

Tomorrow's Finance. Today.



Finance for Sustainable Future
Acuon Capital
Sustainability Report 2022

About This Report

Overview

This year marks the second anniversary of our sustainability report publication. In 2021, we became the first capital firm to release a sustainability report. This report provides a detailed account of our main activities and progress towards sustainability in economic, environmental, social, and governance sectors.

Reporting Period and Boundaries

This report covers our sustainability activities and performance from January 1, 2020 through December 31, 2022. It includes three years of data from 2020 through 2022 for some of the key performances of Acuon Capital and its subsidiary Acuon Savings Bank. Additionally, it provides information on some of the critical activities in the first half of 2023 that could affect stakeholders.





Period Principles and Framework

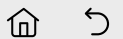
Acuon Capital publishes an annual sustainability report. This report is aligned with the Global Reporting Initiative (GRI) Standards 2021 while following the SASB Standards and TCFD recommendations to address significant issues related to our business nature. And it also reflects the Ten Principles of UN Global Compact (UNGC) and UN Sustainable Development Goals (UN SDGs). When it comes to financial performance, it follows the IR guidelines issued by the Korean version of International Financial Reporting Standards (K-IFRS). To ensure more accuracy in the data included in the Sustainability Report 2022, we redefined the concept of data, reestablished a data collection process, and updated all data. This may create some differences between the data in this report and the data included in the Sustainability Report 2021 released in 2022.

Reader's Guide

We have added interactive features to our report as below to provide readers with abundant information and better access to it.


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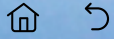
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01

Introduction

- CEO Message
- Company Profile

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CEO Message

Dear esteemed stakeholders,

I would like to express my sincere gratitude for your unwavering support and trust in us.

I am very pleased to publish our 2nd sustainability report following 2021.

2022 was a year of relentless changes and challenges. The global pandemic crisis persisted, and in February 2022, the war between Russia and Ukraine broke out, leading to supply shortages of raw materials, natural gas, and grains. Additionally, the US Federal Reserve raised interest rates significantly to curb inflation.

Amid the daunting challenges, Acuon Capital focused on maintaining its balanced asset portfolio and staying one step ahead to respond to the crisis. This approach enabled us to achieve remarkable growth in both financial and non-financial sectors including sustainable management.

In terms of our financial performance, we delivered KRW 9.94 trillion in assets and KRW 830.7 billion in operating revenue (sales) based on the IFRS consolidated financial statements for the year ended 31 December 2022.

In 2022, our assets increased by KRW 737.6 billion (8%) and our operating revenue rose by KRW 154.9 billion (23%) compared to 2021. We also saw increases in our operating and net profits.

Our operating profits rose by 8% from 2021 to KRW 188.9 billion, which allowed us to achieve operating profits over KRW 100 billion for five consecutive years. Additionally, our net profits increased by 15% to KRW 155.1 billion, which enabled us to maintain our net profits over KRW 100 billion for three consecutive years.

I am very proud to announce that we also made a great stride in our non-financial performance. In May 2022, we released our first-ever sustainability report among capital companies. We also

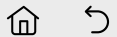
renewed our environmental management system (ISO14001), joined the Partnership for Carbon Accounting Financials (PCAF), and received a certificate for our contribution to the local community from the Ministry of Health and Welfare and the Korea National Council on Social Welfare. From 2021 through the end of 2022, we issued KRW 310 billion worth of sustainability bonds. This followed our issuance of KRW 140 billion worth of sustainability bonds in 2021, which made us the first capital firm to do so. These bonds boosted investments in environmental and social sectors such as new and renewable energy, energy efficiency improvement, establishment of eco-friendly transport infrastructure, installation and management of environmental pollution prevention facilities, housing for the vulnerable, and job creation. As a result of these efforts, we moved up one spot to 'grade A' (second highest grade among seven grades) from 'grade BB' in the ESG evaluation conducted in December 2022 by SUSTINVEST, an ESG-specialized research institute. Going forward, we will never relent in our efforts to challenge and transform ourselves to evolve into finance for sustainable tomorrow. To this end, we will focus on three strategies for sustainable management below to grow with our stakeholders together.

“Acuon has achieved remarkable growth financially and also on the non-financial side including sustainable management.”



Acuon Capital CEO

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1. Introduction

CEO Message

To Unlock Our Growth Potential and
Proactively Manage Risks

Acuon Capital is a well-established financial services company with extensive know-how and experience across various financial sectors as well as financial experts known for their innovative spirit and deep insights. We will unleash our full growth potential and proactively manage risks in a systematic manner, thereby leading the domestic finance industry and becoming a comprehensive firm providing a full suite of financial services.

Acuon Capital is a financial firm that specializes in asset backed financing individuals and companies. We offer unique and convenient installment payment and lease finance for a wide range of items including industrial machines, construction equipment, industrial and commercial vehicles, and vessels. To broaden the scope of items to cover industries likely to thrive in the future, we will sharpen our expertise through training and education, monitor economic trends, and advance our finance screening system to ensure seamless risk management.

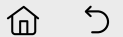
When it comes to the IB business, one of our key businesses, our focus is on real estate PF, investment finance, and financing for new technologies to solidify our fundamentals. In addition, every effort is being made to secure future growth engines in new promising sectors, such as secondary battery, green mobility, robotics, and healthcare. Before investing in businesses and companies, we evaluate them and monitor their status to thoroughly manage risks before and after investments.

In the retail sector, we offer mortgage loans to privately owned businesses with competitive interest rates and credit lines. Our entire loan process is digitalized from document scraping to online loan agreement, making it more convenient for clients to apply for loans.

Acuon Capital will maximize the growth potential of its businesses while diversify its portfolio and sales channels. We will also operate a system for preemptive risk analysis and management in preparation for the fast-evolving financial environment to ensure stable growth.

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CEO Message

To Propel Digital innovation

We will leverage digital innovation such as ODS system, PI, and RPA to provide faster, more convenient, and accurate financial services to both internal and external clients.

Acuon Capital has been working on digitalizing its financial services with the development of mortgage Outdoor Sales (ODS), and the introduction of Process Innovation (PI) and Robotic Processing Automation (RPA). For customer services, we have developed the mortgage ODS, which has replaced paper contracts or documents with digitalized forms during meetings between consultants and clients. This has enabled us to take customer convenience to the next level while saving approximately 126,000 sheets of paper. In the years to come, the ODS will be upgraded so that we can better serve our clients.

We have adopted PI as part of our efforts to innovate the way we work. In 2022, we implemented PI on 53 tasks which resulted in improved work efficiency and saved approximately 8,000 hours. Additionally, we advanced our use of RPA on 65 tasks in 2022 which led to savings of approximately 22,000 hours. We will continue our multifaceted efforts for digitalization going forward by expanding RPA associated with PI to various areas so that we can raise our stature as a digitalized financial firm in the capital business.



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CEO Message

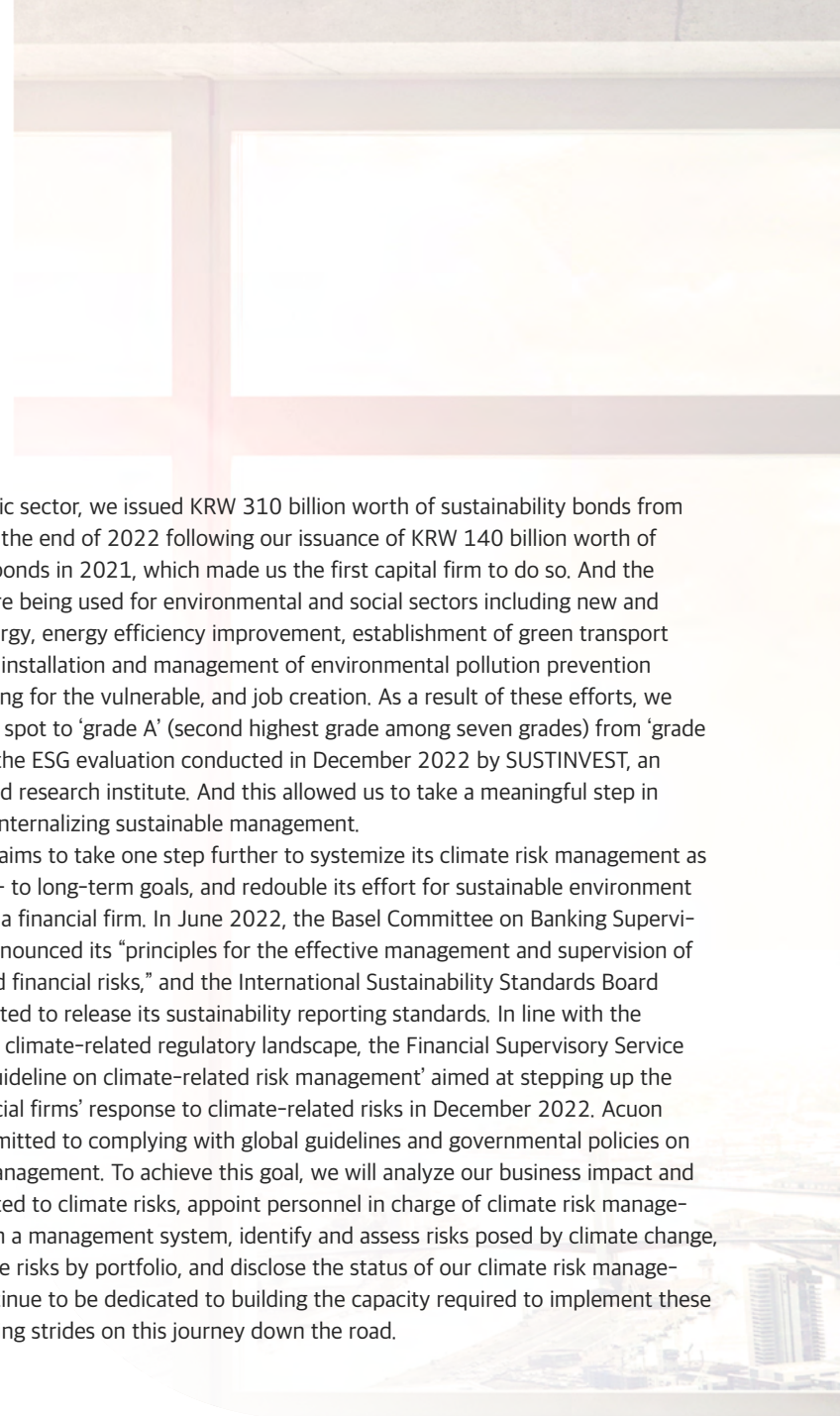
To Embed sustainable management and systemize climate risk management

Acuon Capital will systemize its climate risk management system and deliver sustainable management as a financial firm, thereby having a positive impact on our environment and society.

In 2022, we reaffirmed our commitment to the UN Global Compact’s Ten Principles by publishing our UNGC CoP report. We promised to integrate these principles into every aspect of our business strategies, corporate culture, and daily operations to contribute to the achievement of the UN goals, including the UN SDGs. In May 2022, we held a ceremony to declare our commitment to sustainable management and consumer centered management (CCM) in October in 2022 with all our employees. Our journey was challenging but rewarding.

In the environmental sector, we strive to mitigate greenhouse gas emissions (GHGs) and energy consumption. In detail, we renewed the environmental management system (ISO 14001), joined the Partnership for Carbon Accounting Financials (PCAF), built a GHG inventory that encompasses scope 1,2 and 3, replaced lights with LED ones in our offices, and adopted electric vehicles (EVs).

In the social sector, we established three pillars along six commitments to realize our strategy, ‘compassionate finance for future.’ Based on this strategy, we performed a wide range of social contribution activities in collaboration with local communities and stakeholders. And these efforts culminated in us being selected as a company that contributed to local communities by the Ministry of Health and Welfare and the Korea National Council on Social Welfare in December 2022.



In the economic sector, we issued KRW 310 billion worth of sustainability bonds from 2021 through the end of 2022 following our issuance of KRW 140 billion worth of sustainability bonds in 2021, which made us the first capital firm to do so. And the investments are being used for environmental and social sectors including new and renewable energy, energy efficiency improvement, establishment of green transport infrastructure, installation and management of environmental pollution prevention facilities, housing for the vulnerable, and job creation. As a result of these efforts, we moved up one spot to ‘grade A’ (second highest grade among seven grades) from ‘grade BB’ (2011) in the ESG evaluation conducted in December 2022 by SUSTINVEST, an ESG-specialized research institute. And this allowed us to take a meaningful step in adopting and internalizing sustainable management.

Acuon Capital aims to take one step further to systemize its climate risk management as part of its mid- to long-term goals, and redouble its effort for sustainable environment and society as a financial firm. In June 2022, the Basel Committee on Banking Supervision (BCBS) announced its “principles for the effective management and supervision of climate-related financial risks,” and the International Sustainability Standards Board (ISSB) is expected to release its sustainability reporting standards. In line with the changes in the climate-related regulatory landscape, the Financial Supervisory Service unveiled its ‘guideline on climate-related risk management’ aimed at stepping up the levels of financial firms’ response to climate-related risks in December 2022. Acuon Capital is committed to complying with global guidelines and governmental policies on climate risk management. To achieve this goal, we will analyze our business impact and strategies related to climate risks, appoint personnel in charge of climate risk management, establish a management system, identify and assess risks posed by climate change, manage climate risks by portfolio, and disclose the status of our climate risk management. We continue to be dedicated to building the capacity required to implement these tasks and making strides on this journey down the road.

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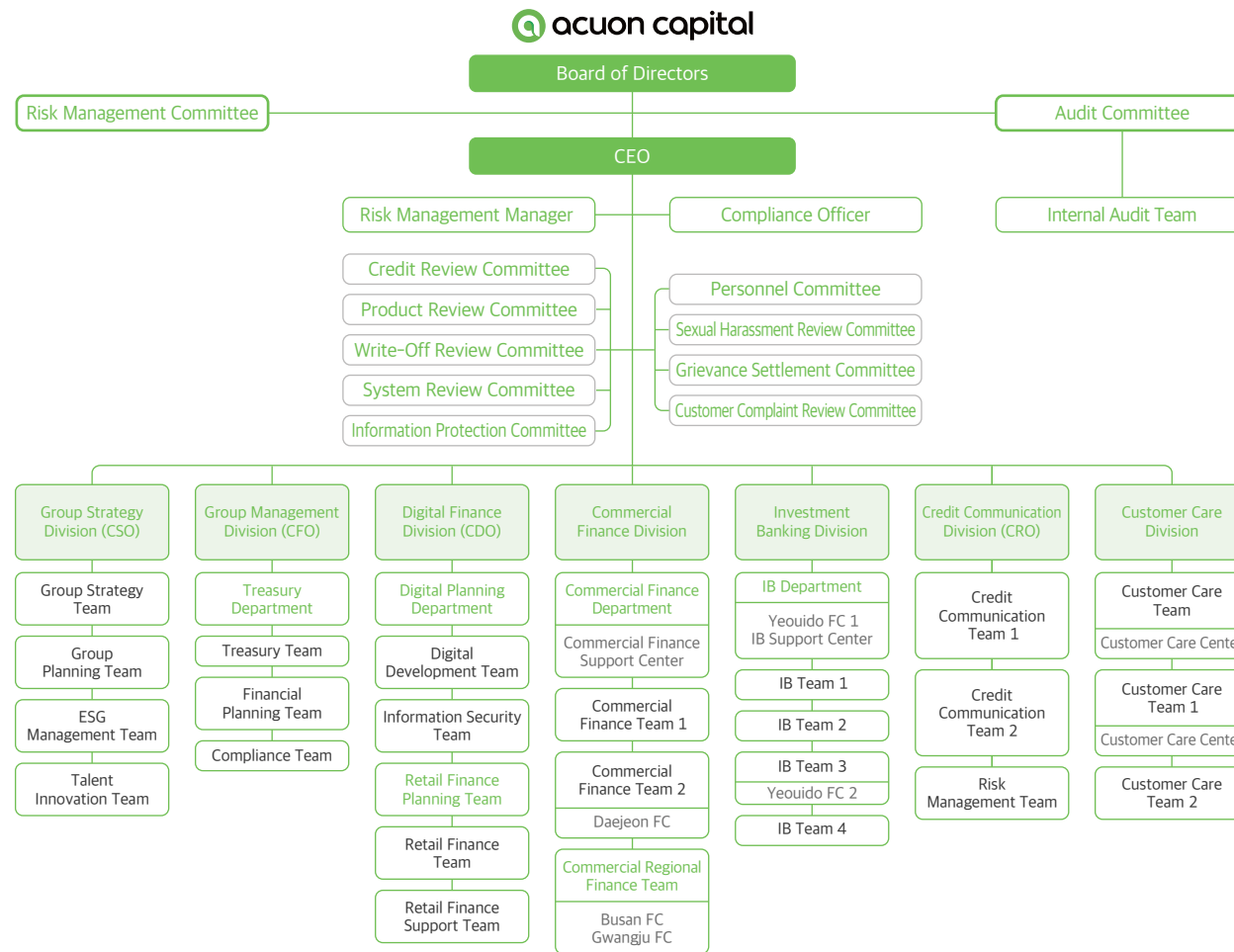


Company Profile

Organizational Chart

Organizational Chart

Acuon Capital has reorganized its structure to be more responsive to fast-evolving financial environments in a more agile manner. We now consist of 7 divisions, 5 departments, 25 teams and 9 centers.



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Company Profile

General Status / Financial Performance

General Status

Acuon Capital traces its roots to KT Capital in December 2006. Following the acquisition of HK Savings Bank in July 2016, we took over Doosan Capital in January 2017, which laid the foundation for us to become a competitive financial firm. In July 2016, we changed our name from KT Capital to Acuon Capital. ‘Acuon’ is a compound word of ‘accurate’ and ‘on’ which means we are always on or fully geared up to precisely respond to clients’ specific requirements. Customer satisfaction and human rights management are at the heart of our management, and every effort is being made to become a trustworthy financial company. On the strengths of our broad network and expertise earned through extensive experience in offering a variety of products in a stable manner, we have grown together with clients, putting clients’ interest above.

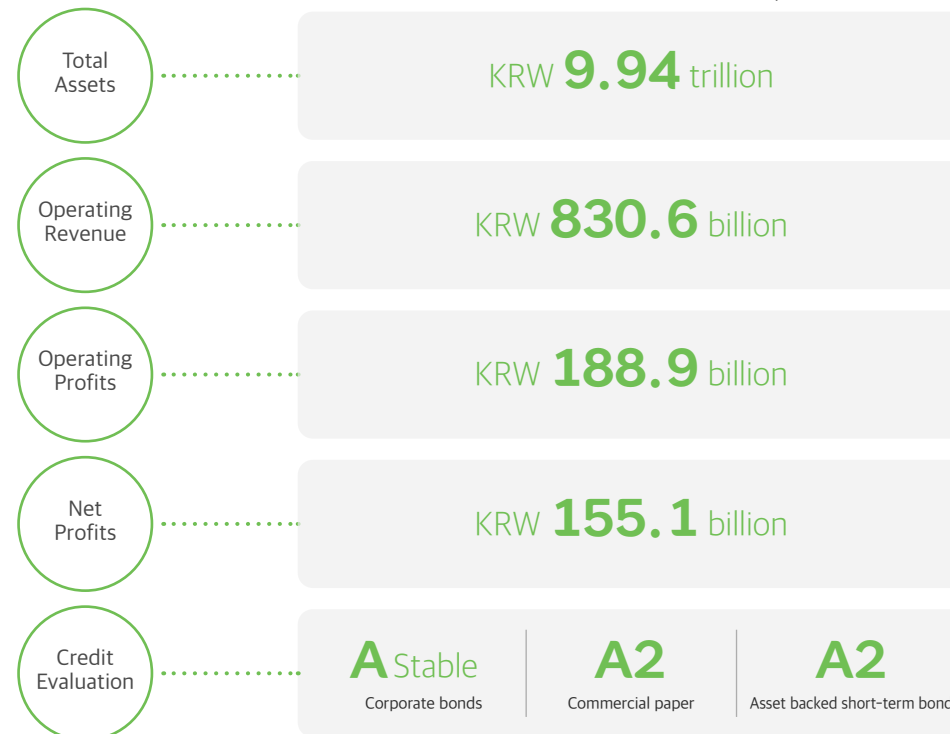
Company Overview (as of December 2022)

Company Name	ACUON CAPITAL CO.,LTD.
HQ Location	12, 13, 19F, 511, Samseong-ro, Gangnam-gu, Seoul, Republic of Korea(Samseong-dong Golden Tower)
Date of Establishment	December 2006
CEO	Jung Mu Lee
No. of Employees	229

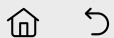
Financial Performance

We have achieved robust growth which is attributed to balanced asset portfolio, proactive risk management, improved asset soundness, and capital adequacy. Based on the consolidated financial statement as of the end of 2022, we delivered KRW 9.94 trillion in total assets, KRW 188.9 billion in operating profits, and KRW 155.1 billion in net profits

(As of December 2022)

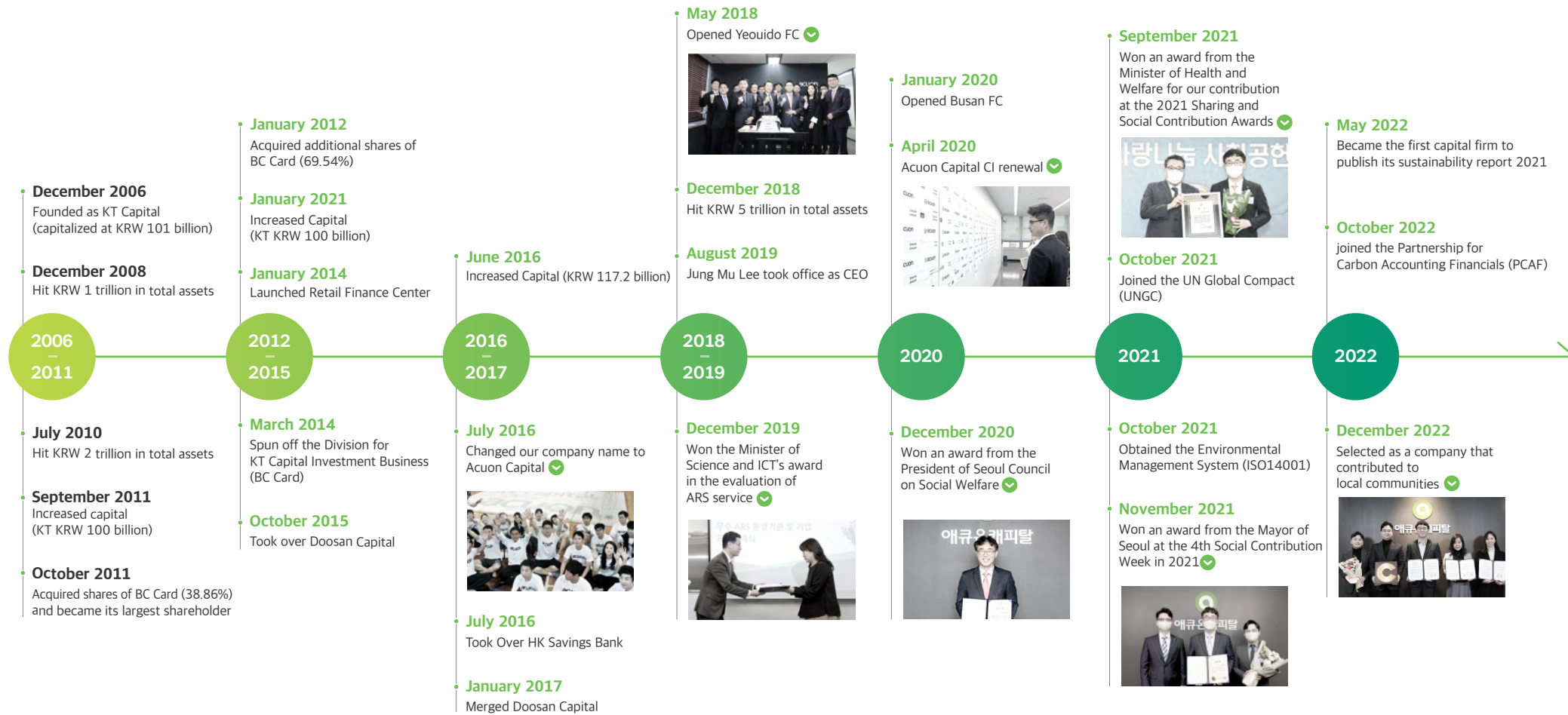


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Company Profile

Our History



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Company Profile

Brand Identity

Brand Concept



acuon capital

'Tomorrow's Finance. Today.' is our brand identity.

