consumption

2) Fuel consumption is estimated based on the average selling price notified on the Korea National Oil Corporation 'Opinet' based on the purchase (fueling) amount

3) Limited to vehicles registered in the company name, mostly gasoline-powered, but some diesel-powered included

4) Estimated calculation by applying the energy calorie conversion standard (2022.11) announced by the Korea Energy Agency (applies electricity, LNG city gas, gasoline as energy source)

5) Based on KB Securities's operating revenue (consolidated financial statements) for the year

Renewable energy generation/use

Category	Calculation scope	Unit	2022	2023	2024
Solar power generation amount ¹⁾	Training center	kWh	-	77,128	73,375
	Ulsan Financial Center	kWh	-	9,659	9,390
	Total	kWh	-	86,788	82,765

1) Solar power plant completed in December 2022, operation and data collection started from 2023

Water consumption

Category	Calculation scope	Unit	2022	2023	2024
Water usage ¹⁾	Head office and training center	m ³	41,284	43,694	46,369

1) Total usage (based on the notice) Calculated and measured based on the area



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Paper use

	Category	Unit	2022	2023	2024
Paper usage	Consumption amount ¹⁾	10,000 sheets	1,310	1,034	1,014
	Reduction target	%	10.0	10.0	5.0
	Reduction rate	%	4.4	21.1	1.9
KB Partner product subscription status ²⁾	Number of cases	Cases	5,571	11,986	12,976
	Subscription amount	KRW 100 million	8,113	16,140	22,535

1) Managed based on actual consumption on the company-wide system

2) Mobile consultation tool that utilizes tablet-only electronic documents instead of paper documents
Data for 2022 and 2023 were revised (the number of cases and subscription amounts were adjusted by retroactively applying product sales statistics)

Use of eco-friendly vehicles

	Category	Unit	2022	2023	2024
	Eco-friendly vehicle ratio	%	63.2	70.3	72.5
	Total number of vehicles	Units	136	138	131
Eco-friendly vehicles	Electric vehicles	Units	11	11	7
	Hydrogen vehicles	Units	0	0	0
	Hybrid	Units	75	86	88
	Total	Units	86	97	95

Waste disposal

	Category	Calculation scope	Unit	2022	2023	2024
	Unit general waste discharge ¹⁾	Head office and training center	Ton	92	94	101

1) Estimated based on waste disposal costs

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Employee status

Category		Unit	2022	2023	2024
Total number of persons ¹⁾		Persons	2,986	2,984	2,998
Gender	Male	Persons	1,695	1,662	1,622
	Female	Persons	1,291	1,322	1,376
Nationality	Domestic	Persons	2,972	2,966	2,983
	Overseas ²⁾	Persons	14	18	15
Executive	Male	Persons	57	61	56
	Female	Persons	4	3	3
	Domestic	Persons	60	62	58
	Overseas	Persons	1	2	1
	Subtotal	Persons	61	64	59
Permanent employees	Male	Persons	1,075	1,091	1,095
	Female	Persons	1,020	1,078	1,111
	Domestic	Persons	2,092	2,166	2,203
	Overseas	Persons	3	3	3
	Subtotal	Persons	2,095	2,169	2,206
Non-permanent employees ³⁾	Male	Persons	563	510	471
	Female	Persons	267	241	262
	Domestic	Persons	818	738	722
	Overseas	Persons	12	13	11
	Subtotal	Persons	830	751	733
Number of full-time equivalent employees (FTE) ⁴⁾		Persons	2,886.88	2,885.63	2,903.75

Category		Unit	2022	2023	2024
Position	Executives ⁵⁾ ~ General Manager	Persons	960	968	956
	Manager~ Deputy General Manager	Persons	1,016	1,017	1,040
	Associates~ Assistant Manager	Persons	1,010	999	1,002

1) Excluding concurrent positions within the Group

2) USA, Canada, China, etc.

3) Excluding short-term interns, part-timers, and digital partners among part-time workers

4) Number of full time equivalent employees (Full Time Equivalents): Number of permanent employees + number of non-permanent employees equivalent to full-time employees (Compare the statutory working hours and the working hours of non-permanent employees. If they are 40 hours and 20 hours, respectively, the FTE of non-permanent employees is 0.5) → 40-hour worker = 1 person / 35-hour worker = 0.88 person / 30-hour worker = 0.75 person / 20-hour worker = 0.5 person

5) Including concurrent executives and non-executive directors

Status of non-affiliated workers¹⁾

Category		Unit	2022	2023	2024
Total number of persons		Persons	341	375	415
Gender	Male	Persons	185	198	222
	Female	Persons	156	177	193

1) Based on Business Report Disclosure



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Employee diversity

Category		Unit	2022	2023	2024	
Vulnerable groups	Veteran employees ¹⁾	Persons	42	41	37	
		%	1.4	1.4	1.2	
	Employees with disabilities ²⁾	Persons	38	47	55	
		%	2.1	2.7	3.3	
Gender diversity	Female employees	Persons	1,291	1,322	1,376	
		%	43.2	44.3	45.9	
	Female employees - Above team leaders	Persons	241	247	255	
		%	34.0	34.7	35.6	
	Age diversity	Teenagers and younger ³⁾	Persons	0	0	0
			%	0.0	0.0	0.0
Persons in their 20s		Persons	301	312	337	
		%	10.1	10.5	11.2	
Persons in their 30s		Persons	853	777	719	
		%	28.6	26.0	24.0	
Persons in their 40s	Persons	1,111	1,125	1,138		
	%	37.2	37.7	38.0		
Persons in their 50s and above	Persons	721	770	804		
	%	24.1	25.8	26.8		

1) 2023 data corrected (data error)

2) Based on the number of persons reported to the Korea Employment Agency for Persons with Disabilities (KEAD), 2022 data adjusted according to changes in standards

3) Report the number of employees under the age of 18 to confirm the absence of child labor

Employee training¹⁾

Category		Unit	2022	2023	2024
Total training costs		KRW	2,285,973,755	2,338,730,108	2,251,519,285
Training costs per person		KRW	765,564	783,757	751,007
Training hours per person		Hours	85	94	113
Gender	Male	Hours	85	92	112
	Female	Hours	86	97	114
Position	Executives ~ General Manager	Hours	79,928	85,263	108,545
	Manager ~ Deputy General Manager	Hours	108,899	116,059	135,093
	Associates ~ Assistant Manager	Hours	66,156	79,661	93,836
Legal compliance and ethics training	Number of Trainees completed	Persons	8,313	4,350	7,404
	Training hours	Hours	36,934	16,905	24,817
Anti-Money laundering training ²⁾	Number of Trainees completed	Persons	2,780	2,674	2,816
	Training hours	Hours	27,357	32,119	17,781
Information security training	Number of Trainees completed	Persons	3,091	3,207	2,972
	Training hours	Hours	18,912	19,965	17,338
Sexual-harassment prevention training ³⁾	Number of Trainees completed	Persons	2,964	2,933	2,954
	Training hours	Hours	5,928	5,866	2,954
Training to improve awareness of people with disabilities ³⁾	Number of Trainees completed	Persons	2,964	2,933	2,954
	Training hours	Hours	5,928	5,866	2,954
Workplace bullying prevention training ⁴⁾	Number of Trainees completed	Persons	2,964	2,933	2,954
	Training hours	Hours	5,928	8,799	2,954
Legal mandatory training	Number of Trainees completed	Persons	2,986	2,933	2,954
	Training hours	Hours	17,784	20,531	8,862

1) Based on the annual cumulative number

2) Reduced training hours per person (12h in 2023, 6h in 2024)

3) Reduced training hours per person (2h in 2022, 2h in 2023, 1h in 2024)

4) Reduced training hours per person (2h in 2022 (1h for department/branch manager), 3h in 2023, 1h in 2024)



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New Hires

Category		Unit	2022	2023	2024
Average days to hire		Days	30	30	30
Total number of new hires		Persons	299	208	186
Gender	Male	Persons	198	132	101
	Female	Persons	101	76	85
Nationality	Domestic	Persons	299	208	186
	Overseas	Persons	0	2	0
Age	Persons in their 20s	Persons	82	89	89
	Persons in their 30s	Persons	116	61	71
	Persons in their 40s	Persons	64	38	20
	Persons in their 50s and above	Persons	37	20	6

New hiring rate¹⁾

Category		Unit	2022	2023	2024
New hiring rate		%	10.0	7.0	6.2
Gender	Male	%	11.7	7.9	6.2
	Female	%	7.8	5.7	6.2
Nationality	Domestic	%	10.1	7.0	6.2
	Overseas	%	0.0	11.1	0
Age	Persons in their 20s	%	27.2	28.5	26.4
	Persons in their 30s	%	13.6	7.9	9.9
	Persons in their 40s	%	5.8	3.4	1.8
	Persons in their 50s and above	%	5.1	2.6	0.7

1) New hiring rate: Number of new employees hired ÷ Number of employees in total or by group × 100

Parental leave

Category		Unit	2022	2023	2024
Target personnel ¹⁾	Male	Persons	380	360	319
	Female	Persons	349	323	283
	Subtotal	Persons	729	683	602
Employees using parental leave ²⁾	Male	Persons	6	13	9
	Female	Persons	68	81	81
	Subtotal	Persons	74	94	90
Number of employees who returned to work	Male	Persons	3	4	5
	Female	Persons	27	39	40
	Subtotal	Persons	30	43	45
Number of employees retained for more than 12 months after their return	Male	Persons	1	3	4
	Female	Persons	34	25	37
	Subtotal	Persons	35	28	41
Return rate ³⁾	Male	%	60	100	71
	Female	%	75	85	91
Retention rate ⁴⁾	Male	%	50	100	100
	Female	%	79	93	95

1) Criteria for calculating the number of employees eligible for parental leave: Employees who are pregnant or have children aged 8 or younger or in the second grade or below in elementary school

2) Number of employees who used parental leave at least one day in the relevant year

3) Return to work rate: Total number of employees that did return to work after parental leave ÷ total number of employees due to return to work after taking parental leave × 100

4) Retention rate: Total number of employees retained 12 months after returning to work following a period of parental leave ÷ Total number of employees returning from parental leave in the previous year × 100



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Turnover and retirement

Category		Unit	2022	2023	2024
Total number of employees who have changed jobs and retired ¹⁾		Persons	247	174	152
Gender	Male	Persons	190	138	112
	Female	Persons	57	36	40
Nationality	Domestic	Persons	244	173	150
	Overseas	Persons	3	1	2
Age	Persons in their 20s	Persons	14	15	12
	Persons in their 30s	Persons	64	44	42
	Persons in their 40s	Persons	89	40	34
	Persons in their 50s and above	Persons	80	75	64

1) Total turnover: Including voluntary retirement, dismissal, etc., but excluding retirement, disciplinary dismissal, and internal transfers within the group

Turnover rate¹⁾

Category		Unit	2022	2023	2024
Total number of employees who have changed jobs and retired ¹⁾		%	8.3	5.8	5.1
Gender	Male	%	11.2	8.3	6.9
	Female	%	4.4	2.7	2.9
Nationality	Domestic	%	8.2	5.8	5.0
	Overseas	%	21.4	5.6	13.3
Age	Persons in their 20s	%	4.7	4.8	3.6
	Persons in their 30s	%	7.5	5.7	5.8
	Persons in their 40s	%	8.0	3.6	3.0
	Persons in their 50s and above	%	11.1	9.7	8.0

1) Turnover rate: Number of persons who have changed jobs or retired ÷ Number of employees in total or by group × 100

Voluntary turnover

Category		Unit	2022	2023	2024
Total number of voluntary turnovers ¹⁾		Persons	124	91	84
Gender	Male	Persons	96	70	57
	Female	Persons	28	21	27
Nationality	Domestic	Persons	121	90	82
	Overseas	Persons	3	1	2
Age	Persons in their 20s	Persons	14	10	11
	Persons in their 30s	Persons	55	36	32
	Persons in their 40s	Persons	37	29	22
	Persons in their 50s and above	Persons	18	16	19

1) Voluntary turnover: Resignation under one's own will (excluding voluntary retirement, dismissal, contract expiration, etc.)

Voluntary turnover rate

Category	Unit	2022	2023	2024
Voluntary turnover rate ¹⁾	%	4.2	3.0	2.8

1) Voluntary turnover rate: Number of voluntary turnovers ÷ total number of employees × 100

Average length of service

Category	Unit	2022	2023	2024
Male	Years	14.0	14.0	14.3
Female	Years	15.0	15.3	15.6
All Employees	Years	15.0	15.0	14.9



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Safety and health

Category	Unit	2022	2023	2024	
Deaths due to industrial accidents ¹⁾	Cases	0	0	0	
	%	0	0	0	
Injuries and diseases due to industrial accidents ²⁾	Cases	1	2	0	
	%	0	0	0	
Lost workdays due to industrial accidents	Lost workdays (absenteeism) ³⁾	Days	24	148	7
	Working days	Days	247	246	245
	Total working days ⁴⁾	Days	737,542	734,064	734,510
	Work-loss time ratio (LTI) ⁵⁾	%	0.0033	0.0202	0.0010
Psychological health counseling	Persons	54	90	97	
	Cases	296	382	397	

1) Mortality rate: Number of deaths due to industrial accidents ÷ Total working hours × 1,000,000

2) Injury rate or accident rate: Number of injuries (diseases) due to industrial accidents ÷ Total working hours × 1,000,000

3) The number of lost workdays in 2024 is the number of lost workdays by employees who suffered industrial accidents in 2023

4) Total working days: Total number of employees × working days

5) LTI: Lost workdays due to industrial accidents ÷ Total working days × 100

Current status of flexible working hours

Category	Unit	2022	2023	2024	
Working from home	Persons	1,274	407	211	
Flexible working hours ¹⁾	Staggered commuting	Persons	331	325	367
	Selective working hours	Persons	67	57	135

1) Staggered commuting system (Staggered commuting, flexible work hours, flexible time work), selective working hours system (selective work hours_4 weeks) Data for 2022 and 2023 corrected (adjusted to the same standards as the business report)

Labor practices

Category	Unit	2022	2023	2024	
Employee grievances resolved	Types of discrimination and harassment in the workplace	Cases	3	4	3
	General grievance types	Cases	2	3	4
	Subtotal	Cases	5	7	7
Employees eligible for union coverage ¹⁾	Persons	2,075	2,117	2,137	
Number of union members	Persons	1,635	1,674	1,656	
Employees covered by labor union	%	78.8	79.0	77.5	
Employees subject to labor-management collective agreement ²⁾	Persons	2,992	2,991	2,979	

1) Those who are subject to membership of the union are permanent employees, excluding contract and indefinite-term contract workers

2) The number of employees subject to collective bargaining agreements or labor-management agreements among all employees is permanent and non-permanent workers (including part-time workers).