We seek for a comprehensive financial group that never relents in innovating ourselves to grow together with clients. To this end, we have set three core values. The first value is **'Understanding.'** We understand our clients so that we can provide future-oriented innovative services ahead of others.

The second one is **'Staying with.'** With this approach, we always strive to offer convenient and friendly services to customers. Last but not least, we pursue **'Everyday new.'**

This value enables us to create a culture of seeking for constant novelty and innovation in our processes to render a full suite of services sought after by our clients.

Brand Identity

Tomorrow's Finance. Today.

Comprehensive financial group in pursuit of relentless innovation for shared growth with clients

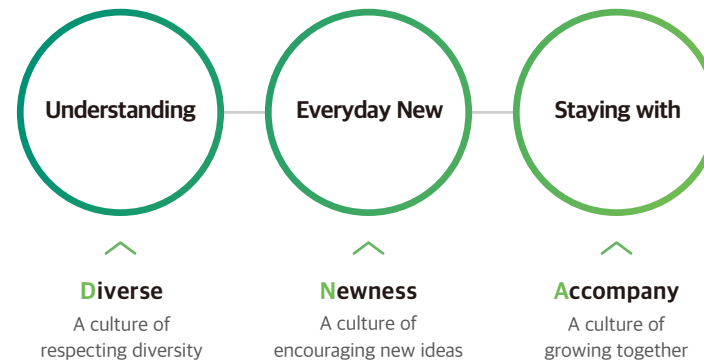
Brand Positioning

How is your today?
Are you looking for someone to accompany you today?
We are here to help and fully equipped to be your partner right now.

Brand Story

We are constantly transforming and innovating ourselves to bring the latest in finance to you seeking for novelty every day.
We serve you today with tomorrow's finance.
Tomorrow's Finance. Today

Core Value



Corporate Culture

acuon D. N. A

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Company Profile

Business Areas

Lease Finance

Distinguished and Convenient Lease Finance Services

Acuon Capital provides lease finance services that are both unique and convenient. These services are available to individuals or companies who deal with a variety of items ranging from industrial machines to construction equipment and communications equipment to medical devices. With our lease finance, clients can rent equipment, which enables them to operate their funds in an efficient manner.

Installment Payment

Convenient Instalment Finance Services that Benefit Both Buyers and Sellers

Our instalment finance services support both buyers and sellers. Buyers can minimize their financial burden incurred by cash purchases. And long-term installment plans allow them to operate their businesses in a stable and organized manner. At the same time, sellers can focus on their manufacturing and sales without worrying about receivable management and collection. Our optimized financial service helps them maximize their sales.

Corporate Finance

Financial Services for Corporate Business Operations

We provide a wide range of corporate financial services that are based on mutual trust between us and corporate clients. Our services encompass financing for working capital, project financing, procurement of financing, and capital management.

Venture Capital

Investment Finance for New Technologies to Create Future Value

We provide comprehensive and systemized financial solutions such as financial assistance, PEF, or M&A. These services are available to companies that aim to develop and apply new technologies, and turn them into business, but struggle to do so owing to their weak capital or business management base.

Retail Finance

Digital-based Mortgage Loans for Privately Owned Businesses

We offer mortgage loans to privately owned businesses with competitive interest rates and credit lines. Our loan process is digitalized from income data and document scraping to online loan agreement, making it more convenient for clients to use these services.

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Company Profile

Shareholder Introduction

An introduction to EQT

In October 2022, Baring Private Equity Asia (BPEA), a shareholder of Acuon Group, merged with EQT, the largest asset manager in Europe, to form BPEA EQT

EQT is a global leader in the private market investment sector and focuses on active ownership strategies while seeking purpose-driven investments. With Scandinavian heritage and a global mindset, EQT has a track record of developing multiple companies across numerous regions, sectors, and strategies.

EQT has investment strategies that cover all stages of business development from the initial stage to maturity. And its fee-generating assets under management (FAUM) reached €113 billion in private capital and real assets. With its philosophy rooted in Wallenberg family's spirit of entrepreneurship and long-term ownership, EQT pursues a string of robust values and its unique corporate culture. With a mission to have a positive impact with everything it does, EQT creates attractive returns for companies who are preparing for future, and manages and advises on funds and investment tools that it invests in.

EQT AB Group consists of EQT AB, and direct and indirect subsidiaries including EQT Fund's general partners and fund managers, and other corporations that advise on EQT funds. With its broad network across 20 countries in Europe, Asia, and America, its number of employees stands at approximately 1,800. The combination of BPEA which has a proven record of extensive experience in investing throughout Asia and outstanding performance and EQT that boasts its profound expertise in the sectors of sustainability and digitalization puts BPEA EQT on course for better capturing opportunities in proactive investments across all sectors, including private equity fund, infra, and real estate in Asia and beyond. **Acuon Capital and Acuon Savings Bank will evolve into a new leading player in the financial sector in collaboration with BPEA EQT.**



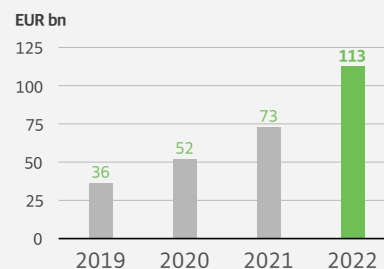
Employees **1,790**

Offices in **20** countries

Revenue¹⁾ **€1,536m**

EBITDA¹⁾ **€829m**

Fee-generating AUM (FAUM)



Total AUM²⁾
€210bn



[Source] EQT Annual and Sustainability Report 2022

1) Adjusted figures.

2) Total AUM is defined as the sum of fee-generating AUM, value appreciation of investments and fair market value of non-fee-generating co-investments as well as remaining commitments in active funds and committed capital yet to be fee-generating.

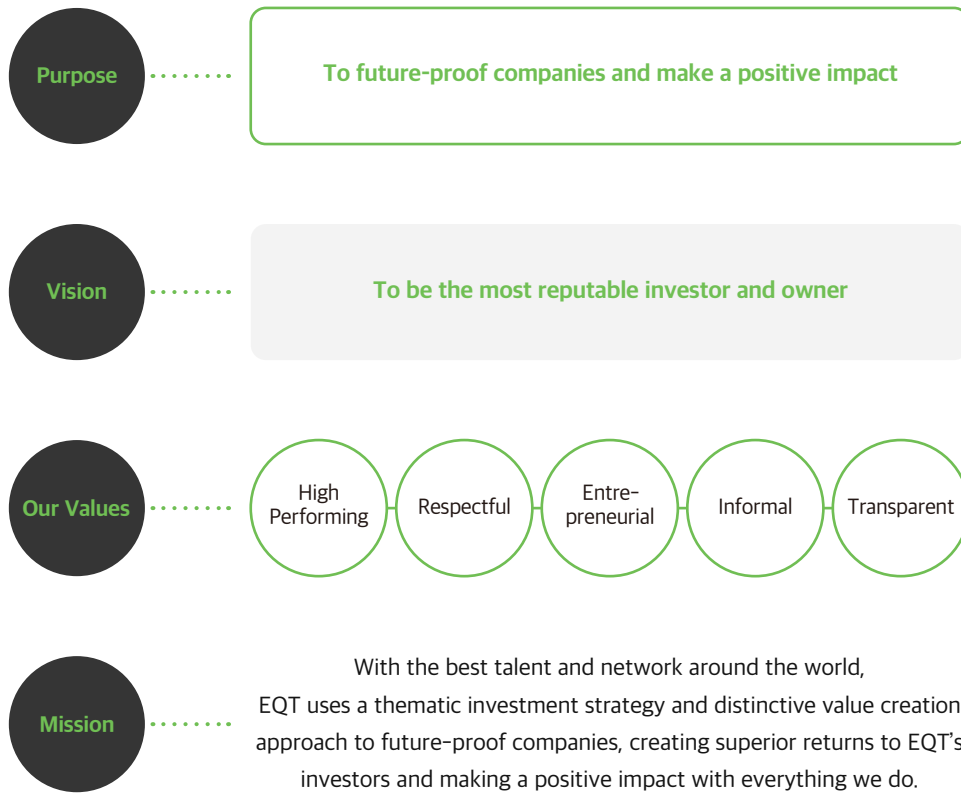
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Company Profile

Shareholder Introduction

EQT - a purpose-driven organization



*Reference: EQT Annual and Sustainability Report 2022, P2



We are owners, not asset managers. Time is to our benefit, but we are not market timers. As owners of companies and assets supported by secular trends, we apply a clear governance model which allows us to create value by transforming companies and assets during our ownership

Our approach is rooted in the concept of future-proofing, where EQT's network of advisors and our expertise in areas such as digitalization and sustainability are critical components.

Conni Jonsson Founder and Chairperson



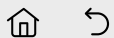
Whilst the global economy is currently facing headwinds, I believe there is just as much reason for excitement. Allocations to private markets continue to grow, as the strong and resilient returns that the sector provides attract a larger pool of investors, whilst our ownership model allows us to transform companies and assets to create resilient returns for our clients.

Through our combination with BPEA, we created a global leader in active ownership strategies with a local-with-locals presence in countries representing 80 percent of global GDP. This enables us to better leverage insights worldwide and execute on a broader range of investments, while attracting the best people.

Christian Sinding CEO and Managing Partner

*Reference: : EQT Annual and Sustainability Report 2022, P9~10.

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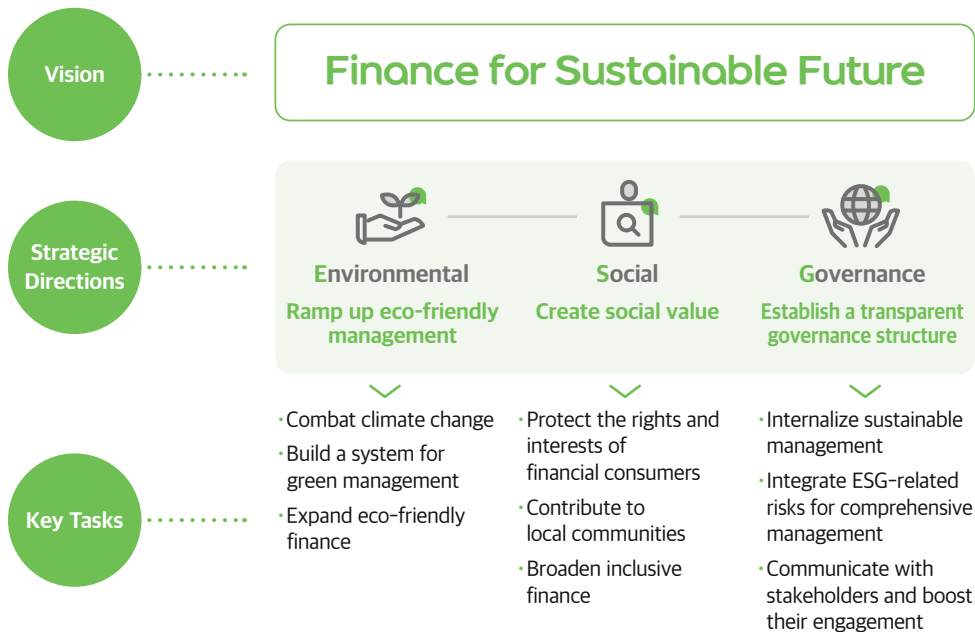
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Strategies and Tasks for Sustainable Management

Strategy Structure

We have been consistent in seeking for sustainability, which is clearly demonstrated in our vision, **'Finance for Sustainable Future'**, and also our brand identity, **'Tomorrow's Finance. Today.'** With the aim of turning sustainable value into real, we have set three directions, 'ramp up eco-friendly management,' 'create social value,' and 'establish a transparent governance structure.' Along with this, 9 key tasks have been selected to embed sustainable management into every aspect of our management.



Defining the Focus Task

- E Combat climate change**
Set goals of mitigating greenhouse gas (GHG) emissions and resource consumption along with detailed action plans
- Build a system for green management**
Establish a system for collecting and managing resource consumption data, and conduct environmental impact assessments
- Expand eco-friendly finance**
Scale up green financing support projects and socially responsible investment (SRI) bonds to lay the foundation for green financing
- S Protect the rights and interests of financial consumers**
Build a system for customer data protection and data security, and strengthen consumer centered management
- Contribute to local communities**
Achieve shared growth with local communities and more actively communicate with them beyond the fulfillment of our social responsibility
- Broaden inclusive finance**
Develop financial products and services that support the vulnerable and SMEs and expand the scope of the beneficiaries
- G Internalize sustainable management**
Reflect sustainable management in our business strategies to put it into action, and promote it through our corporate culture
- Integrate ESG-related risks for comprehensive management**
Establish an integrated risk management system that covers non-financial elements, such as climate crisis
- Communicate with stakeholders and boost their engagement**
Share our data regarding sustainable management with stakeholders, there by boosting their engagement and collaboration

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2022 Sustainability Highlights

UNGC CoP Submission Communication on Progress Reported

We joined the UNGC in June 2022, followed by the submission of the 2022 CoP report. This report includes our CEO declaration that reaffirms our endorsement of the Ten Principles of the UN Global Compact in the sectors of human rights, labor, and environment and anti-corruption. The report integrated the ten principles into our business strategies, corporate culture, and daily operations while detailing our constant efforts and plans to contribute to the achievement of the UN goals including the UN SDGs.

Selected as a Company Contributing to Local Communities

In 2022, Acuon Capital was recognized as a company that contributed to local communities for its various activities to revitalize local communities and improve the quality of lives of local residents by the Ministry of Health and Welfare and the Korea National Council on Social Welfare. They evaluated us on 20 factors including environmental management, social contribution, and ethical management in a fair and objective manner, and gave us Level 1. Based on the results, we are going to complement the areas of improvement, such as network and performance assessment, and plan to continuously go through this evaluation.



'Grade A' Achieved in SUSTINVEST ESG Evaluation

We obtained 'grade A' in the ESG evaluation conducted by SUSTINVEST, a leading ESG expert evaluation and research institute in Korea. In the evaluation, ESG management activities were assessed by dividing the three evaluation categories of environment, society and governance into 14 areas. We achieved an 'grade A' (the second highest grade out of a total of 7 grades), a step up from 'grade BB' last year. This reflects our comprehensive efforts to enhance our sustainable management performance at the company level. We received better ratings than the previous year in terms of environment, innovation activities, production process, and governance, shareholder rights, related company risks, directors' remuneration, and sustainability management infrastructure.

Issuance of Sustainable Bonds

Acuon Capital issued KRW 140 billion worth of sustainable bonds for the first time as a domestic A-rated capital company in 2021, investing in green and social projects. In 2022, we issued another KRW 170 billion in sustainable bonds and invested in new and renewable energy companies, eco-friendly transportation infrastructure, and start-ups and venture businesses that create jobs. We disclose the use of proceeds of our sustainability bonds on our website and the Korea Exchange's Socially Responsible Investment (SRI) Bonds website through the 'Sustainability Bond Investor Guide.'

Sustainable Bond Issuance in 2022

Category	Date of issuance	Date of maturity	Amount of issuance
164 ^h	Feb. 08, 2022	Feb. 08, 2024	KRW 25 billion
165 ^h -1	Mar. 14, 2022	Sep. 14, 2023	KRW 10 billion
165 ^h -2	Mar. 14, 2022	Mar. 14, 2024	KRW 10 billion
166 ^h -1	Apr. 15, 2022	Apr. 15, 2024	KRW 10 billion
166 ^h -2	Apr. 15, 2022	Apr. 15, 2024	KRW 5 billion
167 ^h -1	Apr. 18, 2022	Oct. 18, 2023	KRW 10 billion
167 ^h -2	Apr. 18, 2022	Apr. 18, 2024	KRW 40 billion
167 ^h -3	Apr. 18, 2022	Oct. 18, 2024	KRW 20 billion
168 ^h	Apr. 26, 2022	Apr. 26, 2024	KRW 20 billion
169 ^h	Apr. 27, 2022	Apr. 26, 2024	KRW 20 billion
Total			KRW 170 billion

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2022 Sustainability Highlights

Sustainability Ambassador 'Shoomonge'

We introduced our brand character, 'Shoomonge,' in 2022 and appointed it as our Sustainability Ambassador (PR ambassador) to communicate the value of sustainability. We will share our various ESG activities as well as global ESG issues through the character Shoomonge in various channels to make them accessible to our stakeholders.



Sustainability Management (ESG Management) Vision Declaration Ceremony

Under the slogan of 'Acuon! ESG ON' and the vision of 'Sustainable Finance, Better Tomorrow,' we plan to carry out 9 material tasks, including to build a system for green management, combat climate change, broaden inclusive finance and contribute to local communities, and to internalize sustainable management, under the three strategies; ramp up eco-friendly management, create social value, and establish a transparent governance structure.

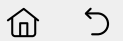


Consumer Centered Management (CCM) Proclamation Ceremony

In September 2022, we pledged to adopt consumer-centered management (CCM) as our guiding principle. Our goal is to enhance the financial consumer protection system and policies and to earn consumer trust by providing accurate and beneficial information for their safe decision-making. To achieve this, we plan to acquire the consumer-centered management certification in 2023.



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Governance

Governance

Acuon Capital is building a governance system that defines and reinforces the roles and responsibilities for advancing sustainable management. In July 2022, we established the ESG Management Team, a unit dedicated to sustainability management, to monitor the progress of ESG tasks with the ESG Working Council while cooperating with our subsidiary, Acuon Savings Bank. Basically, the Board of Directors (BOD) and the Sustainable Management Committee systematically communicate sustainability management policies to the ESG Management Team and the ESG Working Council, which are the specialized organizations for sustainable management. The ESG Working Council executes and suggests tasks, reporting the results through the ESG Management Team. In 2022, a total of 8 working council meetings were held to discuss agendas, such as the publication of sustainability management reports, the establishment of GHG inventory, and the setting of ESG tasks and to share implementation status and response directions in accordance with global guidelines (GRI, SASB).



Key Agenda Items of the ESG Working Council

Meeting	Month	Key agenda items
1 st	April	<ul style="list-style-type: none"> Formation of ESG governance and the working council Reporting on the final draft of the 2021 Sustainability Report Sharing of ESG-related plans and schedules in 2022 and the progress of tasks
2 nd	May	<ul style="list-style-type: none"> Consultation on the implementation status of ESG tasks and indicators Discussion on the operation of major ESG activities Reporting on the submission of UNGC COP
3 rd	July	<ul style="list-style-type: none"> Sharing of the implementation status of ESG tasks and indicators Sharing of ESG activities of each department Discussion on the operation of ESG bonds after the issuance
4 th	August	<ul style="list-style-type: none"> Discussion on the publication timeline of the 2022 Sustainability Report Consultation on the method of customer satisfaction survey Discussion on the changes of key ESG indicators
5 th	September	<ul style="list-style-type: none"> Discussion on the building and operation of the GHG inventory Discussion on the implementation of ESG tasks of 2022
6 th	October	<ul style="list-style-type: none"> Sharing of the result of ISO 14001 Environmental Management System evaluation results and related tasks for improvement Review of the status of ESG tasks for 2022 Discussion on the draft writing of 2022 Sustainability Report
7 th	November	<ul style="list-style-type: none"> Analysis for the selection of material issues and reporting them - Global guidelines, financial holding company SR, credit rating agency, media, competitors, etc.
8 th	December	<ul style="list-style-type: none"> Selection of major issues for double materiality assessment Sharing of the direction for the stakeholder survey in double materiality assessment

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Double Materiality Assessment

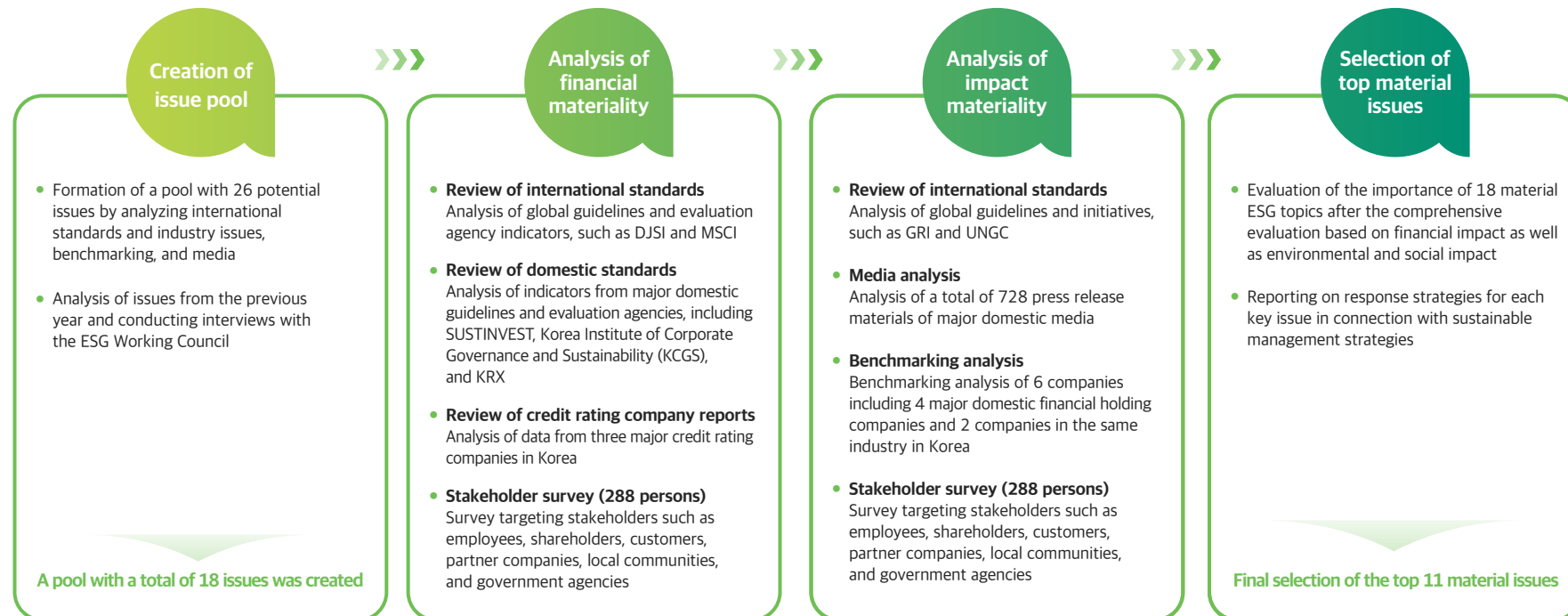
Governance

Acuon Capital conducted a materiality assessment in 2022 following 2021 to identify and manage major ESG issues that change rapidly in internal and external environments. The materiality assessment applied the materiality principle of GRI Standards 2021 and the concept of double materiality. Double materiality assessment is a concept of analyzing and reporting the not only external factors that affect a company's sustainability, but also the way company's activities impact the environment and society. It means considering both 'inside-out' perspective, which is the overall impact

of the company on the society and environment, and 'outside-in' perspective, which is the impact of external factors on the company's financial performance. Accordingly, we thoroughly examined the needs of internal and external stakeholders and the salient issues of company-wide sustainability management, while considering the impact of external factors such as domestic and international ESG initiatives, guidelines, and policies, on our company.