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Employee performance evaluation

	Category	Unit	2022	2023	2024
	Employees who received regular performance and career development reviews ¹⁾	%	90	89	89
Gender	Male		89	88	89
	Female	%	90	90	89
	Executive		100	100	100
Position	Management-level employees	%	99	97	98
	Employee		87	87	86

1) Performance evaluations for all employees except those excluded from performance evaluations, such as part-time workers, have completed.

Annual total compensation ratio

	Category	Unit	2022	2023	2024
Remuneration ¹⁾	Total annual remuneration of the highest-earning person ²⁾ (A)	KRW million	1,534	1,826	2,029
	Median value of total annual salaries of all employees ³⁾ (B)	KRW million	131	111	121
	Total annual remuneration of the highest earned person compared to the median value of total annual salaries of all employees (A÷B)	Times	11.7	16.5	16.8
	Increase rate of annual remuneration of the highest-earning person ⁴⁾ (C)	%	24.8	19.0	11.1
	Median value of increased annual salaries of all employees ^{3,4)} (D)	%	-2.2	-15.3	9.0
	Increase rate of annual remuneration of the highest-earning person compared to the median value of total annual salaries of all employees (C÷D)	Times	-11.08	-1.25	1.23

1) Based on earned income (earned income payment statement) under Article 20 of the Income Tax Act

2) Business Report Disclosure Standards

3) When calculating the median value of salary of all employees and median value of increased annual salaries of all employees, the highest paid person is included.

4) Compared to the previous year

Employee productivity

	Category	Unit	2022	2023	2024
	Total labor cost ¹⁾	KRW thousand	519,249,572	571,414,763	604,991,207
	Sales per employee ²⁾	KRW thousand	4,778,976	3,882,420	3,613,086
	Human capital ROI ³⁾	%	47	119	129

1) 'Labor cost' based on the KB Securities' consolidated financial statements disclosed in the business report

2) Sales for the year based on the KB Securities' consolidated financial statements disclosed in the business report ÷ Number of employees

3) Based on the KB Securities' consolidated financial statements disclosed in the business report, $\left(\frac{\text{Sales} - (\text{Operating expenses} - \text{Total labor costs})}{\text{Total labor costs}} - 1\right) \times 100$

Charitable contribution activities

	Category	Unit	2022	2023	2024
	Amount of social contributions	KRW 100 million	80	38	73

Information protection

	Category	Unit	2022	2023	2024
	Number of complaints related to breaches of customer privacy	Cases	0	0	0
	Customer data breach	Cases	0	0	0
	Customers affected by the data breach	Persons	0	0	0
	Monetary loss amount	KRW	0	0	0

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Operation of Board of Directors

Category	Unit	2022	2023	2024	
Convocation	No. of meetings	16	17	13	
Agenda	Cases	83	82	80	
Attendance rate	Total	%	94.2	92.2	90.7
	Inside director	%	88.3	88.2	81.4
	Non-executive director	%	97.5	96.5	96.9

Operation of Subcommittees within the Board of Directors

Category	Unit	2022	2023	2024
Non-Executive Director Nominating Committee	No. of meetings	3	3	2
CEO Nominating Committee		2	1	1
Audit Committee Member Nominating Committee		3	3	2
Management Committee		10	11	13
Compensation Committee		8	7	10
Audit Committee		19	16	16
Risk Management Committee		5	5	7
ESG Committee		2	3	3
Internal Control Committee ¹⁾		-	-	-

1) Committee newly established in 2025

Ethics and anti-corruption

Category	Unit	2022	2023	2024	
Ethics pledge	Target number of persons subject to ethics practice	Persons	3,676	3,522	3,429
	Number of persons who pledged for ethics practice ¹⁾	Persons	3,422	3,381	3,360
	Ethics pledge rate	%	93.1	96.0	98.0
Completion of ethics education ³⁾	Ethics policy notice ²⁾	Permanently posted on our company regulations bulletin board			
	Executives ⁴⁾	Persons	55	56	58
	Management level	Persons	646	658	670
	Employees	Persons	2,214	2,033	2,173
	Subtotal ⁵⁾	Persons	2,915	2,747	2,901
Ethics report	Number of reports ⁶⁾		0	0	4
	Valid reports	Cases	0	0	3
	Number of disciplinary actions imposed		0	0	1
Corruption case	Corruption cases		0	0	0
	Dismissal or disciplinary action against employees related to corruption		0	0	0
	Contract termination or renewal cancellation with partner company related to corruption	Cases	0	0	0
	Legal proceedings related to corruption		0	0	0

1) Differences in the number of employees at the end of the year due to job changes, resignations, hiring, etc.

2) Employees and partner companies who have been informed of the Charter of Ethics, Code of Conduct, and Action Guidelines for Employees (pop-up notice for all employees, request for a pledge of integrity contract performance when entering into a purchase contract with partner companies)

3) The ethics training is not legally mandated training, but is conducted by the HR Management Department and related departments to promote ethical awareness

4) Including Board members

5) Ethics training completion rate: Completion rate based on the number of employees at the end of the year, data for 2022 and 2023 corrected (data error)

6) Compiled count of ethics reports through the internal reporting system and the Group's Upright Whistle-blowing Program



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Taxation

Category		Unit	2022	2023	2024
Corporate tax expenses	Domestic	KRW 100 million	612	978	1,540
	Vietnam	KRW 100 million	25	33	29
	Indonesia	KRW 100 million	14	16	13
	Other	KRW 100 million	24	20	1

Financial incidents and measures taken

Category		Unit	2022	2023	2024
Violation	Total		0	0	0
	Corruption/acceptance of bribes (Money or Goods)	Cases	0	0	0
	Conflict of Interest		0	0	0
	Money laundering or insider trading		0	0	0
	Total amount of financial damage	KRW million	0	0	0
Actions taken	Total		0	0	0
	Salary reduction		0	0	0
	Immunity	Cases	0	0	0
	Warning		0	0	0
	Caution		0	0	0
	Other		0	0	0