Process of the Double Materiality Assessment

For the double materiality assessment, a pool comprised of 26 issues in total was created. Then, the top 11 material issues were finally selected through stakeholder surveys and internal reviews.



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Double Materiality Assessment Results

Double Materiality Assessment Results

11 out of a total of 18 issues were finally selected as key issues following the comprehensive consideration of social and environmental impacts as well as financial impacts. Our activities in relation to each issue are disclosed in a transparent manner as the main content of this report.

● High ● Medium ● Low

		Impact		Stakeholders						Reference	
		Social & environmental impact	Financial impact	Employees	Customers	Suppliers (partner companies)	Shareholders and investors	Local communities	Government and related agencies	GRI Index	Page
Environment	Practice of environmental management	●	●	●	●	●	●	●	●		
	Key issue 01. Reduction of GHG emissions and energy use	●	●	●	●	●	●	●	●	302, 305	p.28
	Organizational culture for environmental management	●	●	●	●	●	●	●	●		
	Key issue 02. Establishment of GHG emission calculation system of financial assets	●	●	●	●	●	●	●	●	305	p.29
Social	Key issue 03. Creation of a good working environment	●	●	●	●	●	●	●	●	2-25, 2-26, 401, 402	p.35
	Key issue 04. Safety and health management	●	●	●	●	●	●	●	●	403	p.38
	Key issue 05. Personal information protection for customers	●	●	●	●	●	●	●	●	Non-GRI	p.39
	Key issue 06. Practice of human rights management	●	●	●	●	●	●	●	●	408, 409, 412	p.41
	Creation of sustainable partners / suppliers / supply chains	●	●	●	●	●	●	●	●		
	Expansion of social contribution activities	●	●	●	●	●	●	●	●		
	Expansion of inclusive finance	●	●	●	●	●	●	●	●		
Governance	Key issue 07. Practice of compliance, ethical management, and fair trade	●	●	●	●	●	●	●	●	205	p.54
	Key issue 08. ESG risk management	●	●	●	●	●	●	●	●	Non-GRI	p.57
	Reinforced leadership for sustainability management	●	●	●	●	●	●	●	●		
	Key issue 09. Stakeholder communication and engagement	●	●	●	●	●	●	●	●	2-29	p.59
	Key issue 10. Internalization of sustainable management	●	●	●	●	●	●	●	●	Non-GRI	p.60
Economy	Key issue 11. Expansion of socially responsible investment	●	●	●	●	●	●	●	●	Non-GRI	p.63
	Increased digital accessibility and convenience	●	●	●	●	●	●	●	●		

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Double Materiality Assessment Stakeholder Survey Results

[Aiming to Become a Better Company for the Environment]



Customers

- I ask Acuon Capital to expand investment in environmentally friendly companies, such as the companies that reduce carbon emissions and use green energy.
- I wish the company to encourage the participation in environmental protection campaigns, such as reducing disposable items, using multi-use items like tumblers, reducing waste, and practicing carbon neutrality.



Shareholders and investors

- I hope Acuon Capital to spread the importance of the environment to all employees, track the parts that can be objectively quantified, and make steady improvements.
- I ask the company to establish and practice the principles of win-win management, and prepare policies to respond to climate change.



Outside directors

- I think Acuon Capital needs to understand the impact of climate change on the sustainability of the company, and think about the appropriate way to respond to climate change risks.
- I wish the company to increase investment in the projects related to green financial product development and hydrogen vehicles.



Government and related agencies

- I was deeply impressed with the activities, such as delivering eco-friendly products to the underprivileged without dividing the environment and social contribution into separate areas. I could relate to the company's concerns. I hope Acuon Capital to continue the activities to create a better environment from such a broad perspective. Also, I ask the company to lead another form of ESG management, such as collaborating with social enterprises that produce eco-friendly products.



Partner companies

- Abnormal weather causes damages across the world, and Korea also suffers from persistent drought. I hope Acuon Capital to keep the future resources through awareness-raising campaigns and investment in eco-friendly technologies.
- I think it would be nice to expand the size of ESG bond issuance, invest the raised capital, and communicate with stakeholders regarding the performance as a financial company. When carrying out eco-friendly social contribution activities, business continuity is important, but scalability such as diverse projects should also be taken into account. I hope that the employees participate together in those activities.
- I think the implementation organization and process needs to be more concrete in order to evaluate the investment / loan portfolio from an environmental point of view, set environmental goals, and achieve them.



External ESG experts

- A company-wide GHG inventory should be established.
- Active investment is required in eco-friendly energy-related businesses.
- Acuon Capital needs to support the introduction of eco-friendly activities, such as green farming method, in the agricultural regions where businesses are dependent on the environment.



Local communities (NGO, etc.)

- I wish Acuon Capital to release low-interest loan products when replacing high-efficiency energy equipment, such as LED lighting.
- I hope the company to actively participate in environmental campaigns such as energy saving campaigns.



Acuon ESG Working Council

- Besides practicing and measuring to enhance the environment with in the company, the environmental awareness and practice need to be increased and spread through a network related to each individual member or company.
- More support and participation are required in global environmental campaigns and programs.

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Double Materiality Assessment Stakeholder Survey Results

[Aiming to Become a Company Providing Higher Value for Society]



Customers

- I hope that Acuon Capital will conduct customer-responsible management through transparent credit business and preemptive risk management.
- I ask the company to expand investment in fair and ethical companies.
- I wish the company to become a clean and transparent company that shows good influence.



Shareholders and investors

- I hope Acuon Capital to listen to the voices of the field and continue to improve in providing better value and services.
- I ask the company to practice human rights management and lend more support to the vulnerable and underprivileged.



Outside directors

- I hope Acuon Capital to consider that the company is pursuing sustainable development of society through finance (inside-out) and that social issues can affect the soundness of the company (outside-in). Also, please make socially valuable investments, such as those related to climate change and start-ups.



Government and related agencies

- I urge the company to engage in social contribution activities that can offer practical help to the underprivileged in the local community. Please check if the activities are just simply distributing items at the convenient time for providers.



Partner companies

- I hope Acuon Capital to care for companies having new technologies without the capital strength, small-sized business owners suffering from financial difficulties, and the vulnerable from the welfare system, there by improving the social inequality and vitalizing economy.
- I ask the company to identify and manage risks inside and outside of the company in advance by maintaining international standard level for safety and health management system and information security management system.
- I wish the company to take the lead in safeguarding human rights of stakeholders while identifying actual human rights risks.



External ESG experts

- Long-term support is required for various activities to resolve social problems.
- It is necessary to strengthen employee welfare and publicize that the company is a friendly to members of the organization.



Local communities (NGO, etc.)

- I urge Acuon Capital to put more effort into improving the confidence of individual members so that their pride in the organizational value can be further solidified.
- I hope the company to support more in the education and investment for future generations.



Acuon ESG Working Council

- It is required to lend more human and material support in social contribution activities.
- The company needs to transfer know-how to carry out sincere ESG management to stakeholders, particularly to the SMEs having hard time adopting ESG management.

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Double Materiality Assessment Stakeholder Survey Results

[Aiming to Become a Company Providing Higher Value for Customers]



Customers

- I hope Acuon Capital to become a capital company that carries out social and ethical management and helps the local community.
- I urge the company to expand disclosure on ESG management activities and performance.
- I wish the company to communicate with customers more frequently and hold events to meet our needs.



Shareholders and investors

- I think all employees, not just the ESG department, are required to have a mindset to offer higher value altogether. Also, I hope the company to continuously promote itself so that Acuon's efforts can be recognized well.
- I ask the company to practice customer-oriented management, ethical management, and tighten information security.



Outside directors

- It is necessary to properly publicize that customers can provide greater value to society through having business with Acuon Capital. Furthermore, the company needs to explore the ways to give appropriate incentives to customers who pursue goals with high social value.
- I hope the company to reinforce channels that can quickly and accurately identify customers' financial needs.



Government and related agencies

- Sufficient internal recognition and compensation to employees are required to give better value to customers.
- Considering the activities that Acuon Capital has been doing, it seems that external publicity is not being carried out well. I ask the company to have more promotion and make active publicity efforts so that more companies can join the activities.



Partner companies

- I hope Acuon Capital to become a company that gains trust from customers through transparent management and social return.
- I hope that the corporate influence to spread outside the company and become a respected social enterprise among customers by securing proper strategies and values and disseminating them to employees with in the organization.



External ESG experts

- It is necessary to enhance the financial activities of the working class by improving the financial accessibility of the underprivileged.
- Financial products for reserving seniors' retirement income have to be developed and the services for various customers, such as the elderly and the disabled, should be provided.



Local communities (NGO, etc.)

- I hope the company to provide continuous education for computer and finance illiterates.
- I urge Acuon Capital to put more efforts into increasing the accessibility and convenience through communication with customers.



Acuon ESG Working Council

- Customer trust must be secured through customer information protection.
- Customers' access to information should be tightened through transparency in information disclosure.



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Stakeholder Interview

EnSTAR RnC

CEO Jae Dong Noh

“Finding the direction for sustainable management.”

We had the opportunity to interview Noh Jae-dong, the CEO of EnSTAR RnC, who has been committed to enhancing the ESG performance of Acuon Capital. He shared how he carried out ESG activities with Acuon Capital, such as obtaining the environmental management system (ISO14001) certification and establishing a GHG inventory, and his future plans.

Please introduce yourself.

I am Jae Dong Noh. I have established and operated EnSTAR RnC since 2014 based on the knowledge and experience accumulated while majoring in environmental engineering and taking charge of international standards and conformity assessment work at the government-affiliated agency for about 18 years.

What is the meaning of ESG activities for financial companies?

Finance is the most fundamental service industry in all sectors. I believe that if finance proactively leads ESG management based on environmental energy, Korean companies will be able to respond more voluntarily and proactively to overseas carbon and ESG management regulations, and thus gain competitiveness in global environmental standards.

Can you introduce your company, EnSTAR RnC?

EnSTAR RnC provides consulting services to government agencies and companies on the basis of our research and study on domestic and foreign policies and related technology regulations related to environmental energy management such as climate change and carbon neutrality. Our core business is the Life Cycle Assessment (LCA) throughout the entire process, from carbon neutrality, ESG management, and product regulation. We have partners not only in Korea but also overseas regions, including Sweden and Germany, offering swift and accurate information services.

What is the direction ESG management should follow?

Rather than merely complying with ESG regulations, Korean companies need to develop and execute more specific strategies that can deliver actual environmental and business results. We should not forget that systematic response to environmental regulations can ultimately bring about the company's profits.

What do you feel after working with Acuon Capital to acquire the environmental management system (ISO14001) certification?

People often thought of the environmental management system certification as being associated with manufacturing companies that have a high environmental impact. But lately, service industries such as financial institutions are also paying attention to environmental management systems. Acuon Capital pioneered environmental and ESG management as a small and medium-sized financial company. And I think it particularly strived to achieve tangible environmental results without being superficial during the implementation process.

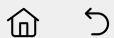
What is your future plan with Acuon Capital?

Carbon neutrality is the fundamental way of practicing environmental responsibility. Establishing a GHG inventory is the essential step in implementing a mid- to long-term corporate carbon neutral strategy. Acuon Capital's GHG inventory, which is under construction, will gather data based on certified standards such as ISO14064-1 and domestic GHG emission trading guidelines, which will be verified by a third-party assurance agency to ensure reliability.



EnSTAR RnC CEO Jae Dong Noh

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03

Environmental

- Key Issue 1. Mitigation of GHG Emissions and Energy Consumption
- Key Issue 2. Establishment of a Calculation System for GHG Emissions from Financial Assets
- Our Activities to Safeguard the Environment

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Key Issue 1. Mitigation of GHG Emissions and Energy Consumption

Acuon Capital carries out various activities, such as introducing eco-friendly vehicles, adjusting office lights-out times, and establishing a paperless work environment to reduce GHG emissions and energy consumption.

Replacing Business Vehicles



We adopted eco-friendly electric vehicles (EVs) to participate in responding to climate change and reducing carbon emissions. We initially introduced 5 EVs at the headquarters in Seoul, and the subsequent replacement with hybrid and electric vehicles will be gradually implemented in regional financial centers, such as Busan, Gwangju, Daegu, and Daejeon, considering the availability of charging facilities and the mileage.

Compared to 2021 after replacing with EVs in February 2022

= Refueling volume reduced by 13,259.1L,
39.1tCO₂e_q reduction effect in Scope1

Replacement with Eco-friendly LED Lighting and Change in Lights-out Time

* LED replacement starting from May 2022

* Lights-out starting from August 2022

Acuon Capital replaced the lighting in the head office with LED lighting from fluorescent lighting to reduce energy consumption. Previously, the headquarters building management office turned off the lights at 11:00 p.m. However, after participating in the Earth Hour campaign of the World Wildlife Fund (WWF) and collecting feedback through the internal employee suggestion system, we launched a lights-out campaign, changing the system to turn off the lights at 8 p.m., which is three hours earlier, from August 2022.

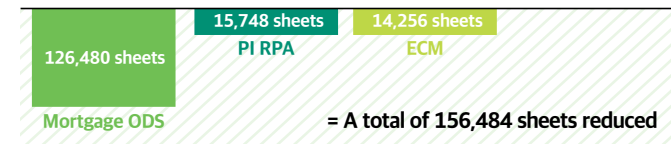
Power Consumption Reduction Effect

	Average monthly electric consumption for the same period at headquarters	Achievement
Consumption during May-Dec 2021 vs. Consumption during May-Dec 2022	Power consumption reduction effect due to replacement with LED lighting • 2021 : 20,768Kwh • 2022 : 17,058Kwh	17.9% reduced (average 3,710Kwh reduced per month)
Consumption during Aug-Dec 2021 vs. Consumption during Aug-Dec 2022	Power consumption reduction effect due to lights-out campaign • 2021 : 20,559Kwh • 2022 : 16,964Kwh	17.5% reduced (average 3,595Kwh reduced per month)
2022 consumption compared to 2021: 28,256 Kwh (about 11.7%), decreased by 3,605 Kwh per month		

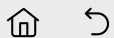
Less Use of Paper through Process Innovation

Through Process Innovation promoted by Acuon Capital's Digital Finance Division, we have implemented a number of projects, including the development of mortgage ODS (Outdoor Sales) and the introduction of RPA. By switching to electronic submission for paper contracts and additional documents in the process of developing the Mortgage ODS, we have increased customer convenience and saved approximately 126,000 sheets of paper document. Moreover, we have saved about 16,000 sheets of paper annually by introducing process innovation and RPA, and about 14,000 sheets of paper annually by digitizing the process of printing, storing, and archiving existing paper documents with the Enterprise Content Management (ECM) system.

Reduction of Paper Usage in 2022



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Key Issue 2.

Establishment of a Calculation System for GHG Emissions from Financial Assets

GHG Emissions

Acuon Capital announced its goal of reducing greenhouse gas emissions through the Sustainable Management Vision Declaration Ceremony in May 2022. Our goal is to cut our GHG emissions by over 35% by 2030 relative to 2020 levels, and to reach carbon neutrality (net zero) by 2040. To ensure the accuracy and transparency of our GHG emissions data, we follow the international guidelines for GHG accounting and reporting (Scope 1-3) in our environmental data calculation projects. In addition, we are planning to establish a due diligence plan to respond to the climate crisis in terms of supply chain management. In October 2022, we joined the Partnership for Carbon Accounting Financials (PCAF), a carbon accounting finance association. Accordingly, we will calculate and submit GHG emission data within three years (by October 2025). By 2023, we will commit to the Science-Based Targets Initiative (SBTi), a global framework that sets carbon reduction target criteria. We will then submit our specific objectives and plans within 24 months.



Scope1 / Scope2

Indicator	Unit	2020	2021	2022
Acuon Capital				
Total emissions	tCO2eq	259.98	461.11	392.30
Scope 1	tCO2eq	157.75	240.20	196.91
Scope 2	tCO2eq	102.23	220.92	195.39
Consolidated basis operating revenue	KRW 100million	5,690.20	6,758.18	8,306.73
GHG intensity	tCO2eq/KRW 100million	0.05	0.07	0.05
Acuon Savings Bank				
Total emissions	tCO2eq	262.47	573.69	514.03
Scope 1	tCO2eq	106.98	275.75	237.75
Scope 2	tCO2eq	155.49	297.95	276.28
Separate basis operating revenue	KRW 100million	2,771.64	3,478.93	4,370.59
GHG intensity	tCO2eq/KRW 100million	0.09	0.16	0.12

• Scope 1: Direct GHG emissions (commercial vehicle fuel and building fuel consumptions)

- Main cause of increase in 2021: LPG average unit price increase (KRW 848 per liter in 2020 ▶ KRW 947 in 2021, up about 12%), Gasoline average unit price increase (KRW 1,386 per liter in 2020 ▶ KRW 1,629 in 2021, up about 18%)
- Main cause of reduction in 2022: Decreased number of business vehicles (45 in 2021 ▶ 38 in 2022), Reduced refueling volume (5,760 liters in 2021 ▶ 1,232 liters in 2022 for LPG, 68,089 liters in 2021 ▶ 59,357 liters for gasoline)

• Scope2: Indirect GHG emissions (rental building electricity consumptions)

- Main cause of increase in 2021: Only the headquarters was measured in 2020, but from 2021, the 9 regional centers were added on top of headquarters.
- Main cause of reduction in 2022: Reduction in electricity consumption at the headquarters, due to the replacement of fluorescent lights with LEDs at the headquarters and the effect of the lights-off campaign (30,485kwh reduction in 2022 compared to the level in 2021)

• GHG Intensity: Scope1+2 / operating revenue

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Key Issue 2.

Establishment of a Calculation System for GHG Emissions from Financial Assets

GHG Emissions



Scope3

Indicator	Unit	2021	2021	2022
Acuon Capital				
Total emissions	tCO2eq	-	361,343.85	329,483.13
Employee commuting	tCO2eq	-	129.32	129.32
Purchased goods	tCO2eq	-	1,492.80	1,490.85
Fuel and energy-related activities (excluding Scope 1 and 2)	tCO2eq	-	30.13	25.80
Capital goods	tCO2eq	-	69.25	463.63
Product use	tCO2eq	-	0.49	0.49
Investments	tCO2eq	-	359,621.86	327,373.03
Consolidated basis operating revenue	KRW 100million	-	6,758.18	8,306.73
GHG intensity	tCO2eq/KRW 100million	-	53.47	39.66
Acuon Savings Bank				
Total emissions	tCO2eq	-	149,672.59	111,261.20
Employee commuting	tCO2eq	-	178.88	178.88
Purchased goods	tCO2eq	-	10.01	6.84
Fuel and energy-related activities (excluding Scope 1 and 2)	tCO2eq	-	46.56	24.34
Capital goods	tCO2eq	-	470.03	112.47
Product use	tCO2eq	-	2.03	2.39
Investments	tCO2eq	-	148,965.08	110,936.28
Separate basis operating revenue	KRW 100million	-	3,478.93	4,370.59
GHG intensity	tCO2eq/KRW 100million	-	43.02	25.46

• Employee commuting: Based on the survey of current employees as of the end of 2022. Data for 2021 and 2022 are the same as the data for those who left the company in 2021 was not calculated.

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Our Activities to Safeguard the Environment

Passing Post-inspection of the Environmental Management System (ISO 14001) Certification

In November 2021, Acuon Capital acquired the ISO14001 certification, an international standard for environmental management. One year later in November 2022, in recognition of our systematic management and operation of environmental management system linked with sustainable management, we passed the first post-inspection of ISO 14001.

Green Finance

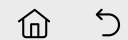
Acuon Capital and Acuon Savings Bank provide green financial services to a variety of areas such as battery, forklift, excavator, offshore wind power industry, new and renewable energy production, eco-friendly fuel cell, waste recycling, construction waste treatment, and the establishment of green smart factories.



Green Finance Status in 2022 (as of December 2022, unit: KRW million)

	Acuon Capital in 2021	Acuon Capital in 2022	Acuon Capital (total)
Green loans and investments			
Battery forklift	16,827	15,257	32,084
ABL loan for EV part makers	5,000	-	5,000
Natural gas transport vessel	27,026	-	27,026
Offshore wind power business	14,000	5,000	19,000
Construction waste treatment business	3,743	70	3,813
Solar power business	-	-	-
Wood chipper	905	1,920	2,825
Production and sales of new and renewable energy	10,000	-	10,000
Eco-friendly material packaging products	5,000	-	5,000
Waste recycling	2,740	20,545	23,285
Electric excavator	385	890	1,275
Water-saving toilet bowl (WASCO project)	1,052	-	1,052
GHG reduction	3,000	-	3,000
Reduction of chemical consumption	5,246	-	5,246
Ship scrubber (sulfur oxide reduction device)	5,000	-	5,000
Eco-friendly fuel cell	5,000	-	5,000
Green smart factory	-	5,000	5,000
Waste incineration recycling	-	2,000	2,000
Secondary battery recycling	-	1,000	1,000
Recycling of semiconductor and display material	-	5,000	5,000
Total	104,924	56,682	161,606

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Our Activities to Safeguard the Environment

Eco-friendly Organizational Culture

We aim to realize an eco-friendly organizational culture by encouraging our employees to take small actions in their daily lives. In particular, we spread an eco-friendly corporate culture through the Staying with Earth Campaign, which represents our sharing, saving, and recycling practices.

① Earth Hour Campaign (Mar. 26, 2022)

To promote the engagement of our employees in the Earth Hour Campaign organized by WWF and to increase awareness of ESG activities, we carried out an internal campaign. First of all, we began by sharing the environmental benefits of joining the Earth Hour Campaign, such as reducing 3,000 tons of GHG emissions in Korea and planting over 1.12 million young pine trees. On March 26th (Saturday), coinciding with Earth Hour, we ran a campaign to share the evidence that they switched off the lights for one hour and joined the campaign. We posted all the feedback from our employees on our internal groupware to let them exchange their experience and to foster their involvement in the global campaign.

② Tree-planting Day Event (Apr. 05, 2022)

On Tree-planting Day, we cultivated an eco-friendly culture by hosting an event to inspire employees to nurture trees and conserve paper. We organized two events; 'Tree Best Actor Award' and 'Tree Supporting Actor Award.' Participants could take a photo with their plants for the former award and share their eco-friendly pledges to protect trees for the latter award through our internal groupware. We awarded 'Moonshine,' an air-cleaning plant, as a prize for the event to commemorate Tree-planting Day and its eco-friendly significance.

③ Green Calendar / Planner

We are replacing various in-house printed materials with eco-friendly products. In particular, in the case of the calendar / diary, new environmentally friendly materials are actively introduced every year, and guidance on materials is also provided to our employees and stakeholders. We based the production of the 2022 calendar/diary (planner) on the concepts of Waste, Material, Minimalize, and Sustainability. We took eco-friendliness into account in every stage of making them, from planning to disposal. In addition, we put various sustainability management activities of Acuon Group on calendar / diary so that our internal and external stakeholders can join our efforts using them as a communication venue.

③ a waste	<ul style="list-style-type: none"> Minimize discarded remnant paper by producing optimized size of paper Remove unnecessary packaging, unify materials for easy separation and disposal, do not use chemical adhesives
③ b material	<ul style="list-style-type: none"> Use FSC-certified paper for sustainable forest management, use paper springs to maximize recycling Use vegan leather fabric certified by VEGANOK, an animal ethics certification
③ c minimalize	<ul style="list-style-type: none"> Exclude post-processing processes such as coating and foil to promote recycling
③ d sustainability	<ul style="list-style-type: none"> Produce it with a type of binder ring so that it can be used even after one year by turning a diary into a planner Provide a variety of refillable recycled paper suitable for diverse purposes



📍 Earth Hour Campaign
📍 Tree-planting Day Event
📍 Green Calendar
📍 Green Planner

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Stakeholder Interview

Ezette Design

CEO Eun Jeong Choi

“We continually explored the genuine meaning of eco-friendliness.”

We interviewed Eun Jeong Choi, the CEO of Ezette Design, who started Acuon Capital's green campaign in 2022. We heard from her about Ezette's own philosophy and experience of taking part in the eco-friendly campaign from the planning to the delivery of the Acuon's Green Calendar.

Please introduce yourself.

Ezzet is a company that was established in 2009 as an editorial design company. It currently designs, suggests, and creates promotional materials for businesses.

What do you think of Acuon Capital?

I think Acuon Capital is a sincere company that is serious about eco-friendliness. Since 2019, it has already considered transforming packages that were discarded after opening into reusable ones. Acuon Capital has never compromised their standards of the value they protect. It adheres to its eco-friendly values and makes choices to achieve them. That part strikes a chord with us, and we share that connection with the production companies that collaborate with us. We are very grateful for being part of this wonderful circulation.

What do you feel about making Green Calendar?

Producing Acuon Capital's Green Calendar made me reflect on the significance of eco-friendliness. There is often a gap between the original planning intention and the actual production process. Sometimes, the planning intention is diluted or discarded due to various factors. However, this work was not a superficial imitation of an eco-friendly calendar. By constantly questioning the true value of eco-friendliness, we were able to make decisions putting the environment first from small processes to final delivery.

How does this calendar differ from the ones you have previously worked on?

This calendar has two major distinctions from the existing ones. The first one is that we used a paper ring instead of a plastic one. It is a work that has not been commercialized in Korea yet, so I crafted it carefully stitch by stitch. The second one is that we did not use any artificial material, and only chose natural processing with materials that had eco-friendly marks from A to Z to enhance the quality.

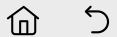
What was the part you paid the most attention to?

It is oil. Most people associate eco-friendly with paper, but this calendar also used soybean oil ink for the ink. Soybean oil ink is an ink made from vegetable oil without using petroleum solvents. So, the 'Acuon Green Calendar' smells like fried food at a snack bar instead of petroleum.



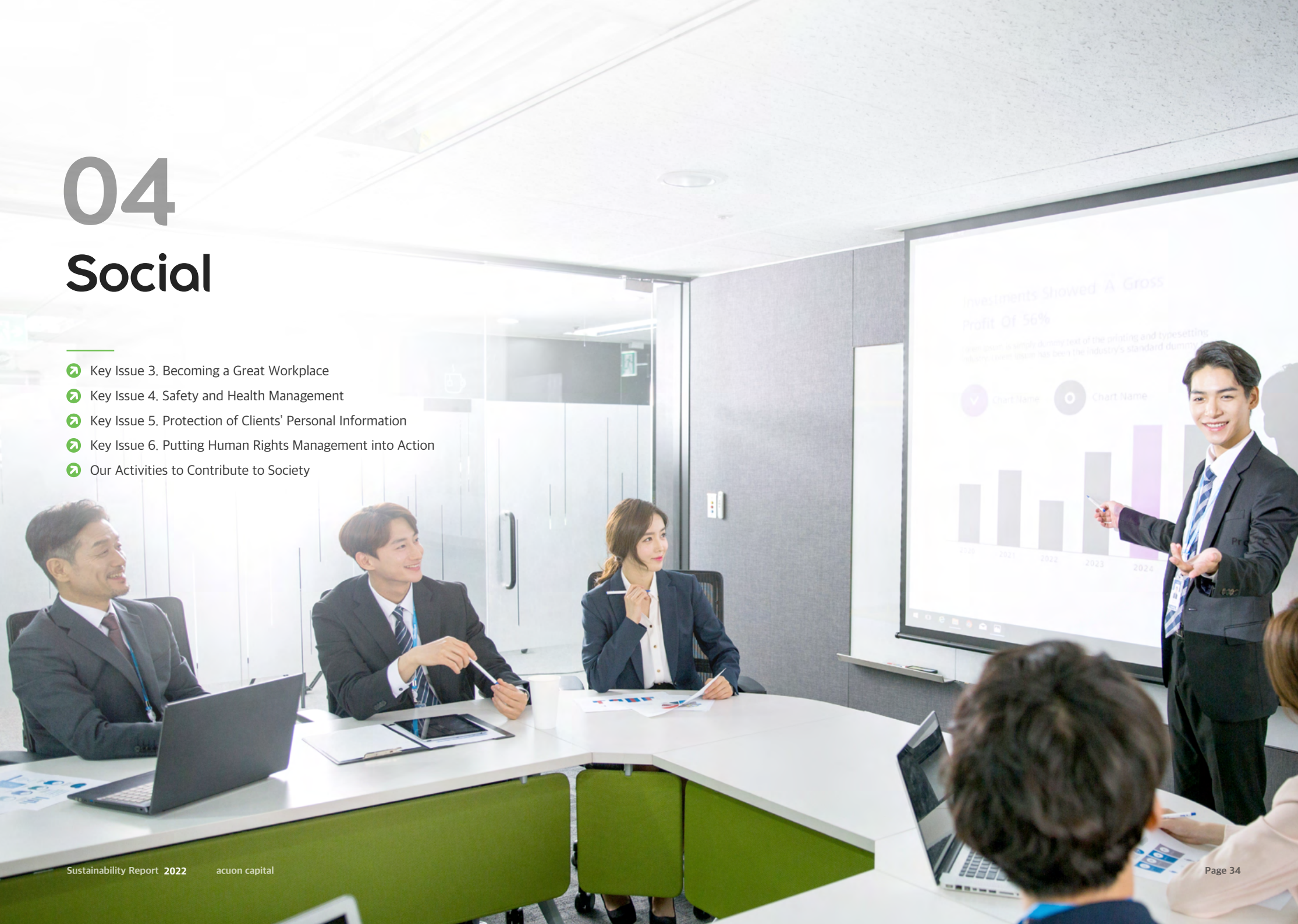
Ezette Design CEO Eun Jeong Choi

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04 Social

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Key Issue 3. Becoming a Great Workplace



As employees are significant stakeholders in promoting the company's sustainable development, we are making multidimensional efforts to create a sound working environment for our employees, the driving force of corporate sustainability management.

Flexible Work System

Ensuring efficient work tailored to each employee, we operate a flexible work system such as staggered work hours. Employees who require specific start and end times due to their work characteristics and childcare responsibilities are able to work within set hours, such as 8am to 5pm, 9am to 6pm, or 10am to 7pm, while still observing the regular 8-hour workday.

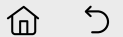
Working From Home

After the COVID-19, the telecommuting operation system has been incorporated into the Business Contingency Plan (BCP) Manual and operated according to the disaster situation. In accordance with the government's quarantine guidelines, employees are no longer working on a rotation schedule as they did until early 2022. However, they are allowed to work from home if they or a family member is confirmed to be infected with the virus.

Enhanced Communication

We are building a dynamic and horizontal corporate culture that capitalizes on vital communication between employees. Various opinions are collected through regular Employee Opinion Surveys which serve as basic data for HR strategies. We also narrowed down the number of position titles to three levels, chief, manager, and senior manager, aiming at establishing a culture of mutual respect where employees freely express their opinions regardless of their position. Employees can utilize executive office and conference room for open discussions, while the team leader's desks are strategically positioned among team members to boost communication. Additionally, we separated the employee lounge from external meeting rooms to ensure that employee can have conversations comfortably without any external interruptions at the lounge. The employee lounge provides a range of facilities including dedicated lounge for female employees, a nursing room, a stretching room, and an Acuon Mart for snack services.

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Key Issue 3. Becoming a Great Workplace

Reporting Channel for Workplace Bully or Sexual Harassment

Handling Process of Workplace Bully

Workplace bully, sexual harassment, or other grievances are being addressed according to the following processes based on respective situations.

Company Regulations

Articles 55 to 58 of the Employment Rules explicitly prohibit acts of workplace bully and establish measures for the prevention and actions to be taken in the event of harassment issues.

Training

Mandatory annual training is provided to ensure the prevention of workplace bully.

Handling Process

Employees seeking counseling or wishing to address their grievances, including their representatives, can submit their complaints in writing, through phone calls, electronic communication, or in-person visits to any labor-management grievance handling personnel. Upon receipt, the designated personnel will conduct an initial consultation, following the grievance handling procedures. Subsequently, the process will proceed according to the victim's preferred method, as determined during the consultation. The specific details of the handling process are as follows.

Detailed Process

Reporting of bully ► Initial consultation ► During the informal investigation, if the facts are established, the perpetrator may offer an apology or a resolution process may take place. Regarding the formal investigation, the results of the initial investigation are shared with the investigation committee. ► Formal consultation is conducted by the desired counselor chosen by the victim, with one representative from labor and management each ► Investigation committee prepares an investigation report ► The report is submitted to the CEO ► The personnel committee conducts deliberations for disciplinary actions ► Actions taken ► Monitoring is implemented.

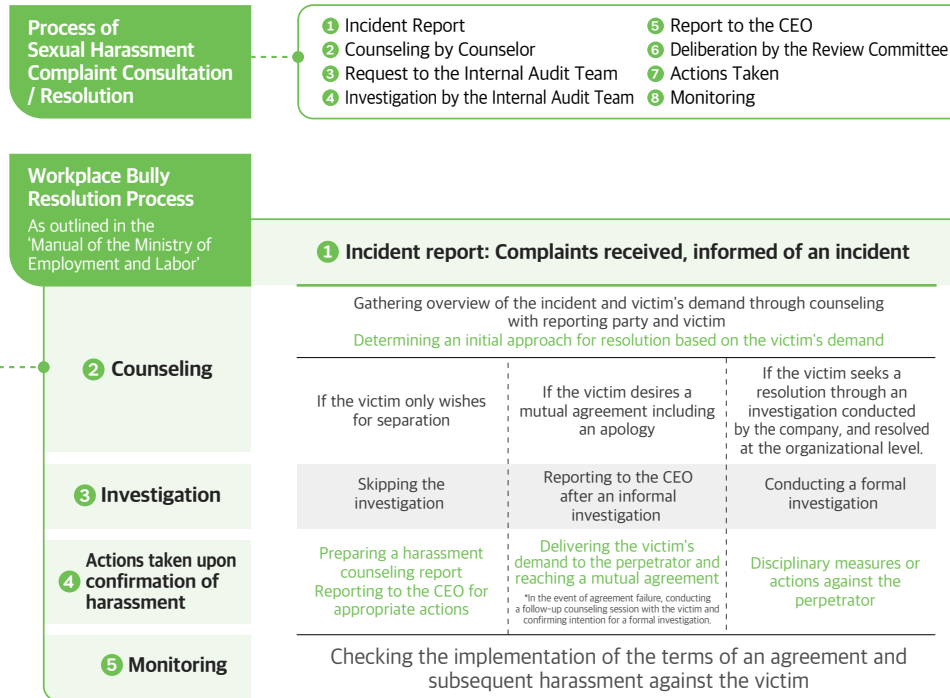
Handling Process of Sexual Harassment

Company Regulations Training

Guidelines on sexual harassment prevention Mandatory annual training is conducted to ensure the prevention of sexual harassment.

Handling Process for Complaints

When a complaint is received using the specified format in the Sexual Harassment Prevention Guidelines, immediate consultation is conducted by the counselor. If the victim desires, an investigation is initiated by the audit team and a report is prepared after the investigation which is submitted to the CEO. Subsequently, a Sexual Harassment Review Committee (Personnel Committee), is convened to determine disciplinary measures. Actions are taken based on the committee's decisions, and monitoring is implemented to prevent future incidents.



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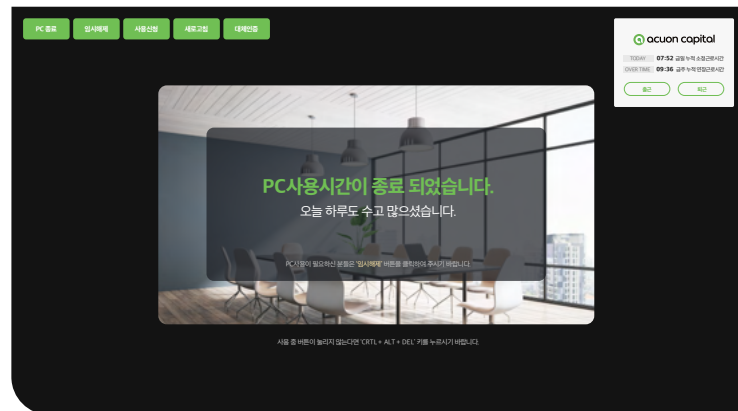


Key Issue 3. Becoming a Great Workplace

PC-OFF System

With the aim of effectively enforcing the 52-hour workweek policy, we have implemented the PC-OFF system. Under this system, PC screens are locked at 6 pm based on the working hours of 9am to 6pm. PC usage outside the working hours is allowed only for employees who have submitted a prior request for overtime work. Additionally, the actual working hours for each week are counted, and further requests for overtime work are restricted if the total working hours exceed 52 hours. This system enables the practical implementation of the 52-hour workweek policy.

Since the introduction of the PC-OFF system, employees have naturally and efficiently managed their working hours, resulting in a reduction in overtime work. This system laid the foundation to strike a work-life balance.



PC-OFF screen

Leave Policy

We operate a 'Consecutive Vacation System' that encourages employees to take a continuous 5-day vacation to promote work-life balance and improve work engagement. Employees utilizing this system are supported with a consecutive vacation fund of 300,000 welfare points. We also implement a 'Half-Day Off System' for 4-hour leaves to promote the use of their leave and protect their right to rest.

Childcare Leave

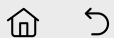
We run a maternity protection system that encompasses various measures such as shorten working hours during pregnancy, prenatal examination leave, similar maternity leave, infertility treatment leave, maternity leave with 70 days of paid leave, and childcare leave. Through the system, we assist female employees in ensuring that they can work without concerns. Additionally, we have designated areas in our office equipped with sleeping chairs and a breastfeeding space for working mothers with infants. Currently, the utilization rate of childcare leave among our female employees stands at 100%. We are committed to continuously improving our work culture by encouraging male employees to take childcare leave as well. According to our principles, employees on childcare leave have right to return to their original positions when they wish to resume work. In cases of returning to their original position is not possible, we ensure that they are reinstated in the position of equal level and similar job responsibilities to prevent any unfair disadvantages resulting from the use of childcare leave.

Statistics of Maternity / Childcare Leave Used

(unit: Person, as of the end of the year)

Category	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
No. of employees who used maternity leave	8	1	3	1	5	2
No. of employees who used childcare leave	1	2	-	3	1	2

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Key Issue 4. Safety and Health Management

A safety and health policy has been established by Acuon Capital to create a pleasant working environment through the prevention of industrial accidents. Furthermore, we provide industrial safety and health training.

Establishment and Operation of Disaster Response Systems for Disease and Fire

Establishment and Operation of Disaster Response Systems for Disease

Under the Risk Management Guidelines, we have established comprehensive regulations for risk management, which include a Risk Management Committee and address operational risks. Based on this, we have formulated an Infectious Disease BCP Manual as part of our efforts to establish and operate infectious diseases management system. The Infectious Disease BCP Manual specifies the organization, personnel and the technical measures for each stage of the government's infectious disease response: Attention, Caution, Alert, and Serious.

To ensure the safety and health management of our employees, we have implemented various measures. These include access control and hygiene management at the workplace, providing guidelines, communication, and education on infection prevention and implementing flexible working arrangements such as working from home, and / or staggered working hours. Additionally, we have secured and provided hygiene supplies. We have also prepared guidelines for different situations, including symptoms, contacts, business trips, travel, meetings, and social gatherings.

Establishment and Operation of Disaster Response System for Fire

In order to respond to fire disasters, we have developed a fire response manual for handling fire incidents and prevention measures within the workplace. Through this manual, we are equipped with fire prevention guidelines, response processes upon fire detection, and recommended actions, ensuring preparedness in the event of a fire occurrence.

Training on Safety and Health

On top of preparing manuals to prevent and respond to disease and fire disasters, we provide necessary guidelines for our employees through the internal network including the groupware and email. In accordance with these guidelines, measures have been taken to protect customer service employees from unreasonable verbal abuse, physical violence, and excessive stress. Additionally, annual training is provided to customer service employees to inform them about systems and procedures for protecting and remedying their rights. Furthermore, a separate and enhanced BCP is established for employees who are vulnerable to infectious diseases and other health hazards, going beyond standard BCP.

Employee Health Management: Welfare Policies and Working Environment Improvement

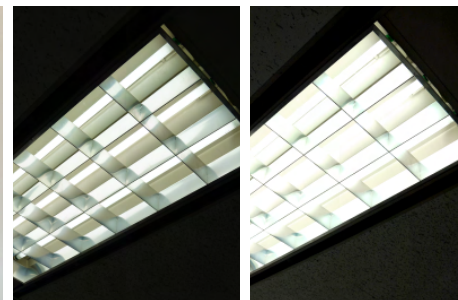
We have implemented an annual comprehensive health examination that exceeds legal requirements, allowing us to actively monitor the health of our employees. We have extended mandatory examinations to include employees' spouses, further expanding our health and wellness policy. Moreover, we continually strive to improve our working environment by providing stretching rooms, dedicated rest areas for female employees, and enhancing office lighting conditions through the replacement of LED fluorescent lights. We also offer psychological counseling services to employees through partnerships with external counseling organizations. To alleviate employees' mental stress and physical fatigue, we manage extended working hours with the PC-OFF policy



Stretching rooms



Rest areas for female employees(nursing room)



Comparison before and after LED fluorescent light replacement

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Key Issue 5. Protection of Clients' Personal Information

We have established and enforced a step-by-step information security management system to respond to risks posed by cyber threats and internal threats, with the aim of minimizing damages and protecting clients' personal information. The management leaders actively participate in formulating and executing the information security management system, and documenting their responsibilities and roles in decision-making activities. A Chief Information Security Officer (CISO) has been appointed as the ultimate responsible person for information security, being responsible for the systematic development of information security strategies to enhance digital security and effectively respond to data breaches.

Information Security Risk Assessment

We conduct an analysis of threats and their impact on information assets in order to identify risks and devise appropriate protective measures. Each year, a risk assessment is carried out for these protective measures, determining an appropriate level, and addressing and managing risks associated with the assets we manage. Based on the results, we have established enhanced protective measures for areas deemed significant, ensuring effective risk management.

Verification of Information Security System and External Validation

We offer annual incident response training. The training encompasses various scenarios and follows predefined procedures for awareness, response, and recovery of incidents, aiming to review existing policies, identify deficiencies, and come up with preventive measures. By doing so, we strengthen our policies and enhance audit activities to better protect against external hacking and DDoS attacks while continuously reminding employees of the appropriate response s to empower employees and enable them to independently recognize malicious emails.

Information Security and Personal Data Protection Training for Employees

Information Security Training in Compliance with Mandatory Standards (Annual)

We offer annual cybersecurity training on information security and personal data protection to raise awareness among all employees.

Category	Executives		Employees		
	General	CISO	General	Information technology	Information protection
Training hours	Over 3 hours	Over 6 hours	Over 6 hours	Over 9 hours	Over 12 hours

Employee Information Security Training Completion Record in 2022

Category	Executives		Employees		
	General	CISO	General	Information technology	Information protection
Training hours per capita	3 hours	6 hours	6 hours	9 hours	12 hours
No. of employees who completed	8 persons	1 person	194 persons	16 persons	2 persons
Total training hours	24 hours	6 hours	1,164 hours	144 hours	24 hours
Completion rate	100%	100%	100%	100%	100%

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Key Issue 5. Protection of Clients' Personal Information

Information Protection Committee

We have established a permanent Information Protection Committee to make important decisions regarding information security and cyber security. The committee is comprised of the Chief Information Security Officer as the chairperson, and division heads responsible for information security, IT, and compliance. Its role is to deliberate and make critical decisions on data and cyber security, and also coordinate these issues.

① Key Decisions on Information Security

- Establishment of policies and plans to ensure the stability of financial transactions and protection of users
- Matters related to the formulation and execution of information security business plans
- Details concerning vulnerability analysis, assessment results, and implementation plans for security improvements
- Handling procedures for security incidents
- Any other matters deemed necessary by the chairperson of the Information Protection Committee for the performance of information security duties.