Violation of laws and regulations

Category		Unit	2022	2023	2024
Violation of laws and regulations	Total amount of fines	KRW million	13	2,320	695
	Number of violations	Cases	7	10	7

Details of violation of laws and regulations

Category	Date of action taken	Reasons for action taken	Action agency	Monetary sanctions amount or actions taken
Measures for employees	Jan.4, 2024	Violation of the obligation to establish internal control standards	Financial Supervisory Service	Three-month salary reduction for one person; three-month salary reduction equivalent for three persons
Imposition of summary fine	Apr. 24, 2024	Violation of obligation to display program trading quotations	Korea Exchange	KRW 1 million
Imposition of penalty	Apr. 29, 2024	Violation of obligation to submit securities registration statement	Financial Services Commission	KRW 188.6 million
Imposition of fines	May14, 2024	Omission of report on termination of location-based securities investment information service	Korea Communications Commission	KRW 1.5 million
Warning on member and measures for employees	May17, 2024	Violation of the obligation to display CFD-linked trading quotations	Korea Exchange	Caution for two persons
Imposition of fines	Dec. 24, 2024	Violation of customer notification of sales commission related to Lime Fund	Seoul Southern District Prosecutors' Office	KRW 500 million
Imposition of fines ¹⁾	Dec. 27, 2024	Failure to thoroughly identify and verify the actual owner during the customer account opening process	Indonesia Financial Supervisory Service	IDR 50,000,000 (equivalent to approximately KRW 4.3 million)

1) PT KB Valbury Sekuritas's violations of the law and actions taken

Association fees and political donations

Category		Unit	2022	2023	2024
Association fee	Korea Financial Investment Association	KRW 100 million	28	26	29
	Total	KRW 100 million	28	26	29
Political donation ¹⁾		KRW	0	0	0

1) According to Article 31 of the Korean Political Funds Act, every foreigner, corporation or organization, both at home and abroad, are prohibited from contributing any political funds, and no one shall contribute any political funds from any corporation or any organization both at home and abroad. Accordingly, KB Securities strictly complies with the law and, in accordance with the 'Donation Management Regulations,' it does not provide any political funds, election funds related to voting, or funds for lobbying political groups.

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GRI Standards 2021

GRI Standard	Notes	Notes
GRI 1 : Foundation 2021	Statement of use	KB Securities has reported in accordance with the GRI Standards 2021 for the period from January 1, 2024, to December 31, 2024.
	GRI 1 used	GRI 1 : Foundation 2021
	Applicable GRI Sector Standards	Not available (As of the June 2025 report date, there is no sector standard relevant to KB Securities)

GRI Standard	Disclosure	Indicators	Page	Notes
GRI 2 : General Disclosure 2021	2-1	Organization details	7, 9, 10	
	2-2	Entities included in the organization's sustainability reporting	2	
	2-3	Reporting period, frequency and contract point	2	
	2-4	Restatements of information	-	Changes are commented on separately
	2-5	External assurance	173-177	
	2-6	Activities, value chains and other business relationships	11-14, 38, 44	Please refer to the 2024 Business Report 'Status of Subsidiaries Subject to Consolidation' (pp.449-451)
	2-7	Employees	155	Please refer to the 2024 Business Report 'Current Status of Executives and Employees' (pp.407-420)
	2-8	Workers who are not employees	155	
	2-9	Governance structure and composition	127-129	
	2-10	Nomination and selection of the highest governance body	127	Please refer to the 2024 Annual Report on Governance Structure and Compensation System, 'Current Status of Governance Structure' and 'Overview of Non-executive Director Candidate Nomination Procedure' (pp. 8-10, 30)
	2-11	Chair of the highest governance body	127	
	2-12	Role of the highest governance body in overseeing the management of impacts	20, 128	Please refer to the 2024 Annual Report on Governance Structure and Compensation System, 'Details of Board of Directors Activities' and 'ESG Committee' (pp. 21-29, 86-88)
	2-13	Delegation of responsibility for managing impacts	20	
	2-14	Role of the highest governance body in sustainability reporting	20	
	2-15	Conflicts of interest	146	Please refer to the 2024 Annual Report on Governance Structure and Compensation System 'Management and Supervision of Conflicts of Interest' in 'Roles of the Board of Directors' (pp. 16)
	2-16	Communication of critical concerns	20, 130	Please refer to the 2024 Annual Report on Governance Structure and Compensation System, 'Details of Board of Directors Activities' and 'ESG Committee' (pp. 21-29, 86-88)
	2-17	Collective knowledge of the highest governance body	131	

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GRI Standards 2021

GRI Standard	Disclosure	Indicators	Page	Notes
GRI 2 : General Disclosure 2021	2-18	Evaluation of the performance of the highest governance body	131	Please refer to the 2024 Annual Report on Governance Structure and Compensation System, 'Job Evaluation of Directors,' 'Evaluation of the Board of Directors,' 'Evaluation of Non-executive Directors,' and 'Evaluation of Subcommittees' (pp. 29-30, 58-59, 39, 41, 46, 79, 85, 87, 93)
	2-19	Remuneration policies	131	Please refer to the 2024 Annual Report on Governance Structure and Compensation System, 'Compensation System' (pp. 103-110)
	2-20	Process to determine remuneration	131	Please refer to the 2024 Business Report 'Executive Compensation, etc.' (pp.420-427)
	2-21	Annual total compensation ratio	160	
	2-22	Statement on sustainable development strategy	5-6	
	2-23	Policy commitments	98	
	2-24	Embedding policy commitments	99-101	
	2-25	Processes to remediate negative impacts	100	
	2-26	Mechanisms for seeking advice and raising concerns	148	
	2-27	Compliance with laws and regulations	162	Please refer to the 2024 Business Report 'Matters Related to Sanctions, etc.' (pp.439-446)
	2-28	Membership associations	178	
	2-29	Approach to stakeholder engagement	26	
	2-30	Collective bargaining agreements	114, 159	

GRI Standard	Disclosure	Indicators	Page	Notes
GRI 3 : Material Topic 2021	3-1	Process to determine material topics	28-30	
	3-2	List of material topics	31	
Compliance and internal control				
GRI 3 : Material Topic 2021	3-3	Management of material topics	139	
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	161	
	205-3	Confirmed incidents of corruption and actions taken	161-162	Please refer to the 2024 Business Report 'Matters related to sanctions, etc.' (pp. 439-446)