② Information Protection Committee

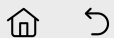
- **Chairperson of the Information Protection Committee**
Chief Information Security Officer (CISO)
- **Members of the Information Protection Committee**
Heads of divisions responsible for personal information protection, credit information protection, IT planning, IT operations, IT development, information security, compliance support, HR, and general affairs, as appointed by the chairperson.

Establishment and Operation of Information Security Environment

We have implemented and executed various security programs to protect against external security threats and internal information leakage. We employ DB and data encryption technologies to securely store information and encrypt documents generated and stored on all employees' work PCs. Furthermore, we keep antivirus software and EDR systems up-to-date for real-time response to viruses and ransomware. For the purpose of information leakage prevention, we utilize solutions to control various auxiliary storage media. In terms of responding to external security threats, we employ real-time monitoring systems including intrusion detection systems, DDOS defense systems, web firewalls, and firewalls with restricted access granted only to authorized users.



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Key Issue 6. Putting Human Rights Management into Action

We support the human rights principles outlined in the UN's 'Universal Declaration of Human Rights' and 'Guiding Principles on Business and Human Rights.' We adhere to the health, safety, working hours, and collective bargaining principles recommended by the International Labour Organization (ILO). As a demonstration of our commitment, we have joined the United Nations Global Compact (UNGC) and submitted implementation reports. Our human rights policies align with our core values of '5Cs' and the Code of Ethics, enabling us to practice human rights management in pursuit of sustainable business operations.

Our Core Values of '5Cs' for Sustainable Management

Customer Centricity

We actively keep up with the changing needs of our customers.

We act, pay attention to customers' opinions, respond to them with a customer-centric approach, and share outstanding customer care experiences

Capabilities

We continuously seek for opportunities for personal growth and skill development.

We provide working conditions and environments where each employee can show their capabilities to the fullest with a employees' human rights-oriented approach.

Commitment

We verify individual and collective responsibility for achieving targets and delivering results.

Taking a shareholders' / investors' human rights-oriented approach, we are committed to ensuring transparency and making progress to bring enhanced value to shareholders and investors.

Compliance & Integrity

We understand and comply with internal and external policies, regulations, and guidelines.

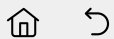
We build trust among internal and external stakeholders and maintain consistency by promoting respect and understanding.

Collaboration & Innovation

We actively discover opportunities for collaboration, and share information and knowledge.

We strive for innovation and cultivate collaborative relationships with local communities, creating values with a community-centered approach.

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Key Issue 6. Putting Human Rights Management into Action

Practicing Human Rights Management through Code of Ethics



Employee Rights

- We recognize and value the diversity of our employees, prohibiting any form of discrimination on account of race, nationality, religion, backgrounds, regionalism, education, kinship, gender, or disability.
- We evaluate and reward performance and capabilities fairly, considering the achievements demonstrated in the workplace.
- We make dedicated efforts to provide equitable and suitable training and educational opportunities, aiming to enhance the expertise and job competency of our employees.



Customer Rights

- We consistently strive to provide the best products and services from customers' perspective, aiming to earn their trust and fostering mutual growth.
- We acknowledge our responsibility to securely manage and protect customer information held by the company, ensuring its use is limited to justified rights and purposes.
- We adhere to the principles of selling financial products, and take measures to prevent consumer harm resulting from deceptive practices, thereby promoting and safeguarding customer rights.



Shareholder Rights

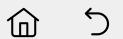
- We exert continuous efforts to gain trust from customers and the market, striving to enhance the competitiveness and value of our company.
- We upgrade our external reputation through transparent and rational management practices, proactive promotion, and investor relations activities.
- We adhere to international standards and general accounting principles in processing and reporting of financial information.
- We respect shareholders' rights, legitimate demands, and proposals, aiming to establish a relationship of mutual trust with shareholders.



Community Rights

- We fully support employees in exercising their rights and fulfilling their obligations as members of society.
- We discharge corporate social responsibilities through initiatives such as job creation, diligent tax payment, education, operation of cultural and social programs.
- We pay heed to the importance and fairness of donations and sponsorships, actively encouraging employees to participate in meaningful social and volunteer activities.
- We comply with safety regulations, and domestic and international environmental laws, preventing accidents, managing risks and preserving a clean environment.
- We are committed to the core activities of the company, contributing to the overall development of our society.

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Key Issue 6. Putting Human Rights Management into Action

Human Rights Training and Processes

We educate our employees on human rights through our ethics and compliance training programs. We have made it mandatory for employees to complete training on the prevention of sexual harassment, raising awareness of the disabled, and addressing workplace bully. This commitment aims to enhance employees' understanding of human rights, and proactively prevent any violations within our organization. We also have set comprehensive response processes to address different types of human rights violations.

Sexual Harassment Response Process

We prohibit and prevent sexual harassment at workplace and have established a response process for handling incidents.

- 1 Installing a Sexual Harassment Complaint Channel and pre-designation of sexual harassment counselors
- 2 Receiving reports and conducting consultation with counselors
- 3 Conducting an investigation
- 4 Deliberation by the Sexual Harassment Review Committee
- 5 Taking actions and feedback

Customer Service Employee Protection Process

We have established a response process to protect customer service employees from verbal abuse, physical violence, and other potential harms that may arise from customers.

- 1 Accepting requests from employees for protective measures
- 2 Conducting consultation with counselors
- 3 Deliberation on protection measures by the Grievance Settlement Committee
- 4 Taking actions and feedback

Human Rights Education Provided (Unit: Persons / Hours)

Category		2020	2021	2022
• Prevention of sexual harassment	No. of participants	226	250	211
	Training hours per capita	3.3	4.0	3.0
• Raising awareness of the disabled	No. of participants	3	4	3
	Training hours per capita	0.8	0.6	2.0

Grievance Handling Process

We have established a grievance handling process to listen to and address employees' grievances by actively seeking solutions.

- 1 Establishment of a Grievance Settlement Committee and pre-designation of committee members
- 2 Receiving complaints from employees
- 3 Providing counseling by grievance counselor
- 4 Taking actions through the Grievance Settlement Committee
- 5 Giving feedback on the actions taken

Workplace Bully Response Process

We prohibit any form of workplace bully and have established a response process for cases where employees experience bully within the workplace.

- 1 Reporting an incident
- 2 Conducting initial consultation with grievance counselor
- 3 Initiating a preliminary or formal investigation
- 4 Preparing a report on investigation results
- 5 Deliberation by the Personnel Committee
- 6 Taking actions and feedback

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Our Activities to Contribute to Society

Social Contribution Activities

We have been conducting various social contribution activities each year, with the Social Contribution Operation Committee established as the main body in 2009 along with employees voluntarily participated. In particular, in 2021, we have revamped our Corporate Social Responsibility (CSR) strategy under the vision of 'Compassionate Finance for Future,' focusing on three main areas: Protecting the environment, Nurturing future generations, and Supporting marginalized communities. We will continue to engage in open communication with stakeholders and carry out social contribution activities that promote mutual growth with local communities.



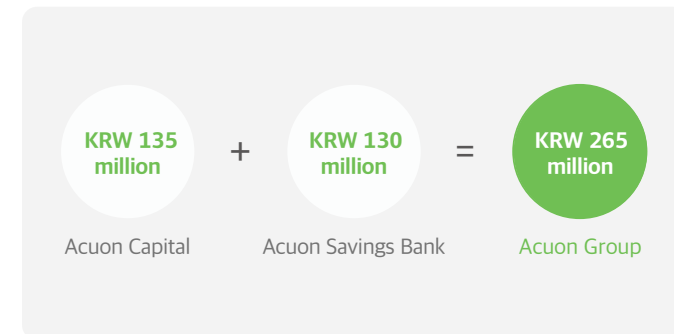
Social Contribution Operation Committee

We operate a Social Contribution Operation Committee consisting of at least one representative from each division participating as committee members. We have established a fair and objective decision-making system for major social contribution activities through quarterly meetings and ad hoc meetings as necessary. With the system, we are carrying out tasks such as collecting and allocating employee donations, planning and recruiting participants for social contribution programs, sharing results, and holding meetings with local community stakeholders in a systematic way.

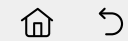


Key Performance in 2022

Allocation of Donations



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Our Activities to Contribute to Society

② Protecting the Environment

Support for a total of 500 energy-vulnerable households

- Eco-friendly boilers for 250 householders
- High-efficiency LEDs for 100 households
- High-efficiency rice cookers for 150 households

KRW 120 million donated

- KRW 60 million for eco-friendly boiler replacement
- KRW 30 million for high-efficiency LED replacement
- KRW 30 million for high-efficiency rice cookers

CSR activities: Environmental protection

Results

Photo

Support for eco-friendly boiler replacement

- Support for the replacement of eco-friendly / low-NOx boilers for a total of 250 households (113 in the first half and 137 in the second half)
- Expanding the number of beneficiaries of the support and realizing replacements without self-payment (KRW 300 thousand) for low-income households through public-private partnerships with the Seoul Metropolitan Government
- Anticipating an annual reduction of approximately 200kg of carbon dioxide emissions per household and savings of KRW 130 thousand in heating expenses Achieving a total reduction of 50,000kg in carbon dioxide emissions and savings of KRW 32.5 million in fuel expenses
※ Based on the 2021 Ministry of Environment's 'Guide to Carbon-Neutral Living - Household Edition'



Agreement ceremony for eco-friendly boiler replacement support

Support for high-efficiency LED replacement

- Replacing a total of 289 light fixtures with LED lights for 100 households (in collaboration with 13 organizations)
- Projecting an annual reduction of approximately 38.7kg of carbon dioxide emissions per light fixture by replacing incandescent lights with LED lights, and expecting a cost savings of around KRW 15,363 in electricity bills
- Projecting an overall reduction of 11,156kg in carbon dioxide emissions and expecting a cost savings of KRW 4,439,907 in electricity bills



Donation ceremony for eco-friendly led replacement support

Support for high-efficiency rice cooker replacement

- Support for replacing old, malfunctioning, and low-energy efficiency rice cookers with energy-efficient rice cookers of grade 1 for a total of 150 households
- Support for replacing 50 units of 3-person rice cookers and 100 units of 6-person rice cookers (13 units with no rating, 25 units of grade 2, 90 units of grade 3, 13 units of grade 4-, and 9-units of grade 5)
- Expecting an annual energy consumption reduction of approximately 2,576kWh, and cost savings of around KRW 360 thousand with 1,089 kg of reduction in carbon dioxide emissions
※ Based on the 2020 survey conducted by the Korea Consumer Agency on energy costs comparison according to appliance efficiency ratings



Donation ceremony for high-efficiency rice cooker replacement support

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Our Activities to Contribute to Society







③ Nurturing Future Generations

Support for a total of 670 people

- 603 in local children's centers
- 14 children with cancer and inflammatory bowel diseases
- 1 company-1 school for 53 students

KRW 110 million Donated

- KRW 60 million for local children's centers
- KRW 30 million for children with cancer
- KRW 20 million for 1 company-1 school program

CSR activities: Nurturing future generations	Results	Photo
Support for educational supplies for local children's centers <ul style="list-style-type: none"> • Support for a total of 603 children with eco-friendly educational supplies (303 in the first half, 300 in the second half) • Support for job creation for people with disabilities through collaboration with protected workshops • Indirect education on environmental sustainability through the selection of environmentally friendly products and qualitative improvement due to increased funding compared to the previous year • Increasing indirect emotional connection and interaction between supporters and beneficiaries by writing message cards each other 		 <p>Donation ceremony for educational supplies support</p>  <p>Activities to support educational supplies</p>
Support for medical expenses for children with cancer <ul style="list-style-type: none"> • Support for medical expenses for 14 children with cancer or inflammatory bowel diseases (7 from Seoul Citizen Marathon, 7 from Happy Trail Run Festival) • Considering additional support for the upcoming 2023 Seoul Citizen Marathon 		 <p>Seoul Citizen Marathon</p>  <p>Happy Trail Run Festival</p>
Support for 1 company-1 school financial education and scholarships <ul style="list-style-type: none"> • Providing financial education and scholarships to a total of 53 students from Paju Yeonpung Elementary School (31 students of 4th grade in the first half, 22 students of 5th grade in the second half) • Giving lectures by external instructors from 2021 to the first half of 2022. For the second half of 2022, lectures were offered by the Financial Consumer Protection Unit of Acuon Savings Bank. 		 <p>Educational program in the first half of 2022</p>  <p>Educational program in the second half of 2022</p>

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Our Activities to Contribute to Society

④ Supporting Marginalized Communities

Support for a total of 300 households and two individuals from socially marginalized groups

- 300 disabled individuals and their families receiving home care
- Two industrial accident victims

KRW 35 million for Donated

- KRW 20 million for traditional food supplies on a national holiday
- KRW 10 million for Kimchi sharing
- KRW 5 million for industrial accident victims

CSR activities: Supporting marginalized communities	Results	Photo
---	---------	-------

Support for traditional food supplies on a national holiday for the disabled and their families receiving home care

- Support for a total of 300 households of individuals with developmental disabilities receiving home care (100 for the Lunar New Year, 100 for the Chuseok holiday)
- Packaging and delivery of ready-made products due to the COVID-19
- Facilitating efficient delivery using company vehicles (EVs)



Donation ceremony for traditional food supply on the Lunar New Year | Donation ceremony for traditional food on the Chuseok holiday

Support for Kimchi for disabled individuals and their families receiving home care

- Support for a total of 100 households of individuals with developmental disabilities receiving home care
- Packaging and delivery of ready-made products due to the COVID-19
- Facilitating efficient delivery with commercial vehicles (EVs)



Packaging Kimchi | Delivering Kimchi

Support for medical expenses for industrial accident victims through the integration of innovative safety investment projects

- Support for medical expenses for two industrial accident victims
- Social contribution activities executed through an employee suggestion system
- Raising KRW 5 million through matching the number of executed innovative safety investment projects and donation funds, with additional contributions (a total of 38 projects executed)



Donation ceremony for medical expenses support | Meetings for innovative safety investment projects

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Our Activities to Contribute to Society

⑤ **Employee Participation** Our employees have participated in limited volunteer activities amid the ongoing spread of COVID-19. Going forward, we plan to establish a process to boost employee participation, allowing more employees to engage in such activities.

Month	CSR activities	Volunteer work	No. of participants	No. of participants	Total volunteer hours	Note
May	• 19th Seoul Citizen Marathon for helping children with pediatric cancer	Remote participation in the Seoul Citizen Marathon	24	1	24	43 participants, including family members, participating in the 10km category with a target completion time of 1 hour
July	• Ceremony for the donation of educational supplies to Seoul local child centers	Eco-friendly packaging of educational supplies	9	2	18	-
September	• Sharing food with disabled individuals and their families on the Chuseok holiday	Packaging and delivery of food for the Chuseok holiday	11	4	44	Travel time excluded
November	• 13th Happy Trail Run Festival for supporting children with pediatric cancer	Group participation of employees in the Happy Trail Run Festival	13	2	26	16 participants, including family members, participating in the walk for a duration of 2 hours
December	• Sharing Kimchi with disabled individuals and their families on the Chuseok holiday	Packaging and delivery of Kimchi	10	3	30	Travel time excluded
Total			67 persons		142 hours	

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Our Activities to Contribute to Society

Inclusive Finance

Acuon Capital and Acuon Savings Bank are expanding ① inclusive financial services to support SMEs, small business owners, and youth. As a financial partner of the ‘Innovative Safety Investment Project’ conducted by the Ministry of Employment and Labor and the Occupational Safety and Health Agency, we continued our active financial support in 2022, following the year of 2021. By doing so, we contributed to ② the improvement in dangerous machinery and outdated processes, as well as to the reduction of occupational fatalities and accidents.

And we are also continuing our commitment to the ③ ‘Financial Assistance for Youth Housing Project.’ Through the private and public partnerships, we are working for the supply of housings for the 2030 generation in transit-oriented areas, aiming to alleviate the housing difficulties faced by younger generation, and stimulate local economies. Moreover, we provide financial support for urban environmental improvement projects with a view to revitalizing deteriorating urban areas such as commercial and industrial zones. Our supports contribute



① Inclusive Financial Services

Category	Unit	2020	2021	2022
Acuon Capital	KRW million	21,343	68,735	58,365
SMEs, and small business owners	KRW million	-	25,788	34,841
COVID-19 support	KRW million	21,343	10,547	8,524
Others	KRW million	-	32,400	15,000
Acuon Savings Bank	KRW million	1,859	72,614	21,352
SMEs, and small business owners	KRW million	-	13,000	11,300
COVID-19 support	KRW million	1,859	49,814	52
Others	KRW million	-	9,800	10,000
Acuon Group	KRW million	23,202	141,349	79,717
SMEs, and small business owners	KRW million	-	38,788	46,141
COVID-19 support	KRW million	23,202	60,361	8,576
Others	KRW million	-	42,200	25,000

* COVID-19 support: Principal deferment and refinancing loans

** Others: Urban regeneration project and semi-public city bus operation

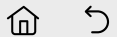
② Financial Support for Replacement of Obsolete Equipment in 2022

KRW 9.4 billion for 43 cases

③ Financial Assistance for Youth Housing Project

KRW 25.45 billion

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Our Activities to Contribute to Society

Declaration of Consumer-Centered Management (CCM)

We adopted the Declaration of Consumer-Centered Management (CCM) in September 2022 to bolster consumer rights and satisfaction. Taking it as an opportunity, we pledge our commitment so as to protect the personal information and rights of financial consumers, prevent consumer complaints in the first place, and provide prompt resolutions. All employees are dedicated to practicing CCM with a strong sense of responsibility. Following the declaration of CCM, we have launched a CCM TFT, and have been carrying out tasks such as setting up operation manuals for CCM and VOC, opening VOC systems, providing training for customer service workers, and introducing psychological counseling programs for them. As a result, we received excellent results in the 2022 ARS operation assessment conducted by the Ministry of Science, ICT and Future Planning, with improved scores compared to the previous year. We will further reinforce CCM management by obtaining the CCM certification in 2023.



① CCM Operation Manual



In December 2022, our Customer Care Team and Customer Care Center announced the draft of the CCM Operation Manual through the CCM TFT. The CCM Operation Manual presents the fundamental principles, vision, objectives, and strategies of CCM. It also specifies the roles and responsibilities of the Chief Executive Officer (CEO) and Chief Customer Officer (CCO) in implementing CCM. In order to ensure effective execution of CCM strategies, we have established a governance structure such as the CCM Promotion Committee while clarifying detailed roles and responsibilities. In addition, the manual elaborates on detailed guidance on human and material resource management, training and rewards, document management systems, organizational structures, missions, processes, consumer complaint management, and performance management, all of which are essential for VOC management. The manual will be further refined based on pilot operations and training with the aim of finalizing it in the first half of 2023.

② The VOC Operation Manual

The Compliance Support Team developed a draft of the Voice of Customer (VOC) Operation Manual in February 2023, and have discussed the details through the CCM TFT. The VOC Operation Manual includes principles for handling VOC, responsibilities for providing consumer information, composition and operation of the VOC Operation Committee, business processes, VOC handling processes and management approaches, preemptive measures to prevent consumer complaints, and employee training and rewards. We aim to finalize the manual in the first half of 2023, including adjustments regarding governance-related items. We will further systematize CCM by rendering internal training.

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Our Activities to Contribute to Society

③ Opening of the VOC System

On March 2, 2022, the Digital Development Team launched the VOC system, with an instructional guide provided through the groupware. While some parts of the customer complaint handling process have not been automated, the VOC system opening has completed the entire automation of the process, including customer complaint reception, transfer, distribution, and resolution. In the future, the VOC system will enable the integrated management of customer complaints received through various channels, leading to the seamless collaboration across the organization. The notification feature at each stage of handling will help reduce time and prevent any omission in tasks. Furthermore, the analysis of the VOC database will provide solid foundation for more systematic approach to CCM.

④ Improved Training and Care Programs for Customer Care Center's Worker

A training plan has been established for employees at the Customer Care Center for the year of 2023, with the aim of raising their awareness of customer-centric approaches, protecting customer information, and preventing information leakage, as well as promoting the well-being of emotional laborers. While training on CS and information security have been conducted in the past, and this year's plan is aligned with the principles outlined in the CCM manual, including consistency and sustainability, communication and information sharing, clarity, and customer information protection. The training plan specified timing, duration, trainers, and subjects for each quarterly training session. On top of that, a mental stress care program and professional psychological counseling services have been newly introduced. We are working on building a framework for consistent training, effective communication and information sharing, and continuous improvement, based on the report regarding the outcomes of each quarterly implementation.

⑤ Analysis and evaluation of ARS operation by the Ministry of Science, ICT, and Future Planning

The Ministry of Science, ICT, and Future Planning has provided 'Guidelines for Improving ARS Services' on September 13, 2022. They conduct annual analysis and evaluation of ARS operation to enhance the system and improve user benefits. The evaluation assesses six categories and 14 indicators, including the provision of step-by-step counselor connection, ARS service configuration and menu, advance notification of costs and burden relief, various access options, and minimizing the input of personal information in the verification process. As a result of our efforts to improve ARS services according to the guidelines and evaluation criteria provided by the ministry, our scores mean significant progress. In 2020, we received 71.8, which was considered 'average.' However, in the following years, we achieved scores of 82.6 in 2021 and 86.4 in 2022, maintaining an 'excellent' rating for the past two years. Going forward, we will continue to concentrate on areas that require improvement to provide even better services.



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Interview 03

Stakeholder Interview

Director of Seoul Council on Social Welfare

Bo Kyung Choi

“We’ve been dreaming of a society where everyone can live well.”

Over the past four years, starting from 2018, we have been involved in various social contribution activities for vulnerable groups together with Bo Kyung Choi, the director of Seoul Council on Social Welfare. We had the opportunity to listen to Director Choi’s heartfelt stories about the activities she has been engaged in.

Please introduce yourself.

I work at the Seoul Council on Social Welfare. I’m in charge of the Seoul Social Contribution Center, where we support and collaborate with social welfare organizations and businesses. I also oversee the Seoul Energy Fund, which is operated with funds raised by the sharing and participation of citizens and businesses.

What is the Seoul Council on Social Welfare?

The Seoul Council on Social Welfare is an organization that operates various programs to enhance the welfare of Seoul citizens. Among them, the Seoul Social Contribution Center plans and implements a range of CSR initiatives to help vulnerable groups encompassing areas of livelihood, healthcare, housing, and education. Recently, CSR initiatives has expanded to include support for ESG management and climate crisis response like carbon neutral. Led by Acuon Capital, we are expanding our social contribution efforts that benefit marginalized communities by providing support for eco-friendly boilers, high-efficiency rice cookers, LED lighting, and solar power installations. These initiatives not only help household reduce electricity bills but also contribute to GHG reduction, making a positive impact on the environment.

What made you start collaborating with Acuon Capital?

In 2018, Seoul Council on Social Welfare and Acuon Capital jointly organized an end-of-year event to share briquette for the underprivileged where our valuable connection has begun. At that time, employees of Acuon volunteered to deliver coal to energy-vulnerable households in the Guryong Village area of Gangnam-gu. This event marked the beginning of closer communication and collaboration between us for social contribution activities.

Do you have a most memorable moment from the social contribution activities you did with Acuon Capital?

There are many moments that remain vivid in my memory. For those who received LED lighting replacements, I remember hearing them say, “I didn’t realize how bright our home could be. I always thought I had strained eyes. Thank you.” And for those who received boiler support, I recall them touching the warmth of their rooms and saying, “It was so nice to feel warmth in my heart as well.” Some even sent us their self-written poems titled ‘home.’ When we provided educational materials to children at the local community center, we choose eco-friendly and long-lasting items which led to the high satisfaction of both the teachers and the children, so, we felt a great sense of accomplishment.

What do you think about Acuon Capital, with whom you’ve been working together for four years?

I consider Acuon Capital as a company that envisions a ‘sustainable society,’ is committed to creating a social environment for the underprivileged. Our partnership, which initially began with supporting energy-vulnerable households through coal distribution, has now transformed into activities to save the planet. The employees of Acuon Capital also demonstrate a high level of interest in environmental issues and practice them, which makes us even more motivated and strengthen our commitment to working together.

What are the plans?

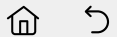
We hope to work with Acuon Capital to create an environment where future generations can live on a green Earth by launching campaigns to reduce GHGs and raise public awareness.



Director of Seoul Council on Social Welfare Bo Kyung Choi

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05

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Key Issue 7.

Ensuring Legal Compliance, Ethical Management, and Fair Transaction

We regard compliance and ethical management as paramount values in corporate governance and business activities. Based on this, we make strenuous efforts to combat corruption, fulfill social responsibilities, and lead fair transaction initiatives together with stakeholders. We are committed to establishing a system for ethical management and fair transaction, which we embed into various policies and activities.

Anti-Corruption and Ethical Management

We believe that transparent ethical management and anti-corruption policies serve as a foundation not only for the establishment of a sound credit society but also for the company's sustainable growth in harmony with society. Accordingly, we are dedicated to enhancing the mindset of all stakeholders regarding ethical management and to fostering a fair and transparent corporate culture. Employees at Acuon Capital avoid any conflicts of interest between the company and individuals that may arise during the performance of their duties. We reject any unfair instructions or pressures that may compromise the fairness of their job performance, and we carry out our duties with honest in accordance with regulations. We adhere to the anti-corruption policies outlined in the code of ethics, prohibiting any actions that involve the abuse of the position or authority, or that violate regulations to benefit ourselves or third parties.

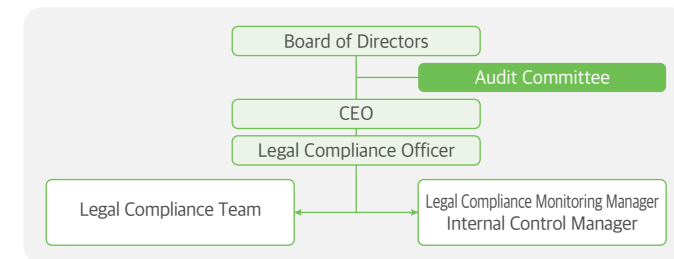
Anti-Corruption and Ethical Management Regulations

As we recognize compliance as one of the key priorities in company management, driven by the strong commitment of the CEO to legal and anti-corruption practices, we implement various internal controls and compliance monitoring activities in accordance with our internal control system. All forms of corruptions are strictly prohibited that may arise or occur during the job execution process. To ensure compliance, we have established and implemented a range of internal regulations, including the following.

Internal Control System

Under the supervision of the Compliance Officer, we oversee internal control and perform various activities in accordance with the internal control framework. We continuously monitor and ensure that employees comply with internal controls and strictly adhere to relevant regulations in the performance of their duties. Taking compliance as the key focus, we identify, address, and manage various compliance risks that may arise throughout our management activities. We operate diverse programs for internal control and compliance monitoring including preliminary review to critical daily operations, self-assessments at the corporate or business unit level, training to foster employees' awareness of internal controls and establishing a system for internal reporting. We have strengthened our company-wide internal control measures, conducting activities related to financial consumer protection, anti-money laundering, and personal (credit) information protection.

Internal Control (Legal Compliance Monitoring) Organizational Structure



Acuon Capital Code of Ethics

- 1 Code of Ethics and Implementation Guidelines
- 2 Internal Control Regulations and Compliance Monitoring Guidelines
- 3 Internal Accounting Management System Regulations
- 4 Information Security Regulations
- 5 Anti-Money Laundering Regulations / Guidelines, Know Your Employee Guidelines
- 6 Financial Consumer Protection Regulations, Internal Control Standards for Financial Consumer Protection, etc.

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Key Issue 7.

Ensuring Legal Compliance, Ethical Management, and Fair Transaction

Enhancing Anti-Money Laundering Measures

We are committed to preventing money laundering activities and the financing of terrorism in accordance with the recommendations of the Financial Action Task Force (FATF), as well as relevant laws and regulations such as the 'Act on Reporting and Use of Specific Financial Transaction Information' and its enforcement decree, the 'Act on the Prohibition of Financing of Acts for the Purpose of Public Threat or Dissemination of Weapons of Mass Destruction' and its enforcement decree. We also adhere to supervisory regulations and internal policies and regulations of the company. To ensure efficient implementation, we have enhanced our system based on a Risk-Based Approach (RBA) through consulting with specialized organizations. This includes a comprehensive reconstruction of our anti-money laundering system based on the principles of RBA. Based on the strengthened anti-money laundering policies and processes, we are conducting various activities to improve vulnerabilities and enhance the effectiveness of controls through risk assessments based on the Risk-Based Approach (RBA). These activities encompass evaluating the effectiveness of customer identification procedures and beneficial owner verification, implementing Customer Know Your Customer (KYC) and Employee Know Your Employee (KYE) programs, reporting suspicious transactions (STR), and monitoring individuals on watch lists. We classify customers depending on the level of money laundering risk and perform differentiated customer verification procedures. For high-risk customers, we implement Enhanced Due Diligence (EDD) measures. Furthermore, to raise employee awareness and capabilities in anti-money laundering practices, all employees have completed the relevant training. We also prioritize the security of anti-money laundering systems and data to ensure their protection.

Anti-Corruption Practices

① Acuon Clean Campaign
② Ethical management education and cultural dissemination
③ E-Clean Center (internal reporting system)
④ Internal accounting management system
⑤ Internal audit system

We conduct the following activities to promote anti-corruption practices.

Fulfilling ethical management, we provide compliance guidelines to employees to refrain from accepting gifts from stakeholders during major holidays. Any gifts received unavoidably are reported to the audit team and either returned or donated to social welfare facilities.

To enhance employees' awareness of ethical management and foster a culture of integrity, we conduct regular training sessions on ethics, anti-money laundering, information security, and other relevant topics on an annual basis.

E-Clean Center Website

We are running E-Clean Center where employees and stakeholders can report any unlawful or unethical conduct through our internal reporting system. This system ensures confidentiality of internal whistleblowers, adhering to principles of secrecy, identity protection, and mitigated responsibility.

To ensure the reliability of financial statements, we have designed and consistently perform control activities. In addition to conducting financial statement audits, we also examine the process of financial statement preparation to minimize the potential for distortion and enhance the company's accounting transparency.

Through regular audits, special audits, and daily audits, we proactively prevent ethical misconduct and corruption. Any identified violations are dealt with according to the procedures outlined in the disciplinary code, ensuring appropriate disciplinary actions are taken.

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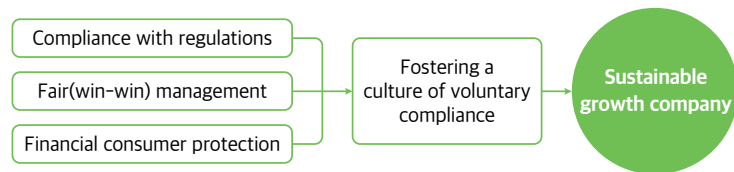


Key Issue 7.

Ensuring Legal Compliance, Ethical Management, and Fair Transaction

Compliance with Fair Transaction

We respect stakeholders such as financial consumers and business partners as our partners for sustainable growth, and diligently adhere to the obligations of fair transaction in accordance with relevant laws and regulations to grow into a sustainable company that fulfills social responsibilities. We strive to protect and enhance the rights and interests of financial consumers and realize mutual growth with our partner companies by sticking to the six principles of the Financial Consumer Protection Act: Suitability, Appropriateness, Duty of Explanation, Prohibition of Unfair Business Practices, Prohibition of Improper Solicitation, and Regulation of Advertising. Furthermore, to ensure debtor protection and fair debt collection practices, we have established regulations, guidelines, and manuals for debt management and strictly comply with these provisions in our debt collection operations. We endeavor to enhance employees' awareness of fair-trade through regular training and the establishment of internal control monitoring systems. By doing so, we aim to promote early detection and prevention of unfair practices and foster a culture of voluntary compliance.

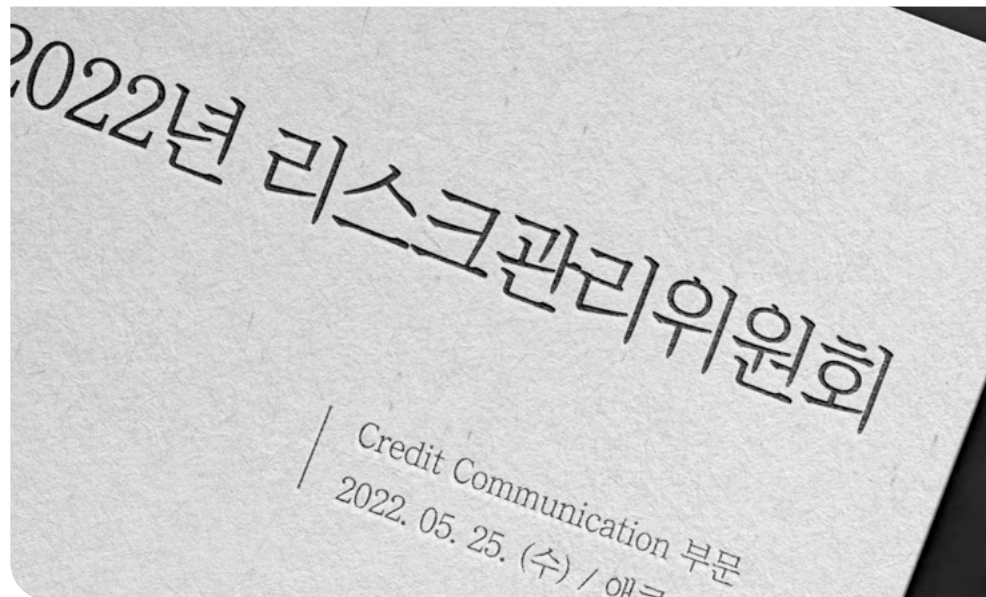


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Key Issue 8. ESG Risk Management

Under the Board of Directors, we operate a Risk Management Committee consisting of two external directors, one of whom is a risk expert. The committee continuously oversees the company's risk management by establishing and managing the fundamental policies and strategies, in addition to setting manageable risk levels for risk management across the entire organization. Additionally, the committee formulates risk management regulations, categorizing financial and non-financial risks and integrating ESG risks within this framework.



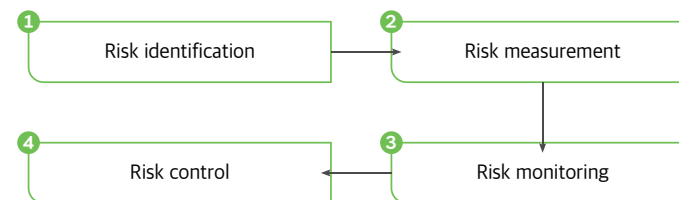
Risk Management Principles

We endeavor to secure management stability and improve asset soundness through systematic analysis and efficient management of various risks. Taking the business environment into account, we update our risk management principles annually upon which we establish and implement strategic tasks. As part of our ESG risk strategy for 2022, we have set objectives for developing key management indicators and evaluation criteria related to ESG.

- 1 Setting reasonable control levels considering the financial environment and company conditions
- 2 Establishing an optimal risk management system considering the characteristics and profitability of each business segment and the cost of risks
- 3 Setting risk-specific tolerance limits and acceptable ranges for efficient management of each risk

Risk Management Process

Our risk management process is as follows: Firstly, we analyze the market environment to identify the risks that the company may experience. Next, for each identified risk, we determine appropriate measurement methods to assess its impact on the company. Furthermore, we continuously update and apply these measurement methods periodically, without keeping them fixed. In pursuit of appropriate responses to risks, we continuously monitor the identified risks and their impact. Subsequently, we create and implement internal control procedures, with respect to the scope and nature of the risks identified through the risk monitoring process.



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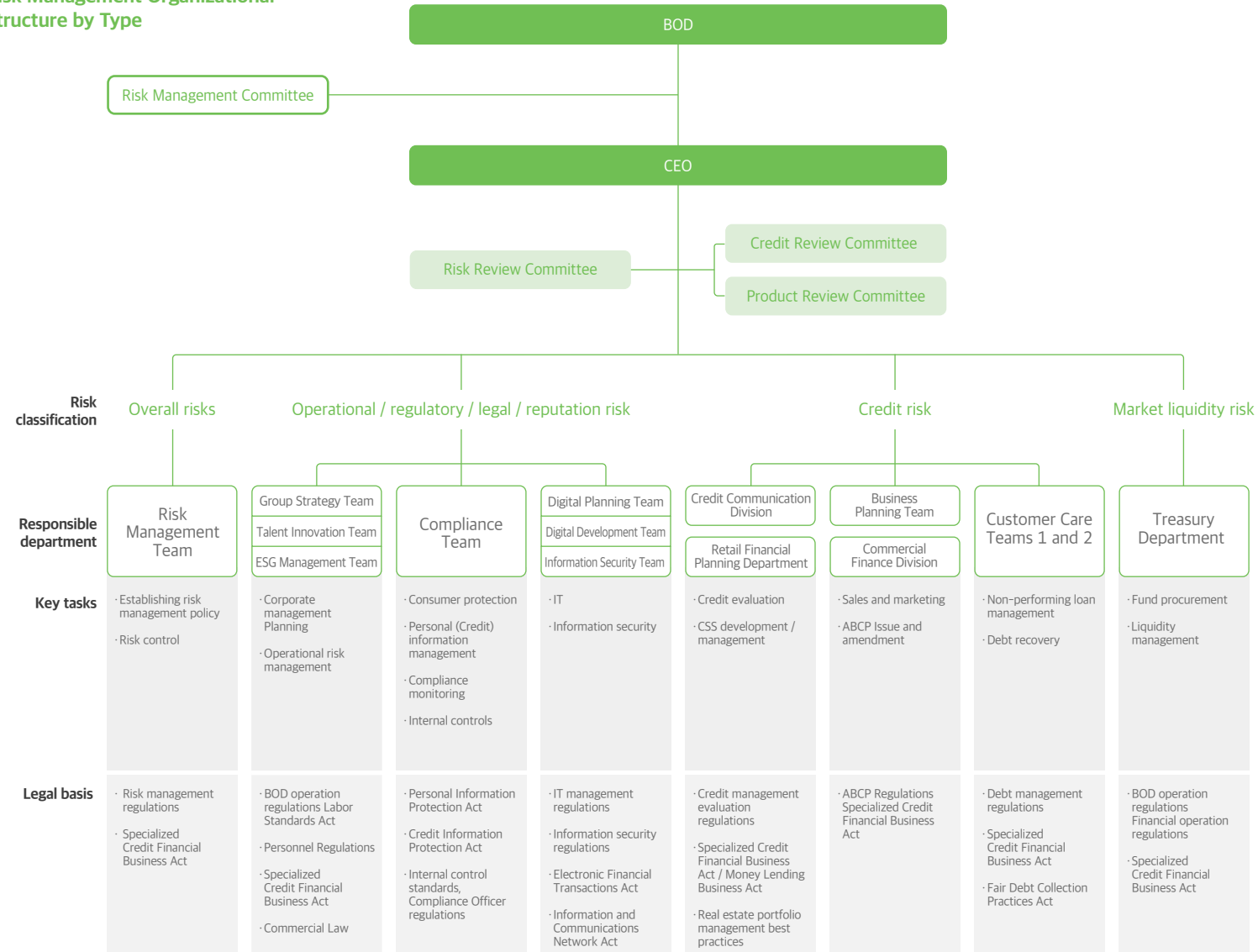


Key Issue 8. ESG Risk Management

Risk Management Organization

Our risk management organization consists of several entities responsible for decision-making and overseeing various aspects. These include the Risk Management Committee, which serves as the decision-making body, the Credit Review Committee / Product Review Committee, which reviews loan applications and product-related matters, the Risk Management Committee, which assesses the overall corporate and group risk status and formulates and implements action plans to address identified issues, and finally, the Risk Management Team, a dedicated department responsible for integrated risk management. In accordance with legal regulations, we have designated dedicated teams for each risk with the intention to sharpen the accuracy of risk identification while the Risk Management Team serves as the control tower for risk management. In the first Risk Management Committee meeting held in March of this year, we planned and discussed the following matters related to operational risks; 1. Intensified operational risks associated with the launch of new retail products and expansion of non-face-to-face platform channels, 2. Reinforcement of security in response to non-face-to-face financial transactions and business process automation, and 3. Establishing key management indicators and evaluation criteria for ESG.

Risk Management Organizational Structure by Type



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Key Issue 9. Stakeholder Communication and Engagement

We are running various communication channels tailored to the characteristics of internal and external stakeholders, including employees, customers, partners, shareholders, investors, local communities, external directors, and government entities. We value the opinions and concerns of our internal stakeholders, incorporating them into our overall business operations to enhance the sustainability of our company. Moving forward, we will continue our efforts to expand communication and engagement with stakeholders, endeavoring to foster increased understanding and participation.

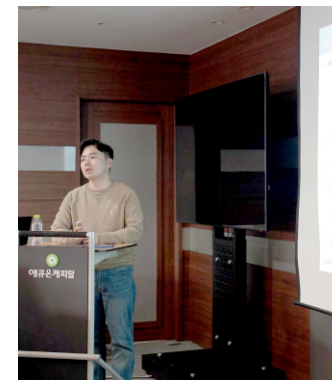
Stakeholder	Issue	Communication channel
Employees	<ul style="list-style-type: none"> • Work-Life balance • Fair performance evaluation and compensation 	<ul style="list-style-type: none"> • Labor-Management Council(Ad hoc) • Acuon Inside(Newspaper, Quarterly) • Grievance Handling Committee(Permanent) • Suggestion System(Permanent) • Employee Satisfaction Survey(Annual) • Intranet
Customers	<ul style="list-style-type: none"> • Customer Information Security • Service Quality 	<ul style="list-style-type: none"> • Website and App • Customer Service Center (Permanent: Consultation, suggestions, reporting misconduct and complaints, A RS) • Social media(Permanent: YouTube, Facebook, Instagram, LinkedIn)
Shareholders / investors	<ul style="list-style-type: none"> • Enhancing shareholder value • Transparent information disclosure • Financial performance 	<ul style="list-style-type: none"> • Shareholders' meeting • Regular reporting and disclosure • Investor relations (IR)
Local communities	<ul style="list-style-type: none"> • Continued and expanded community engagement activities 	<ul style="list-style-type: none"> • Social Contribution Operation Committee (Permanent)
External directors	<ul style="list-style-type: none"> • Transparent governance 	<ul style="list-style-type: none"> • Board of Directors • Audit Committee • Risk Management Committee
Government entities	<ul style="list-style-type: none"> • Policy and regulatory compliance • Enhancement of inclusive finance 	<ul style="list-style-type: none"> • Financial Supervisory Service • Korea Federation of Credit Counseling
Partners (suppliers)	<ul style="list-style-type: none"> • Compliance • Ethical management • Human rights management 	<ul style="list-style-type: none"> • Website • Customer Service Center



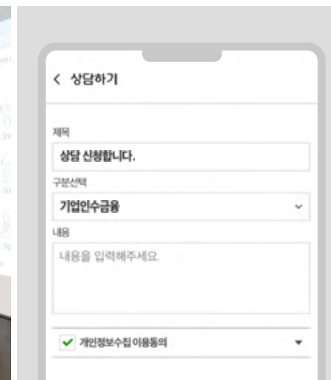
Labor-Management Council



Acuon Inside



Social Contribution Operation Committee



App 'Contact Us' screen

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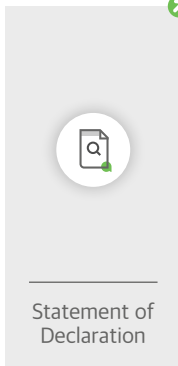


Key Issue 10. Embedding Sustainability Management into Every Corner

We declared our vision for sustainable management or ESG management through a proclamation ceremony in May 2022, and established a mid- to long-term plan for the integration of sustainable management and 'Finance for Sustainable Future.' Facilitating internalization of the vision, we have carried out various campaigns, launched dedicated departments, joined global initiatives, and pursued ISO certification. As a result, we have witnessed a significant improvement in our ESG rating, moving from a BB in 2021 to an A in 2022 in the ESG evaluations conducted by SUSTINVEST, an institution specializing in ESG assessment and research.

Proclamation Ceremony for Sustainable Management Vision

Acuon Capital, together with its subsidiary Acuon Savings Bank, conducted a proclamation ceremony for the vision of sustainable management. In light of the COVID-19 pandemic, the event was held in a contactless format, allowing the participation of all employees. During the ceremony, we shared the vision and strategic framework for sustainable management, adopted a declaration to actively embrace the values of sustainable management for our customers and stakeholders, and presented our management performance and a mid- to long-term plan. We pledged commitments by teams and individuals for integrating sustainable management, making the event all the more meaningful.



Statement of Declaration

Governance for Sustainable Management

We have undertaken the construction of governance structures to internalize sustainable management. This includes the formation of a dedicated organization directly under the CEO, namely the Sustainable Management Committee, as well as the ESG Management Team as a specialized department. They are actively driving initiatives related to sustainable management in cooperation with the ESG Operations Council.

1 Report of the Sustainable Management Committee to the BOD

The Sustainable Management Committee, comprised of C-level executives under the CEO and led by the Chief Strategy & Sustainability Officer (CSSO), is responsible for making strategic decisions and formulating policies related to sustainable management. In the December 2022 board meeting, the committee presented the strategic framework, performance, and action plans regarding sustainable management. Building upon the feedback received from the BOD, the committee supports ESG Operations Council and the ESG Management Team to advance in the right direction by driving strategies, key business policies, and conducting regulatory reviews.