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GRI Standard	Disclosure	Indicators	Page	Notes
Financial consumer protection				
GRI 3 : Material Topic 2021	3-3	Management of material topics	73	
Indirect economic impacts	203-2	Significant indirect economic impacts	84	
Non-GRI	-	Financial consumer protection KPIs, including the customer-complaint processing period, adoption rate of customers' suggestions, and customer satisfaction index	81	
Sustainable finance				
GRI 3 : Material Topic 2021	3-3	Management of material topics	34	
Indirect economic impacts	203-2	Significant indirect economic impacts	35-48	
Non-GRI	-	Revenue from (1) underwriting, (2) advisory and (3) securitization transactions incorporating integration of ESG factors, by industry (FN-IB-410a.1)	168	
		(1) Number and (2) total value of investments and loans incorporating integration of ESG factors, by industry (FN-IB-410a.2)	168	
		Description of approach to incorporation of ESG factors in investment banking and brokerage activities (FN-IB-410a.3)	168-169	
Customer Satisfaction				
GRI 3 : Material Topic 2021	3-3	Management of material topics	73	
Indirect economic impacts	203-2	Significant indirect economic impacts	85	
Non-GRI	-	Customer satisfaction indicators such as the KBSI score	84	
Sound Governance				
GRI 3 : Material Topic 2021	3-3	Management of material topics	126	
Non-GRI	-	Enhancement of ESG management governance and brand value (ESG Strategic direction)	20-25, 127-131	
Response to climate change				
GRI 3 : Material Topic 2021	3-3	Management of material topics	53	
Energy	302-1	Energy consumption within the organization	153	
	302-3	Energy intensity	153	
GHG Emissions	305-1	Direct (Scope 1) GHG emissions	153	
	305-2	Energy indirect (Scope 2) GHG emissions	153	
	305-3	Other indirect (Scope 3) GHG emissions	153	
	305-4	GHG emissions intensity	153	

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GRI Standard	Disclosure	Indicators	Page	Notes
Human resources management				
GRI 3 : Material Topic 2021	3-3	Management of material topics	97	
Employment	401-1	New employee hires and employee turnover	157-158	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	102-103	
	401-3	Parental leave	157	
Training and education	404-1	Average hours of training per year per employee	156	
	404-2	Programs for upgrading employee skills and transition assistance programs	109-111	
	404-3	Percentage of employees receiving regular performance and career development reviews	160	

Topic Specific Standards – General

GRI Standard	Disclosure	Indicators	Page	Notes
Economic Performance	201-1	Direct economic value generated and distributed	150	Please refer to 'Financial Information' on the website and 'Financial Statements' in the 2024 Business Report (pp. 192-197)
Indirect economic impacts	203-1	Support for investment in investment and service for the public interest	67-68, 119-123	
Anti-competitive behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	Please refer to 'Matters Related to Sanctions, etc.' in the 2024 Business Report (pp. 439-446)
Tax	207-1	Approach to tax	142	Please refer to KB Financial Group Tax Policy
	207-4	Country-by-country reporting	162	Please refer to 'Financial Information' on the website and 'Financial Statements' in the 2024 Business Report (pp. 192-197)
Water	303-5	Water consumption	153	
Waste	306-3	Waste generated	154	
Occupational health and safety	403-1	Occupational health and safety management system	106	
	403-3	Occupational health services	107	
	403-6	Promotion of worker health	107-108	
	403-9	Work-related injuries	159	
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	127, 156	
Public Policy	415-1	Political contributions	162	
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	160	



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Topic	Accounting Metric/Activity Metric	Code	Status of KB Securities
Employee Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	FN-IB-330a.1	<ul style="list-style-type: none"> Please refer to the data on 'Employee status' on p. 155 and 'Employee diversity' on p.156 of this report
	Revenue from (1) underwriting, (2) advisory and (3) securitization transactions incorporating integration of ESG factors, by industry	FN-IB-410a.1	<ul style="list-style-type: none"> KB Securities is establishing an ESG-based portfolio management system based on the Group's Environmental and Social Risk Management System (ESRM). In order to systematically manage areas with high environmental and social impact and risk exposure in accordance with the ESRM policy, we divided each industry into exclusion areas, caution/interest areas for climate change, and green industry support areas. (Common for Group) KB Securities identifies/evaluates/manages caution/interest areas based on the industry-specific Environmental & Social Map as in [FN-IB-410a.3]. In addition, IPOs, acquisitions, and consulting that fall under the exclusion area are excluded from financial support target along with the Group's coal phase-out declaration. (Excluded from assessment) KB Securities performed 59 ESG bond underwritings (KRW 3 trillion and 861.7 billion) and two acquisition financings (KRW 376.2 billion), and zero M&A consulting in 2024, and the amount of revenue is not disclosed due to business reasons.
	(1) Number and (2) total value of investments and loans incorporating integration of ESG factors, by industry	FN-IB-410a.2	<ul style="list-style-type: none"> The number and amount of investments and loans incorporating integration of ESG factors are as follows: (1) 178 ESG investments / 13 ESG loans (2) KRW 556.95 billion of ESG investments / KRW 660.49 billion in ESG loans
Incorporation of ESG Factors in Investment Banking & Brokerage Activities	Description of approach to incorporation of ESG factors in investment banking and brokerage activities (Responsible organization, ESG research conducted, method of reflecting ESG factors in products/services, supervision/responsibility, criteria for evaluating ESG factors, etc.)	FN-IB-410a.3	<ul style="list-style-type: none"> KB Securities evaluates and reflects environmental and social risks in investment activities in accordance with the following steps: <ul style="list-style-type: none"> Stage 1 Preliminary Review: (Sales Department) Preliminary review of environmental and social risks and submission of relevant data in accordance with the ESG Risk Review Reinforcement Plan (preparation of external evaluation data or ESG checklist, etc.) (Assessment Department) Determination of whether preliminary review of environmental and social risks has been conducted and review of appropriateness of environmental and social risks Stage 2: Classification of Evaluation Grade: Stating the evaluation results of environmental and social risk evaluation grades and major issues in the assessment report and reflecting them in investment decision-making Stage 3: In case of submitting an ESG management implementation plan and fund use plan in accordance with the ESG Risk Review Reinforcement Plan, monitoring whether implementation has been carried out and whether the purpose is appropriate after one year Monitoring: <ul style="list-style-type: none"> The specific responsibilities of each department are as follows: <ol style="list-style-type: none"> [Sales Department] Preliminary review of environmental/social risks after dividing management areas according to ESRM criteria <Common classification> Division into caution or interest areas for climate change, and areas for supporting green industry: Reflected in assessment request materials (preliminary review analysis report) <Corporate Finance> In the case of an investment project (PI) exceeding KRW 100 billion, 1) If there are evaluation materials by an external agency such as ESG-related public information and ESG rating evaluation reports, the ESG evaluation grade Mapping Table standard evaluation grade shall apply mutatis mutandis, 2) If there are no evaluation materials by an external agency, a score table must be prepared based on the ESG checklist prepared by the target company (borrower, etc.) and attached when requesting assessment. <Alternative Investment> In the case of an investment project (large-scale PF) exceeding KRW 50 billion, a preliminary environmental/social checklist must be obtained from the counterparty and, if necessary, a review opinion must be secured from a specialized agency and attached when requesting assessment.