2 Performance of ESG Operations Council

The ESG Operations Council consists of the heads of HR, Business Strategy, Business Planning, Compliance, and Digital Planning teams, identifies and proposes key tasks aligned with our sustainable management strategy, in cooperation with various departments. Throughout 2022, we held a total of eight ESG Operations Council meetings, addressing diverse agendas including the establishment of GHG inventory, the implementation of social responsibility investment management system, digital innovation, the proclamation of sustainable management, employee training and welfare improvement, as well as participation in global guidelines and initiatives.

3 Launch of ESG Management Team

Since its inception in July 2022, the ESG Management Team has been responsible for tasks related to sustainable management, including strategy development, environmental management, and communication. Specifically, the team focuses on enterprise-wide sustainable management (ESG management) which encompasses strategic planning for sustainable management, creating educational content, integrating and managing ESG data, planning and executing social contribution activities, ensuring compliance with global guidelines, joining in and responding to global initiatives, managing environmental management system certifications, reducing GHGs and waste, conserving energy, creating better working environment and corporate culture, disclosing sustainable management performance to stakeholders, publishing sustainability reports, and developing educational and promotional materials.

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Key Issue 10. Embedding Sustainability Management into Every Corner

Pursuing Initiatives and Certifications

We have pursued global initiatives and certifications throughout the year 2022. This includes joining the PCAF (Partnership for Carbon Accounting Financials), renewing the ISO 14001 certification for environmental management systems, and submitting the UNGC COP (Communication on Progress). Looking ahead to the medium and long term, we plan to acquire certifications such as SBTi, ISO 37001, ISMS and join additional initiatives such as UN PRI (Principles for Responsible Investment).

① Participation in UNGC Korea Leaders Summit



The ESG Management Team took part in the UNGC Korea's annual sustainability conference, 'Korea Leaders Summit,' convened on November 29, 2022. As the largest sustainability conference in the country, the event brought together international organizations, domestic and international sustainability experts, and corporate representatives who delivered lectures to provide insights into current issues and grasp trends in corporate sustainability. We actively participated in the opening ceremony and had representatives involved in the networking program, Women's Empowerment Principles (WEPs), which focuses on empowering women in leadership roles.



① Participation in UNGC Korea Leaders Summit

Participation and Activities in UNGC

② UNGC Communication on Progress Report (CoP)



We have dedicatedly demonstrated our continuous support for UNGC and a strong commitment to its initiatives. In anticipation of the new CoP requirements starting in 2023, we participated in the 2022 Early Adopter Programme to preemptively address the upcoming changes. Furthermore, in June 2022, we submitted our CoP, sharing our progress on the ten principles with UNGC member countries and businesses worldwide.

③ UNGC Climate Ambition Accelerator (CAA) May 2022–October 2022

We participated in the UNGC CAA program in May 2022, for the purpose of supporting the achievement of the UN Global Compact's net-zero targets. Over a period of six months, we had the opportunity to learn about GHG calculation and the fundamentals of Science-Based Targets initiative (SBTi). The program covered various educational topics, including approaches to developing GHG inventories, classification of emissions scopes, emission calculation methodologies, reporting guidelines, GHG calculation tools, understanding SBTi concepts, methodologies, target-setting approaches, as well as calculating and measuring Scope 3 emissions. We intend to leverage this knowledge and apply it to the attainment of our net-zero goals.



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Key Issue 10.

Embedding Sustainability Management into Every Corner

Communication

We are actively communicating sustainable management through various social media channels. We have created specialized content for each channel, sharing not only our sustainable management activities but also various trends related to the topic.

Acuon TV
We have invited experts in various fields to produce 'edutainment' (educational entertainment) content on Acuon TV, with the concept of 'delivering understandable ESG information.'

[Acuon TV on YouTube](#)

[Official Facebook page](#)

Facebook

In the 'Listening to Acuon People' content, we conducted interviews with key stakeholders of the company, aiming to promote not only our ESG activities but also those of our stakeholders.

[Official Instagram page](#)

Instagram

Featuring the adorable character shoomonge as our sustainability ambassador, we are showcasing various ESG trends and our sustainable management activities.

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Key Issue 11. Embedding Sustainability

Acuon Capital was the first A-rated capital company in Korea that issued a sustainable bond on February 2021. Up until 2022, we have issued a cumulative total of KRW 310 billion in sustainable bonds, investing in eco-friendly and socially impactful projects. We are also consistently working on the development of inclusive financial products for vulnerable groups and small businesses. Going forward, we plan to further enhance our socially responsible investment by setting goals and managing impact in a more sophisticated manner.

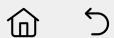
Issuance Criteria of SRI Bonds

ESG bonds, also known as Socially Responsible Investment (SRI) bonds, include green bonds, social bonds, sustainability bonds, and sustainability-linked bonds. International standards for ESG bonds include the Green Bond Principles (GBP), the Social Bond Principles (SBP), the Sustainability Bond Guidelines (SBG), the Sustainability-Linked Bond Principles (SLBP) published by the International Capital Markets Association (ICMA), and the Climate Bond Standards (CBS) published by the Climate Bond Initiative (CBI). In South Korea, the Green Bond Guidelines were established in December 2020 and revised to the Korean Green Bond Guidelines in December 2022. We have been issuing sustainable bonds to date and manage them through an 'ESG Bonds Management System' in accordance with domestic and international standards and guidelines.

SRI Bonds Management System

Use of funds	<ul style="list-style-type: none"> Allocating funds raised through bond issuance into proper projects and targets
AFunds management	<ul style="list-style-type: none"> Appropriate allocation and management of funds raised through bond issuance to projects Monitoring the issuance status, utilization, and performance through a 'sustainable finance register' Funds raised through bond issuance are initially deposited into a general funding account until they are allocated to eligible projects, while unused funds are managed according to financial regulations
External review	<ul style="list-style-type: none"> Assessing the adequacy of the SRI Bonds Management System through verification by external expert organizations
Business evaluation and selection process	<ul style="list-style-type: none"> Identifying business status and plans before the selection of suitable projects within the scope of fund usage, and presenting them to the Risk Management Department The Risk Management Department thoroughly reviews the proposed projects in relation to the specified target areas in terms of fund utilization, as well as their overall alignment with environmental and social improvement contributions. Based on this comprehensive evaluation, the department finalizes the selection of projects eligible for fund allocation
Follow-up reporting	<ul style="list-style-type: none"> Disclosing the 'report on SRI bonds issuance performance' with information on the use of bond proceeds, the status of unused funds within the issuance amount, and the expected or realized environmental and social improvement contributions

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Key Issue 11. Embedding Sustainability

Sustainable Bonds Issuance Status and Performance Report

We disclose the contribution to environmental and social improvements achieved by means of sustainable bonds issuance in the 'sustainable bonds investor guide' and the 'ESG bonds issuance performance report'.

Sustainable Bonds Issuance Status in 2022

Key management disclosure on the website

Category	Issue date	Maturity date	Issued amount
164th	Feb. 8, 2022	Feb. 8, 2024	KRW 25 billion
165th-1	Mar. 14, 2022	Sep. 14, 2023	KRW 10 billion
165th-2	Mar. 14, 2022	Mar. 14, 2024	KRW 10 billion
166th-1	Apr. 15, 2022	Apr. 15, 2024	KRW 10 billion
166th-2	Apr. 15, 2022	Apr. 15, 2024	KRW 5 billion
167th-1	Apr. 18, 2022	Oct. 18, 2023	KRW 10 billion
167th-2	Apr. 18, 2022	Apr. 18, 2024	KRW 40 billion
167th-3	Apr. 18, 2022	Oct. 18, 2024	KRW 20 billion
168th	Apr. 26, 2022	Apr. 26, 2024	KRW 20 billion
169th	Apr. 27, 2022	Apr. 26, 2024	KRW 20 billion
Total			KRW 170 billion

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Our Activities to Establish Governance

Governance of the BOD

① Independence of the BOD

We uphold the independence of the BOD to ensure its function to exercise oversight and maintain balance. In accordance with relevant laws, articles of association, and internal regulations, the BOD verifies the qualifications of external directors who constitute the majority of the board. The chairman of the board is appointed from among the external directors with a view to preserving the independence in decision-making.

② Diversities of the BOD

We secure diversity in the composition of the BOD by not imposing limitations on gender, nationality, cultural differences, race, religion, and other factors when appointing directors. To promote gender diversity, one female director currently serves on the board. In order to secure global competitiveness, one director of foreign nationality (People's Republic of China) has been appointed. The BOD is composed of directors with experience in various countries, including South Korea, the United States, Singapore, and Hong Kong.

③ Professionalism of the BOD

We have strengthened expertise within the BOD to ensure informed and rational decision-making. Our board is composed of directors who possess extensive knowledge and practical experience in various fields such as finance, management, global leadership, finance and accounting, risk management, and law. Furthermore, we conduct internal training sessions for our external directors, covering board operations, financial consumer protection, ESG, and other significant current topics to improve their understanding of the company.

④ Transparency of the BOD

In pursuit of transparency and fairness in our management, we disclose pertinent information about the BOD to shareholders and stakeholders. On our annual reports, we open key information regarding the composition and activities of the board and committees, as well as other important governance-related details. Additionally, we make public disclosures in relation to the appointment of the board chairman, directors, and other relevant matters through our website.

⑤ Description of the Board Committees

We operate an Audit Committee and a Risk Management Committee under the BOD. Each committee is composed of external directors with expertise in their respective sectors. The Audit Committee consists of three external directors, including one who specializes in finance and accounting. The committee oversees the performance of directors and management leadership, as well as conducts audits of the overall internal control system. The Risk Management Committee consists of two external directors, including one with expertise in risk management. The committee monitors risk management activities by formulating the fundamental policies and strategies, and determining manageable risk levels.

⑥ Director Appointment Process

We place a strong emphasis on appointing external directors with rich expertise and diverse practical experiences. The selection process involves assessing whether the candidates meet the qualifications specified by relevant laws and internal regulations. The final candidates are recommended to the General Meeting of Shareholders for approval. The term of office for external directors is one year, and reappointment takes place on an annual basis, depending on the evaluation results at the end of each term.

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Our Activities to Establish Governance

⑦ Operation and Evaluation of the BOD

The BOD is responsible for making decisions on matters stipulated by relevant laws and articles of association, delegated by the General Meeting of Shareholders and regarding the fundamental policies of company management. The BOD meetings are categorized into regular ad hoc meetings, convened by the chairman. In 2022, a total of 11 board meetings were held, with an average attendance rate of 93.51%. We provide meeting materials to each director seven days prior to the meeting to make sure that they have sufficient time to review agendas. The BOD conducts an annual written evaluation of its operations to enhance the rationality and efficiency of board and committee operations. As the board members conduct a self-evaluation on their overall operations, we aim to enhance the role and accountability of the board based on the evaluation results. The evaluation of the BOD covers eight items each for roles and responsibilities, board structure, and board operations. In the evaluation process, members have the opportunity to propose suggestions for improvements, considering qualitative evaluation on top of a comprehensive assessment of the operations. The BOD conducts a self-assessment for external directors on their annual activities to strengthen their responsibilities and verify their performance capabilities. This self-assessment includes 13 items, such as independence, expertise, diligence, legal and ethical compliance, leadership, and contribution, among others. In addition to an overall evaluation, external directors have the opportunity to propose suggestions for improvements, considering qualitative evaluation.

⑧ ESG Activities of the BOD

The BOD engages in discussions on ESG management strategies and core policies. The Sustainable Management Committee reports on ESG-related issues, activities, achievements, and plans to the board annually. During the board meeting held in December 2022, a report was presented on the ESG performance and future plans of the company, including the status of the ESG organization, ESG financing achievements, ESG evaluations and awards, and the ESG operational plan for 2023.

Process to Prevent Conflicts of Interest and Disclosure

We are making endless effort to prevent conflicts of interest with the company, shareholders, and customers, and manages any anticipated conflicts in accordance with appropriate procedures. The BOD is committed to avoiding situations that may give rise to conflicts of interest, whether actual or potential, as required by relevant laws and internal regulations while strictly adhering to our conflict-of-interest policy. In this regard, any director who is determined to have a conflict of interest regarding a resolution of the Board is prohibited from exercising voting rights on that matter. We utilize an electronic disclosure system to disclose the relationships and conflicts of interest with major shareholders or other stakeholders in the annual report.

Training of the BOD members

We conduct annual training to enhance the understanding of our board members in the financial industry and the company. Internal training sessions encompass board operations, financial consumer protection, ESG, and other relevant topics. In addition, we plan to organize workshops, invite external speakers for lectures, and participate in various forums to develop and strengthen competencies in diverse fields.

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Our Activities to Establish Governance

Compensation Policy and Assessment Procedures

① Executive Compensation System

We set the annual limit for total director compensation at the General Meeting of Shareholders, while the BOD determines the compensation amounts and methods for external directors and the CEO. The compensation system consists of a base salary and incentives. The base salary is a fixed amount paid monthly, while the incentives are variable and subject to evaluation of performance. External directors receive compensation in the form of a base salary as it was determined by the BOD. The CEO receives compensation in the form of a base salary and incentives. In addition, the retirement benefits for external directors and the CEO are determined through a resolution at the General Meeting of Shareholders, following the provisions of the executive retirement benefit payment regulations.

② Executive Performance Evaluation Indicators

In evaluating the CEO, we utilize indicators that encompass financial and non-financial sectors. Financial performance indicators encompass growth indicators such as sales volume, operating assets, and customer expansion metrics, as well as profitability indicators, including ROE and ROA. Also, we consider soundness indicators such as delinquency rate over one month and fixed-to-variable debt ratio. Our non-financial performance indicators cover seven aspects; productivity, collaboration, funding, digitization, brand value, ESG management, and compliance. These indicators are measured to evaluate performance in each business sector.

③ Deferral and Adjustment of Performance-Based Compensation, Criteria for Forfeiture

As of 2022, we are not required to make deferred payments for performance-based compensation under the Financial Conglomerates Act. However, we plan to establish a performance-based compensation system where a portion of the performance-based compensation will be paid in cash upon evaluation of executive performance, while the remaining amount will be deferred and paid over a period of three years or more.

④ Adjustment and Recovery Policy for Deferred or Paid Compensation

As of 2022, we are not obligated to make deferred payment of performance-based compensation under the Financial Business Governance Act. However, we intend to implement a system whereby compensation is deferred over a period of three years or more. In the event of any losses related to the assigned duties during the deferral period, the value of the deferred amount will be determined, taking into account the extent of losses. Furthermore, we plan to establish a forfeiture policy that enables the recovery of performance-based compensation in case of unethical conduct and legal violations.

⑤ Compensation System and Performance Indicators for Executives and the CEO

We prepare an annual compensation system for our executives and the CEO and conduct performance based on indicators that cover financial and non-financial aspects. Our financial performance indicators measure growth, profitability, and soundness, while our non-financial performance indicators assess the progress in achieving strategic objectives within each business sector. Depending on the expertise of the management leadership, we apply a differentiated compensation system each year by aligning financial and non-financial performance indicators and conducting performance evaluations. However, for positions responsible for risk management and compliance monitoring, we have set separate criteria that are not tied to financial performance, ensuring the independence of their duties.

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Stakeholder Interview

The director of United Nations Global Compact (UNGC)

Eun Kyung Lee

“The world’s largest corporate sustainability initiative becoming the milestone of sustainable management.”

In October 2021, we swiftly embraced sustainable management by joining UNGC, which sets forth ten principles on human rights, labor, environment, and anti-corruption, along with 17 sustainable development goals. We had the opportunity to hear the sincere story of UNGC Director Lee, who has been an excellent guide on our journey toward sustainability.

Could you introduce yourself?

I am Director Eun Kyung Lee from the UN Global Compact Network Korea. As a founding member of UNGC Korea, I have been promoting the values of UNGC and assisting companies in internalizing them for the past 15 years. I oversee the practical operations and research of UNGC, and I also participate as an advisory board member for various government departments, businesses, and public institutions.

What is UNGC?

UNGC, the UN Global Compact, is the world’s largest corporate sustainability initiative and the organization that coined the term ESG. We work in cooperation with companies, governments, parliaments, international organizations, and civil society to create an ESG ecosystem. Globally, UNGC has over 20,000 members, and in Korea, there are more than 300 companies and organizations joined as members.

If financial institutions like Acuon Capital were to prioritize certain goal among the SDGs, what would it be?

The international community considers ESG as the standard for sustainable finance and investment, calling for the participation and leadership of financial institutions to achieve the Sustainable SDGs. Achieving the SDGs, which aim for ‘Leave no one behind’ development, is not possible with government investment alone. It requires the technical expertise and resources of companies, particularly substantial investments in sustainable finance. Financial institutions, like Acuon Capital, need to identify areas that require expanded investments to address the most urgent and critical societal issues among the SDG goals. They should strengthen their investments and lending practices to contribute to the fulfillment of these goals.

If financial institutions were to play a more proactive role in climate action, what would be their responsibilities?

In recent years, both domestic and international financial institutions have been launching funds that invest in green businesses, such as renewable energy and electric vehicles, in line with climate action and ESG management. More bonds are being issued focused on climate action and sustainability, such as green bonds and blue bonds. Meanwhile, there is a growing trend in regulating greenwashing by financial institutions that claim to be engaged in ESG investments. Therefore, financial institutions need to consider these aspects and strengthen their commitment to eco-friendly finance and investments. They should also promote ESG-based governance, embed sustainability in their organizational culture, and engage in social contribution activities.

What is the direction of the Women Leaders Network session held at the Korea Leaders Summit 2022?

At UNGC, we have been committed to supporting the empowerment of women in the market and business sector by launching the Women’s Empowerment Principles (WEPs) and striving for gender equality and the increase of women leaders within companies. By campaigning ‘Target Gender Equality’ project in recent years, we have been supporting companies in creating a more gender-inclusive culture. In 2023, we are planning several programs where women professionals at the middle management level and above can come together for growth and development.

If there have been meaningful and valuable moments during your work, what would they be?

While there have been many valuable moments throughout my work, I feel the greatest sense of fulfillment to witness the recent societal and corporate transformations. I believe it was the opportunity to contribute to those changes, even in small ways. When I see the sincerity and dedication of corporate leaders and professionals in driving organizational change is particularly gratifying and inspires me to redouble my efforts in fulfilling my role.



The director of UNGC Eun Kyung Lee

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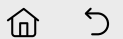
ESG Data Financial Performance

Consolidated Financial Statements

Fiscal Year 16 as of December 31, 2021
Fiscal Year 17 as of December 31, 2022
(Unit: KRW)

Item	16th	17th
Assets		
I. Cash and deposits	369,777,935,005	296,338,879,599
1. Cash and cash equivalents	157,775,766,083	31,543,081,028
2. Deposits	212,002,168,922	264,795,798,571
II. Investments in securities	511,306,848,568	809,009,011,468
1. Financial assets at fair value through profit or loss	369,509,876,564	647,638,176,813
2. Financial assets at fair value through other comprehensive income	-	13,468,347,845
3. Financial assets measured at amortized cost	5,184,248,402	5,184,821,606
4. Investments in associates and joint ventures	136,612,723,602	142,717,665,204
III. Loans and receivables	7,618,143,488,504	8,193,639,597,722
1. Factoring receivables	87,286,892,939	43,412,672,403
2. Loans receivable	7,530,856,595,565	8,150,226,925,319
IV. Installment financial assets	168,730,776,485	135,815,267,153
1. Installment financial receivables	168,730,776,485	135,815,267,153
V. Lease assets	291,996,893,749	272,469,188,378
1. Finance lease receivables	289,814,480,777	269,694,608,519
2. Termination lease assets	2,182,412,972	2,774,579,859
VI. Technology financial assets	50,127,950,698	46,346,433,602
1. Financial assets at fair value through profit or loss	37,692,494,304	34,525,892,013
2. Investments in associates and joint ventures	12,435,456,394	11,820,541,589
VII. Property, plant, and equipment	16,909,322,042	23,475,319,960
VIII. Investment property	16,117,213,025	-
IX. Intangible assets	18,414,249,387	29,865,802,800

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Consolidated Financial Statements

Fiscal Year 16 as of December 31, 2021
 Fiscal Year 17 as of December 31, 2022
 (Unit: KRW)

Item	16th	17th
Assets		
X. Other financial assets	75,690,760,335	79,313,583,546
XI. Other assets	14,016,593,596	10,676,030,365
XII. Accrued employee benefits assets	-	8,269,271,271
XIII. Deferred tax assets	52,784,378,408	37,942,526,444
XIV. Assets held for sale	1,510,969,785	-
Total assets	9,205,527,379,587	9,943,160,912,308
Liabilities		
I. Borrowings	3,459,507,749,199	3,017,643,913,045
1. Borrowings in KRW	706,844,827,187	905,520,088,944
2. Bonds	2,752,662,922,012	2,112,123,824,101
II. Accrued liabilities	4,554,763,903,157	5,511,808,595,782
III. Other financial liabilities	196,356,581,336	236,348,576,535
IV. Other liabilities	64,239,592,569	50,494,105,940
V. Provision for liabilities	1,805,976,647	1,548,001,736
VI. Accrued employee benefits liabilities	2,552,568,587	-
VII. Deferred tax liabilities	17,178,186,067	16,675,965,352
Total liabilities	8,296,404,557,562	8,834,519,158,390
Equity		
Equity attributable to owners of the parent company	909,122,822,025	1,108,641,753,918
I. Capital stock	213,372,225,000	220,446,015,000
II. Additional paid-in capital	160,089,569,349	192,961,969,022
III. Retained earnings	661,938,290,427	817,058,856,997
IV. Accumulated other comprehensive income	1,320,556,063	5,772,731,713
V. Other components of equity	(127,597,818,814)	(127,597,818,814)
Total equity	909,122,822,025	1,108,641,753,918
Total liabilities and equity	9,205,527,379,587	9,943,160,912,308

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Consolidated comprehensive income statement

Fiscal Year 16 as of December 31, 2021
 Fiscal Year 17 as of December 31, 2022
 (Unit: KRW)

Item	16th	17th
I. Operating revenues	675,817,728,505	830,672,815,308
1. Interest income (amortized cost financial assets)	538,238,548,907	642,968,940,953
2. Interest income (fair value through profit or loss financial assets)	1,186,229,398	3,642,016,452
3. Profits on evaluation and disposal of securities	21,405,193,435	75,615,055,760
4. Equity method earnings	14,372,537,079	13,618,203,721
5. Profits on evaluation of loans and receivables	-	10,443,225,663
6. Profits on disposal of loans and receivables	26,400,049,138	23,027,266,599
7. Lease revenues	948,738,430	1,066,201,789
8. Foreign exchange profits	1,109,082,373	130,000
9. Fee revenues	38,380,387,591	39,787,104,140
10. Other operating revenues	33,776,962,154	20,504,670,231
II. Operating expenses	501,242,358,563	641,735,057,000
1. Interest expenses	167,003,228,911	246,740,259,266
2. Losses on evaluation and disposal of securities	40,431,153,945	38,005,654,076
3. Equity method losses	3,086,948,305	24,238,760,344
4. Losses on evaluation of loans and receivables	145,313,478,856	171,806,060,286
5. Losses on disposal of loans and receivables	314,776,671	2,572,428,991
6. Lease expenses	1,750,875,574	1,593,118,045
7. Foreign exchange losses	565,799,267	281,483,753
8. Fee expenses	9,282,934,101	12,430,895,394
9. Selling and administrative expenses	112,498,099,570	115,538,409,185
10. Other operating expenses	20,995,063,363	28,527,987,660
III. Operating profit	174,575,369,942	188,937,758,308
IV. Non-operating revenues	2,216,848,622	13,965,630,667
V. Non-operating expenses	1,298,805,047	1,947,754,560
VI. Profit before income tax	175,493,413,517	200,955,634,415
VII. Income tax expenses	40,453,504,903	45,835,067,845