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Topic	Accounting Metric/Activity Metric	Code	Status of KB Securities			
Incorporation of ESG Factors in Investment Banking & Brokerage Activities	Description of approach to incorporation of ESG factors in investment banking and brokerage activities (Responsible organization, ESG research conducted, method of reflecting ESG factors in products/services, supervision/responsibility, criteria for evaluating ESG factors, etc.)	FN-IB-410a.3	2. [Assessment Department] After reviewing the classification of management area, assessing environmental/social risk and impact: reflecting it in the assessment materials (assessment report) - Corporate Finance 1) Classification of ESRM standard management areas for the target company: Among caution areas or interest area for climate change, 2) Classification the environmental/social risk assessment grade (A~E) for the target company and statement of the reasons, and 3) Statement of the necessity for monitoring and related issues, etc. - Alternative Investment 1) Statement of whether large-scale project environmental/social risk is subject to review and reasons for it, 2) Classification large-scale project's environmental/social risk assessment grade (A~C) and statement of the reasons, when applicable to the subject of review, and 3) Statement of related issues, etc. · In addition, the ESG investment assessment-related job title was reflected. - Operation and management of the assessment system (regulations, guidelines): Investment Asset Management Department - Planning and operation of the ESG-related assessment system: Corporate Finance Investment Assessment Department, Alternative Investment Assessment Department · Review of a total of 28 cases (including 11 cases in the green industry support area) based on ESG risk assessment guidelines: Seven cases in corporate finance, 21 cases in alternative investment			
			Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	FN-CB-510a.1	· There were no lawsuits or sanctions in accordance with related laws and regulations such as fraud, insider trading, and anti-monopoly in the reporting year. · Please refer to the data on Financial accidents and measures taken: Violation of laws and regulations; and Details of violation of laws and regulations on p.162 of this report
				Description of whistleblower policies and procedures	FN-CB-510a.2	· Please refer to Whistleblowing System on p.148 of this report
			Professional Integrity	(1) Number and (2) percentage of employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings * The term 'employee' refers to the personnel responsible for investment transactions	FN-IB-510b.1	· There were two cases in which the investment transaction officers who are paid for risk management or the department concerned have been subject to investment-related investigations, customer complaints, civil lawsuits, or other legal regulations.
Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party	FN-IB-510b.2	· There were no mediation and arbitration cases associated with professional integrity, including duty of due diligence, by party.				
Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	FN-IB-510b.3	· Supreme Court's final ruling (2024.11.20.) on criminal lawsuit regarding violation of Capital Market Act related to Lime Fund, etc. : ① Not guilty verdict for three cases related to Lime Fund (fraudulent unfair trading in Lime Fund sales, fund juggling, conspiracy regarding fraudulent unfair trading in Saturn 10-13, a fund sold by another company) ② Guilty verdict for one case related to internal profit and loss adjustment ③ Fine of KRW 500 million confirmed (paid on Jan. 8, 2025)				

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Topic	Accounting Metric/Activity Metric	Code	Status of KB Securities
Professional integrity	Description of approach to ensuring professional integrity, including duty of care (preventing conflicts of interest, supervision and management, accurate reporting of data, confidentiality protection, fair pricing, and compliance with regulations)	FN-IB-550b.4	<ul style="list-style-type: none"> KB Securities is implementing KB STARDIUM education, Self-Check on the day of compliance and ethics education, and self-diagnosis of ethics awareness to strengthen the effectiveness of compliance and ethics education. In order to provide systematic and effective education, we have expanded face-to-face education (new/experienced employees, new department/branch managers, management workshops, etc.), compliance manager education and customized internal control education for each job including Active Marketing & Sales Department/Investment Banking Division. In addition, we have strengthened internal control through providing guidance on precautions related to monitoring unsound orders, monitoring the results of the Wrap/Trust Risk Management Committee, monitoring unsound business practices related to CFDs, and providing guidance on precautions. We have strengthened compliance activities through developing computer systems related to designating/inquiring/sending guidance messages to those subject to ordered leave, and expanding the provision of practical guidebooks related to compliance.
System risk management	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	FN-IB-550a.2	<ul style="list-style-type: none"> We are conducting stress tests on financial and non-financial risks that may arise in business activities by considering all fluctuations in the items below. <ul style="list-style-type: none"> Risk of asset loss due to market price fluctuations (market risk): Position, VaR, duration, internal capital, etc. Risk of loss due to credit events such as default of trading counterparty (credit risk): Credit rating and collateral ratio, exposure, internal capital, etc. Risk of cash shortfalls due to asset/liability maturity mismatch (liquidity risk): Asset/liability gap, stress test, etc. Risk of loss due to accidents resulting from lack of internal controls, etc. (operational risk): RCSA/KRI, loss event trends, etc. We conduct crisis situation analyses at least once every half year and report a response plan for each scenario to the Risk Management Committee to use in establishing business strategies.
Employee incentives & risk taking	Percentage of total remuneration that is variable for Material Risk Takers (MRTs) – The entity shall discuss its remuneration policies for MRTs	FN-IB-550b.1	<ul style="list-style-type: none"> In accordance with the Act on Corporate Governance of Financial Companies, KB Securities defers 40–60% of the total compensation for three years to executives and financial investment managers determined by the Compensation Committee to ensure that the compensation can be linked to the long-term performance of the company. The deferred performance bonus system was introduced to reduce concerns about the adverse effects of financial investment managers prioritizing short-term performance when performance bonuses are paid in a lump sum. In addition, in the event of a loss during the deferred payment period or an illegal act or risk escalation, the amount of compensation deferred is adjusted in accordance with the regulations.
	Percentage of variable remuneration of Material Risk Takers (MRTs) to which malus or clawback provisions were applied – The entity shall discuss whether its initial ex-ante adjustments were sufficient in risk mitigation	FN-IB-550b.2	<ul style="list-style-type: none"> In addition, it is stipulated that all or part of performance-based compensation must be withheld and withdrawn for executives and employees when internal and Group audits, inspections by external supervisory agencies, investigations by investigative agencies, or civil/criminal lawsuits are in progress. As of the end of 2024, a total of 15.5% of all executives and financial investment managers are paid deferred long-term performance pay.

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Topic	Accounting Metric/Activity Metric	Code	Status of KB Securities		
Employee Incentives & Risk Taking	Discussion of policies around supervision, control, and validation of traders' pricing of Level-3 assets and liabilities	FN-IB-550b.3	<ul style="list-style-type: none"> KB Securities is checking whether the classification of derivatives Level-3 is appropriate based on the Guidelines on Derivatives Valuation. These guidelines describe the calculation of fair value of Level-3 assets and liabilities, control of valuation model, model risk, and the authority and responsibility of the transaction department and supervisory department. The market risk department establishes criteria for evaluation model and evaluation variables and verifies the calculated prices. The financial engineering department (evaluation department) verifies whether the classification of derivatives Level-3 is appropriate according to the level classification criteria and sends the verification result to the accounting department, which verifies Level-3 classification verification results and finally confirms the level. The market risk department examines and approves the accuracy and stability of the derivatives valuation system. It also inspects the models and variables used to evaluate fair value through the internal valuation model, and it reports the details to the risk-management council every year. The trading department (department in charge of executing transactions for the relevant product) examines whether information related to the evaluation can be entered at the time of the transaction, whether there is a price determination model, and whether market variables and estimated variables are calculated. The market risk department manages/supervises/verifies the trader's pricing based on the Guidelines on Trading Policy and Guidelines on Asset Management. 		
			Activity Metrics	FN-IB-000.A	<ul style="list-style-type: none"> The number and amounts of each transaction are as follows: <ul style="list-style-type: none"> - Underwrites: 444 corporate bonds (KRW 49,634.58 billion) - Leads: 13 IPOs (KRW 676.8 billion) - Leads: 11 paid-in capital increases (KRW 989.4 billion) - Leads: 20 acquisition financings (KRW 4,166.1 billion) - Provides advice on 10 M&As (KRW 1,515.6 billion) *The fees are not disclosed due to business reasons
					FN-IB-000.B
	(1) Number and (2) value of market making transactions in (a) fixed income, (b) equity, (c) currency, (d) derivatives, and (e) commodity products	FN-IB-000.C	<ul style="list-style-type: none"> The number and amounts of each transaction are as follows: <ul style="list-style-type: none"> - Derivatives: Number of transactions: 1,853,555, Amount: KRW 5,536.3 billion (excluding stock transactions traded for cancellation at the same time) - ETF: Number of transactions 7,055,007 cases / KRW 23,491.3 billion - ETN: Number of transactions 531,470 cases / KRW 1,791.9 billion - ELW: Number of transactions 336,511 cases / KRW 270.3 billion - Emissions trading: Number of transactions 4,437 cases / KRW 330.6 billion 		

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ISO 30414

Areas	Metrics	Page	Notes
Compliance and ethics	Number and type of grievance filed	117, 159	
	Number and type of concluded disciplinary action	161	
	Percentage of employees who have completed training on compliance and ethics	117, 161	
Costs	Total workforce costs	117, 160	
Diversity	Age diversity ratio	116, 156	
	Gender diversity ratio	116, 156	
	Disability diversity ratio	116, 156	
	Other diversity ratio	116, 156	
	Leadership team diversity ratio	127	
Leadership	Leadership trust ratio	-	Leadership trust ratio is being determined through an organizational culture diagnosis survey.
Organizational health, safety, and well-being	Lost time for injury (LTI)	117, 159	
	Number of occupational accidents (accident rate)	117, 159	
	Number of people killed during work (fatality, death or mortality rate)	117, 159	
Productivity	EBIT /revenue/cost/profit per employee	117, 160	
	Human capital ROI	117, 160	
Recruitment, mobility, and turnover	Average length of time to fill vacant position	115, 157	
	Average length of time to fill vacant critical business position	-	No separate critical business positions are defined as identified in ISO 30414.
	Percentage of positions filled internally	-	The number of table of organization (TO) is managed for all positions.
	Percentage of critical business positions filled internally	-	No separate critical business positions are defined as identified in ISO 30414.
	Turnover rate	115, 158	
Skills and capabilities	Total training and development cost	117, 156	
Workforce availability	Number of employees	115, 155	
	Number of employees(full time/part time)	115, 155	
	Full time equivalents (FTE)	115, 155	



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Third-Party Assurance Statement

To: The Stakeholders of KB SECURITIES CO.,LTD.

Overview

BSI (British Standards Institution) Group Korea (hereinafter referred to as the "Assurer") was requested to verify the KB Securities 2024 Sustainability Report (hereinafter referred to as the "Report"). The Assurer is independent of KB SECURITIES and has no major operational financial interest other than the assurance. This assurance opinion statement is intended to provide information related to the assurance of the KB SECURITIES report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any purpose other than the purpose of publication. This assurance opinion statement was prepared based on the information presented by KB SECURITIES and the assurance was carried out under the assumption that presented the information and data were complete and accurate.

KB SECURITIES is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to KB SECURITIES only.

The Assurer is responsible for providing KB SECURITIES management with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and providing the information to all stakeholders of KB SECURITIES. The Assurer shall not bear any other responsibility, including legal responsibility, to any third party other than KB SECURITIES in providing the assurance opinion and shall not be liable to any other purpose, purpose or stakeholders related thereto for which the assurance opinion may be used.

Scope

The scope of engagement agreed upon with KB SECURITIES includes the following:

- Reporting contents during the period from January 1st to December 31st 2024 included in the Report, Some data included first half of 2025.
- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- In Accordance with the four principles of AA1000 AccountAbility in the Report, based on the type of Sustainability Assurance based on AA1000AS v3 and if applicable, the reliability of the sustainability performance information contained in the Report.

The following contents were not included in the scope of assurance.

- Financial information in Appendix.
- Index items related to other international standards and initiatives other than the GRI.
- Other related additional information such as the website and other report.

Assurance Level and Type

The assurance levels and types are as follows:

- Moderate level based on AA1000 AS and Type 2 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)



Third-Party Assurance Statement



Description and sources of disclosures covered

Based on the scope and methodology of assurance applied, the assurer reviewed the following Disclosures based on the sampling of information and data provided by KB SECURITIES.

[Universal Standards]

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies, and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

[Topic Standards]

201-1, 203-1~2, 205-2~3, 206-1, 207-1, 207-4, 302-1, 302-3, 303-5, 305-1~4, 306-3, 401-1~3, 403-1, 403-3, 403-6, 403-9, 404-1~3, 405-1, 415-1, 418-1

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities:

- A top-level review of issues raised by external parties that could be relevant to organizations policies to provide a check on the appropriateness of statements made in the report.
- Discussion with managers and staffs on organization's approach to stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.

- Review of the system for sustainability management strategy process and implementation.
- Review of materiality issue analysis process and prioritization by reviewing materiality issue analysis process and verifying the results.
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures where available.
- An assessment of the company's reporting and management processes concerning this report against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the Yeouido HQ of KB SECURITIES to confirm the data collection processes, record management practices.

Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by the reporting organization. It implies that no significant errors were found during the verification process, and that there are limitations related to the inevitable risks that may exist. The Assurer does not provide assurance for possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.



Third-Party Assurance Statement



Competency and Independence

BSI (British Standards Institution) is a leading global standards and assessment certification body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with almost 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with KB SECURITIES. The Assurer has conducted this assurance independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have a lot of assurance experience, and have in-depth understanding of the BSI Group's assurance standard methodology.

Opinion Statement

The assurer was carried out by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. Assurer planned and performed this part of our work to obtain the necessary information and explanations assurer considered to provide sufficient evidence that KB SECURITIES's description of their approach to AA1000 Assurance Standard and their self-declaration of compliance with the GRI standards were fairly stated.

On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environment performance indicators are accurate and are supported by robust internal control processes.

Conclusions

The Report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards). The detailed reviews against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards are set out below.

Inclusivity: Stakeholder Engagement and Opinion

KB SECURITIES defined customers, employees, shareholders/investors, government/related organizations, local communities and partner companies as Key Stakeholder Groups. In order to collect opinions by each stakeholder group in the context of sustainability, operated the stakeholder engagement process. KB SECURITIES conducted a review of the stakeholder engagement process at the governance level in order to reflect the major issues derived through the stakeholder engagement process in sustainability strategy and goals. KB SECURITIES disclosed the results related to the process in the Report.

Materiality: Identification and reporting of material sustainability topics

KB SECURITIES implemented its own materiality assessment process in consideration of the major business and operational characteristics to derive important reporting issues related to sustainability. KB SECURITIES conducted global reporting standards analysis, benchmarking and media analysis, identified financial impact and social/environmental impact, and determined key issues for the reporting year through expert review of the impact. KB SECURITIES derived 7 material issues through the relevant process, and disclosed GRI topic standards disclosures related to material issues in the Report.





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Responsiveness: Responding to material sustainability topics and related impacts

KB SECURITIES operated a management process for material issues in the context of sustainability derived from the materiality assessment. KB SECURITIES established mid- to long-term sustainability plans and goals in according to the management methodology established to effectively reflect the expectations of key stakeholders. KB SECURITIES disclosed the process including policy, indicator, activity and response performance on material issues in the Report.

Impact: Impact of an organization's activities and material sustainability topics on the organization and stakeholders

KB SECURITIES identified the scope and extent of the impacts to the organization and key stakeholders in the context of the sustainability of the material issues reported. KB SECURITIES established sustainability strategies and objectives based on the analysis results of major impacts, including risks and opportunities for key issues, disclosed mid- to long-term plans and strategic system in the Report.



Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards, the following disclosure related Economic, Social and Environmental were carried out in a assurance Type 2 based on the information and data provided by the reporting organization. In order to verify the reliability and accuracy of the data and information, internal control procedures related to data processing, processing, and management were verified through interviews with the responsible department, and accuracy was verified through sampling. Errors and intentional distortions in sustainability performance information included in the report were not found through assurance processes. The reporting organization manages the sustainability performance information through reliable internal control procedures and can track the process of deriving the source of the performance. Errors and unclear expressions found during the assurance process were corrected during the assurance process and prior to the publication of the report, and the assurer confirmed the final published report with the errors and expressions corrected.

- GRI Topic Standards: 203-1~2, 205-2~3, 302-1, 302-3, 303-5, 305-1~4, 306-3, 401-1~3, 404-1~3

Recommendations and Opportunity for improvement

The assurer will provide the following comments to the extent that they do not affect the result of assurance;

- It may be helpful to lead the sustainability management system by identifying the boundaries of the financial value chain that encompasses upstream and downstream, and calculating the sustainability impact.
- It may be helpful to advance the sustainability management system by disclosing implementation strategies in accordance with regulatory agency requirements related to climate finance, such as K-Taxonomy and Green credit management guidelines.



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GRI-reporting

KB SECURITIES provided us with their self declaration of compliance within GRI Standards. Based on our review, The Assurer confirm that social responsibility and sustainable development indicators with reference to the GRI Index. The Assurer confirmed that the Report was prepared in accordance with the GRI Standards and the disclosures related to the Universal Standards and Topic Standards Indicators based on the data provided by KB SECURITIES and the sector standard was not applied.

Issue Date: 05/06/2025

For and on behalf of BSI (British Standards Institution):

BSI representative

Jungwoo Lee, Lead Assurer, LCSAP

Seonghwan Lim, Managing Director of BSI Korea

BSI Group Korea Limited: 29, Insa-dong 5-gil, Jongno-gu, Seoul, South Korea
Hold Statement Number: SRA 753245

AA1000
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Major Awards and Affiliated Associations

Major awards

Client Satisfaction & WM

2024

Customer Satisfaction Award: Finance/Securities segment | Korea Economic Daily
 Korea Securities Award: Consumer Protection | Seoul Economic Daily
 Capital Market Award, Grand Prize | Herald Economy
 Korea Consumer Quality Index: Excellent rating | KMA
 Aju Business Daily Financial Securities Awards:
 Financial Consumption Innovation | Aju Business Daily
 Asia Capital Investment Awards: WM segment | Asia Business Daily

2023

National Customer-Centered Brand Award: Comprehensive wealth trust services | Dong-A Ilbo
 Finance Award: Leading firm in WM | Asia Today
 Consumer Complaint Evaluation Award: Securities | Consumer Research
 Korea Fund Award: Fund Company of the Year | Money Today
 National Service Awards: Subscription-type investment management | Institute for Industrial Policy Studies

2022

Financial Investment Award: Asset Management | Edaily
 Homo-Hundred Era Financial Award, Runner-up: Financial investments | MTN

IB & S&T

2024

Korea IB Award: DCM | Korea Economic Daily
 Korea IB Award: Best DCM Underwriter | Money Today
 Best Securities Firm, Analyst, Institutional Sales | Korea Economic Daily
 2024 thebell League Table Awards | thebell
 Dnews IB Awards: Best bond issuer | Dnews
 Yonhap Infomax Finance Awards | Yonhap Infomax

2023

Securities Award: Securities issuance | Maeil Business Newspaper
 Best Institutional Sales Award: Grand Prize | Korea Economic Daily
 Best Real Estate IB: Best Structured | Asia Today
 Capital Market Award: Best Research | Newspim
 Market Leader of The Year, Excellence Award: IB | e-Today

2022

Finance & Securities Award: IB | Aju Business Daily
 Korea IB Award: DCM | Korea Economic Daily

Digital & ESG

2024

ICT Award Korea Grand Prix | KISE
 Consumers' Choice: Financial Trading Service Grand Prize | JoongAng Ilbo
 Asia Today Finance Awards: Digital Platform | Asia Today
 Best MTS Awards: Content, runner-up | Money Today
 ESG Awards: Environment (E) Grand Prize | Chosun Biz
 LACP Vision Awards: ESG Report Gold Prize | LACP

2023

ICT Awards Korea 2023, Grand Prize: Digital content | KISE
 Asia Capital Investment Award, Grand Prize: MTS | Asia Business Daily
 Best MTS Award, Excellence Award, Customer service | Money Today
 Gender Equality Index Award: Work, life balance | Asia Business Daily
 The ESG Awards, Grand Prize: Society category | Chosun Biz

2022

Finance Award: MTS | Asia Today
 Capital Market Award, Grand Prize: Digital Innovation | Herald Economy
 Korea Leading Finance ESG Award: Grand Prize | MoneyS

Major Affiliated Associations

- Korea Treasury Bond Primary Dealer Council · Korea Center for International Finance (KCIF) · Financial Security Institute (FSI) · Korea Financial Investment Association (KOFIA)
- Korea Chamber of Commerce and Industry (KCCI) · Emissions Trading Market Council · Small Bond Dedicated Council · International Greenhouse Gas Reduction Industry Association · Foreign Exchange Market Council
- Korea Capital Market Institute (KCMI) · Compliance Oversight Council · Retirement Pension Development Council · Forex Club · Korea Employers Federation (KEF)
- Korea Association of Real Estate Investment Trusts · Korea Venture Capital Association (KVCA) · Korea Credit Information Services (KCIS) · The Korean Securities Association