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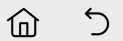
Consolidated comprehensive income statement

Fiscal Year 16 as of December 31, 2021
 Fiscal Year 17 as of December 31, 2022
 (Unit: KRW)

Item	16th	17th
VIII. Consolidated net income	135,039,908,614	155,120,566,570
Equity attributable to parent company shareholders	135,039,908,614	155,120,566,570
Non-controlling interests	-	-
IX. Other comprehensive income after tax	1,074,586,378	4,452,175,650
1. Items not subsequently reclassified to profit or loss	1,074,586,378	4,452,175,650
Other comprehensive income - fair value measurement of financial assets	-	(1,176,308,855)
Remeasurement elements of defined benefit plans	1,074,586,378	5,628,430,887
Revaluation gain / loss on tangible assets	-	53,618
X. Consolidated total comprehensive income	136,114,494,992	159,572,742,220
Equity attributable to parent company shareholders	136,114,494,992	159,572,742,220
Non-controlling interests	-	-

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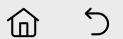
ESG Data

Economic Performance

Acuon Capital

Item	Unit	2020	2021	2022
Acuon Capital				
Generation of economic value (consolidated basis)				
1. Operating revenue	KRW million	569,020	675,818	830,673
2. Operating expenses	KRW million	444,350	501,242	641,735
3. Operating profit	KRW million	124,670	174,575	188,938
4. Net income	KRW million	102,825	135,039	155,121
Allocation of economic value (consolidated basis)				
1. Shareholders / investors	Dividends and interest	KRW million	0	0
2. Employees		KRW million	18,985	19,690
	Salary (male)	KRW million	15,784	16,575
	Salary (female)	KRW million	3,201	3,115
	Employee benefits (disclosure basis)	KRW million	3,264	3,608
3. Government	Corporate tax (expense)	KRW million	23,130	40,454
	Profit before corporate tax	KRW million	125,956	175,493
4. Local Community	Social contribution investments	KRW million	67	75

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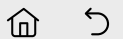
ESG Data

Economic Performance

Acuon Savings Bank

Item	Unit	2020	2021	2022
Acuon Savings Bank				
Generation of economic value				
1. Operating revenue	KRW million	277,164	347,893	437,059
2. Operating expenses	KRW million	243,124	266,965	363,801
3. Operating profit	KRW million	34,041	80,928	73,258
4. Net income	KRW million	27,868	62,093	57,322
Allocation of economic value				
1. Shareholders / investors	Dividends and interest	KRW million	0	0
2. Employees		KRW million	28,927	32,103
	Salary (male)	KRW million	18,146	20,235
	Salary (female)	KRW million	10,781	11,868
	Employee benefits (disclosure basis)	KRW million	6,039	6,982
3. Government	Corporate tax (expense)	KRW million	7,626	19,278
	Profit before corporate tax	KRW million	35,494	81,371
4. Local Community	Social contribution investments	KRW million	20	75

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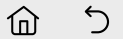
ESG Data

Operating Revenue

Acuon Capital

Item	Unit	2020	2021	2022
Acuon Capital				
Business segments				
1. Loans	KRW million	4,482	5,312	6,174
2. Leasing	KRW million	209	178	174
3. Installment financing	KRW million	103	89	103
4. Technology financing	KRW million	75	47	44
5. Other	KRW million	822	1,122	1,812

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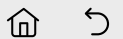
ESG Data

Status of Pension System Operations

Acuon Capital / Acuon Savings Bank

Item	Unit	2020	2021	2022
Acuon Capital				
Pension				
1. Pension plan assets	KRW million	8,470	9,698	11,182
2. Pension plan participants	Persons	217	223	199
3. Present value of defined benefit obligations	KRW million	9,146	9,435	8,040
Acuon Savings Bank				
Pension				
1. Pension plan assets	KRW million	17,655	20,881	25,235
2. Pension plan participants	Persons	364	378	357
3. Estimated pension liabilities	KRW million	17,430	20,155	21,804

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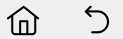
ESG Data Policy Impact

Acuon Capital / Acuon Savings Bank

Item	Unit	2020	2021	2022
Acuon Capital				
Total membership fees	KRW million	279	266	315
1. Association of Specialized Financial Institutions in Korea	KRW million	164	156	188
2. UNGC	KRW million	-	6	6
3. Financial Supervisory Service	KRW million	114	104	121
Acuon Savings Bank				
Total membership fees	KRW million	478	513	582
1. Financial Supervisory Service	KRW million	84	75	136
2. Korea Federation of Savings Banks	KRW million	395	438	445

UNGC: Initial membership in 2021

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ESG Data

Annual Total Compensation Ratio

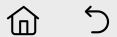
Acuon Capital / Acuon Savings Bank

Item		Unit	2020	2021	2022
Acuon Capital					
CEO and other employees					
1. Total annual compensation ratio of CEO to employees	Total CEO compensation	KRW million	1,169	1,102	1,194
	Average employee compensation (CEO excluded)	KRW million	84	84	100
	Median employee compensation CEO excluded)*	KRW million	73	71	86
	CEO-to-Employee compensation ratio	%	13.9	13.1	11.9
2. Annual total compensation increase ratio of CEO to employees	CEO	%	40.3	- 5.7	8.3
	All employees (CEO excluded)	%	0.7	2.3	2.3
Acuon Savings Bank					
CEO and other employees					
1. Total annual compensation ratio of CEO to employees	Total CEO compensation	KRW million	498	659	788
	Average employee compensation (CEO excluded)	KRW million	80	83	86
	Median employee compensation CEO excluded)*	KRW million	74	77	78
	CEO-to-Employee compensation ratio	%	6.2	7.9	9.2
2. Annual total compensation increase ratio of CEO to employees	CEO	%	7.0	32.0	20.0
	All employees CEO excluded)	%	2.0	2.5	0

* Average employee compensation (CEO excluded): It refers to the average compensation of all employees excluding the CEO.

* Median employee compensation (Excluding CEO): It refers to the middle value between the highest and lowest compensations of employees, excluding the CEO.

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ESG Data

GHG Emissions

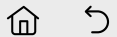
Acuon Capital / Acuon Savings Bank

We seek to mitigate GHGs emitted from our business activities through initiatives such as improving office environments and reducing electricity consumption. Scope 1 refers to direct GHG emissions, including fuel combustion for heating at the headquarters and regional FCs (classified as stationary combustion) as well as fuel consumption for business vehicle, (classified as mobile combustion). Scope 2 covers indirect GHGs resulting from the purchase of electricity and steam used to generate power at the headquarters and regional FCs. As for scope 3, we have developed a GHG inventory based on data as of the end of 2021, and emissions were calculated from five emission sources: purchased goods, capital goods, employee commuting, product use, and investments.

Item	Unit	2020	2021	2022
Acuon Capital				
Total emissions (Scope 1 + Scope 2)	tCO2eq	259.98	461.11	392.30
Scope1	tCO2eq	157.75	240.20	196.91
Scope2	tCO2eq	102.23	220.92	195.39
Operating revenue on a consolidated basis	KRW 100 million	5,690.20	6,758.18	8,306.73
GHG intensity	tCO2eq / KRW 100 million	0.05	0.07	0.05
Acuon Savings Bank				
Total emissions (Scope 1 + Scope 2)	tCO2eq	262.47	573.69	514.03
Scope1	tCO2eq	106.98	275.75	237.75
Scope2	tCO2eq	155.49	297.95	276.28
Operating revenue on a separate basis	KRW 100 million	2,771.64	3,478.93	4,370.59
GHG intensity	tCO2eq / KRW 100 million	0.09	0.16	0.12

* By applying validated values from GHG inventories starting from the data of 2021, the data for scope 1 and scope 2 have been revised. Regarding scope 2, the 2021 Sustainability Report only included electricity consumption at the headquarters. However, for this report, GHGs emitted from electricity consumption, including regional FCs, have been retrospectively calculated starting from the data of 2021. Therefore, there may be discrepancies between the 2021 report and the data presented in this report.

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GHG Emissions

Acuon Capital / Acuon Savings Bank

Item	Unit	2020	2021	2022
Acuon Capital				
Total emissions (Scope 3)	tCO2eq	-	361,343.85	329,483.13
1. Employee commuting	tCO2eq	-	129.32	129.32
2. Purchased goods	tCO2eq	-	1,492.80	1,490.85
3. Fuel and energy-related activities (excluding scope 1 and 2)	tCO2eq	-	30.13	25.80
4. Capital goods	tCO2eq	-	69.25	463.63
5. Product use	tCO2eq	-	0.49	0.49
6. Investments	tCO2eq	-	359,621.86	327,373.03
	Listed stocks and corporate bonds	-	8,046.83	9,284.46
	Corporate loans and unlisted stocks	-	296,907.01	233,825.43
	Project finance	-	26,312.51	60,693.62
	Car loans	-	28,355.51	23,569.53
Acuon Savings Bank				
Total emissions (Scope 3)	tCO2eq	-	188,071.16	111,261.22
1. Employee commuting	tCO2eq	-	178.88	178.88
2. Purchased goods	tCO2eq	-	10.01	6.84
3. Fuel and energy-related activities (excluding scope 1 and 2)	tCO2eq	-	46.56	24.34
4. Capital goods	tCO2eq	-	470.03	112.47
5. Product use	tCO2eq	-	2.03	2.39
6. Investments	tCO2eq	-	148,965.08	110,936.28
	Listed stocks and corporate bonds	-	590.58	520.57
	Corporate loans and unlisted stocks	-	134,160.92	89,722.88
	Project finance	-	4,260.81	13,219.49
	Car loans	-	9,952.77	7,473.34

* Starting from 2021, GHGs for scope 3 have been calculated using validated values from the GHG inventory, covering the period 2022. However, GHGs for scope 3 in 2020 were not calculated.

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GHG Emissions

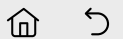
Acuon Capital / Acuon Savings Bank

Item	Unit	2020	2021	2022
Acuon Group				
Total emissions (Scope 3)	tCO ₂ eq	-	511,016.43	440,744.34
1. Employee commuting	tCO ₂ eq	-	308.20	308.20
2. Purchased goods	tCO ₂ eq	-	1,502.81	1,497.69
3. Fuel and energy-related activities (scope 1 and 2 excluded)	tCO ₂ eq	-	76.69	50.15
4. Capital goods	tCO ₂ eq	-	539.28	576.10
5. Product use	tCO ₂ eq	-	2.52	2.88
6. Investments	tCO ₂ eq	-	508,586.94	438,309.32
	Listed stocks and corporate bonds	-	8,637.41	9,805.03
	Corporate loans and unlisted stocks	-	431,067.93	323,548.31
	Project finance	-	30,573.33	73,913.11
	Car loans	-	38,308.28	31,042.87

* Scope 3: Data measurement starting from 2021

* Employee commuting: Based on the number of survey responses for commuting in 2021 and 2022

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Energy Consumption

Acuon Capital / Acuon Savings Bank

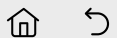
We struggle to cut back on our energy consumption through initiatives such as adjusting building lighting schedules, maintaining optimal temperatures during summer and winter seasons, and promoting the use of public transportation for short distances. While there may have been temporary fluctuations in energy usage due to initiatives like digital innovation and expanding operations, we will continue to consistently measure and manage energy consumption through ongoing monitoring and conservation campaigns.

Item	Unit	2020	2021	2022
Acuon Capital				
Non-renewable energy				
Fuel consumption	GJ	1,975.10	3,383.49	2,922.95
Gasoline	GJ	1,438.30	2,049.50	1,786.60
LPG	GJ	496.60	151.50	32.40
Diesel	GJ	40.20	0.0	0.0
LNG*	GJ	-	1,182.49	1,103.95
Electricity consumption	GJ	2,104.80	4,742.98	4,659.10
Fuel + electricity consumption	GJ	4,079.90	8,126.47	7,582.05
Operating revenue on a consolidated basis	cc	5,690.20	6,758.20	8,306.70
Non-renewable energy intensity (GJ / consolidated basis operating revenue)	GJ / KRW 100 million	0.72	1.20	0.91
Acuon Savings Bank				
Non-renewable energy				
Fuel consumption	GJ	1,218.68	4,481.20	3,885.63
Gasoline	GJ	675.18	876.09	1,046.84
LPG	GJ	543.50	79.77	0.0
Diesel	GJ	0.0	0.0	0.0
LNG*	GJ	-	3,525.34	2,838.79
Electricity consumption	GJ	3,208.04	6,225.98	5,773.32
Fuel + electricity consumption	GJ	4,426.72	10,707.18	9,658.95
Operating revenue on a separate basis	KRW 100 million	2,771.64	3,478.93	4,370.59
Non-renewable energy intensity (GJ / consolidated basis operating revenue)	GJ / KRW 100 million	1.60	3.08	2.21

* LNG: The fixed combustion usage of leased buildings is calculated based on the proportion of leased area (applied from 2021 onwards)

**Due to changes in the energy consumption measurement process, there have been some changes in the electricity and fuel consumption data compared to the 2021 sustainability report. In the case of electricity consumption, the data collection scope has been expanded from the headquarters to the entire organization and retroactively applied from 2021. The fuel consumption has also been revised according to the validated calculation methodology.

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Environmental Regulations

Acuon Capital / Acuon Savings Bank

Item	Unit	2020	2021	2022
Acuon Capital				
No. of environmental law violations	Cases	0	0	0
Penalties	KRW	0	0	0
Fines	KRW	0	0	0
Acuon Savings Bank				
No. of environmental law violations	Cases	0	0	0
Penalties	KRW	0	0	0
Fines	KRW	0	0	0

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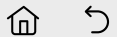
Environmental Investment

Acuon Capital

Acuon Capital offers ESG financial products to a variety of industries, expanding financial supports necessary for green businesses.

Item	Unit	2020	2021	2022	TOTAL
Acuon Capital					
Green investments	KRW million	0	104,924	56,682	161,606
Battery forklift	KRW million	0	16,827	15,257	32,084
ABL loan for EV part makers	KRW million	0	5,000	0	5,000
Natural gas transport vessel	KRW million	0	27,026	0	27,026
Offshore wind power business	KRW million	0	14,000	5,000	19,000
Construction waste treatment business	KRW million	0	3,743	70	3,813
Solar power business	KRW million	0	0	0	0
Wood chipper	KRW million	0	905	1,920	2,825
Production and sales of new and renewable energy	KRW million	0	10,000	0	10,000
Eco-friendly material packaging products	KRW million	0	5,000	0	5,000
Waste recycling	KRW million	0	2,740	20,545	23,285
Electric excavator	KRW million	0	385	890	1,275
Water-saving toilet bowl (WASCO project)	KRW million	0	1,052	0	1,052
GHG reduction	KRW million	0	3,000	0	3,000
Reduction of chemical consumption	KRW million	0	5,246	0	5,246
Ship scrubber (sulfur oxide reduction device)	KRW million	0	5,000	0	5,000
Eco-friendly fuel cell	KRW million	0	5,000	0	5,000
Green smart factory	KRW million	0	0	5,000	5,000
Waste incineration recycling	KRW million	0	0	2,000	2,000
Secondary battery recycling	KRW million	0	0	1,000	1,000
Recycling of semiconductor and display material	KRW million	0	0	5,000	5,000

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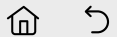
Environmental Investment

Acuon Savings Bank

Acuon Savings Bank provides ESG financial products to a variety of industries, expanding financial supports necessary for green businesses.

Item	Unit	2020	2021	2022	TOTAL
Acuon Savings Bank					
Green investments	KRW million	0	35,700	36,640	72,340
Battery forklift	KRW million	0	0	0	0
ABL loan for EV part makers	KRW million	0	8,700	0	8,700
Natural gas transport vessel	KRW million	0	8,000	0	8,000
Offshore wind power business	KRW million	0	6,000	4,500	10,500
Construction waste treatment business	KRW million	0	0	9,240	9,240
Solar power business	KRW million	0	0	0	0
Wood chipper	KRW million	0	0	0	0
Production and sales of new and renewable energy	KRW million	0	10,000	4,000	14,000
Eco-friendly material packaging products	KRW million	0	0	0	0
Waste recycling	KRW million	0	3,000	0	3,000
Electric excavator	KRW million	0	0	0	0
Water-saving toilet bowl (WASCO project)	KRW million	0	0	0	0
GHG reduction	KRW million	0	0	0	0
Reduction of chemical consumption	KRW million	0	0	0	0
Ship scrubber (sulfur oxide reduction device)	KRW million	0	0	0	0
Eco-friendly fuel cell	KRW million	0	0	10,000	10,000
Green smart factory	KRW million	0	0	5,000	5,000
Waste incineration recycling	KRW million	0	0	2,000	2,000
Secondary battery recycling	KRW million	0	0	0	0
Recycling of semiconductor and display material	KRW million	0	0	1,900	1,900

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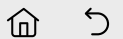
Transition to Eco-Friendly Vehicles

Acuon Capital / Acuon Savings Bank

We are diligently promoting the gradual transition of our business vehicles to electric and hybrid ones.

Item	Unit	2020	2021	2022
Acuon Capital				
Corporate vehicles	Car	41	41	41
Eco-friendly vehicles (EVs)	Car	0	0	5
Eco-friendly vehicle ratio	%	0	0	12
Acuon Savings Bank				
Corporate vehicles	Car	26	23	23
Eco-friendly vehicles (hybrid)	Car	1	14	18
Eco-friendly vehicle ratio	%	4	61	78

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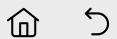
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Employment

Acuon Capital We prohibit any discriminatory treatment on the grounds of gender, nationality, religion, age, employment status, and social status when hiring new employees. We adhere to the principle of public recruitment and employ talents through fair processes. Furthermore, we ensure fair evaluation and appropriate rewards for all employees including regular, contract, and dispatched workers based on actual achievements and capabilities in their workplace.

Item	Unit	Male			Female			TOTAL		
		2020	2021	2022	2020	2021	2022	2020	2021	2022
Acuon Capital (*dispatched workers included)		2020	2021	2022	2020	2021	2022	2020	2021	2022
By employment type	Persons	153	157	149	86	90	77	239	247	226
1. Regular	Department Manager	Persons	0	0	0	0	0	0	0	0
	Division Director	Persons	0	0	0	0	0	0	0	0
	Team Leader	Persons	18	24	21	1	1	19	25	22
	Team Member	Persons	94	95	92	37	39	131	134	130
2. Contract (non-regular excluded)	Department Manager	Persons	7	8	8	0	0	7	8	8
	Division Director	Persons	4	3	3	0	0	4	3	3
	Team Leader	Persons	4	5	5	0	0	4	5	5
	Team Member	Persons	23	21	17	39	40	62	61	46
3. Dispatched*	Department Manager	Persons	0	0	0	0	0	0	0	0
	Division Director	Persons	0	0	0	0	0	0	0	0
	Team Leader	Persons	0	0	0	0	0	0	0	0
	Team Member	Persons	3	1	3	9	10	12	11	12
*Although the dispatched workers were excluded in the 2021 report, starting from this report, the calculations include dispatched workers retroactively										
By age	Persons	153	157	149	86	90	77	239	247	226
1. Internal workers (regular, contract)	Under 30s	Persons	6	2	1	32	27	17	38	29
	30s to 50s	Persons	133	133	123	45	53	51	178	186
	50s and above	Persons	11	21	22	0	0	0	11	22
2. External workers (dispatched)	Under 30s	Persons	0	0	0	2	5	1	2	5
	30s to 50s	Persons	2	1	3	7	5	8	9	11
	50s and above	Persons	1	0	0	0	0	0	1	0
By region	Persons	153	157	149	86	90	77	239	247	226
	Seoul	Persons	128	135	131	76	81	71	204	202
	Others	Persons	25	22	18	10	9	6	35	24

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Employment

Acuon Savings Bank We prohibit any discriminatory treatment on the grounds of gender, nationality, religion, age, employment status, and social status when hiring new employees. We adhere to the principle of public recruitment and employ talents through fair processes. Furthermore, we ensure fair evaluation and appropriate rewards for all employees including regular, contract, and dispatched workers based on actual achievements and capabilities in their workplace.

Item	Unit	Male			Female			TOTAL		
		2020	2021	2022	2020	2021	2022	2020	2021	2022
Acuon Savings Bank (*dispatched workers included)										
By employment type	Persons	239	249	241	188	179	151	427	428	392
1. Regular	Executive	0	0	0	0	0	0	0	0	0
	Team Leader	38	43	41	5	6	8	43	49	49
	Team Member	181	182	182	142	145	139	323	327	321
2. Contract (non-regular excluded)	Executive	11	12	13	0	0	0	11	12	13
	Team Leader	0	0	0	0	0	0	0	0	0
	Team Member	8	12	5	23	17	4	31	29	9
3. Dispatched*	Division Director	0	0	0	0	0	0	0	0	0
<small>*Although the dispatched workers were excluded in the 2021 report, starting from this report, the calculations include dispatched workers retroactively</small>	Team Leader	0	0	0	0	0	0	0	0	0
	Team Member	1	0	0	18	11	0	19	11	0
By age	Persons	239	249	241	188	179	151	427	428	392
1. Internal workers (regular, contract)	Under 30s	9	17	18	21	23	23	30	40	41
	30s to 50s	202	206	197	148	144	127	350	350	324
	50s and above	27	26	26	1	1	1	28	27	27
2. External workers (dispatched)	Under 30s	0	0	0	5	1	0	5	1	0
	30s to 50s	1	0	0	13	10	0	14	10	0
	50s and above	0	0	0	0	0	0	0	0	0
By region	Persons	239	249	241	188	179	151	427	428	392
	Seoul	228	238	233	173	165	137	401	403	370
	Others	11	11	8	15	14	14	26	25	22

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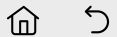
Salary and Employee Benefits

Acuon Capital / Acuon Savings Bank

We prohibit any discriminatory treatment on the grounds of gender, nationality, religion, age, employment status, and social status when hiring new employees. We adhere to the principle of public recruitment and employ talents through fair processes. Furthermore, we ensure fair evaluation and appropriate rewards for all employees including regular, contract, and dispatched workers based on actual achievements and capabilities in their workplace.

Item	Unit	Male			Female		
		2020	2021	2022	2020	2021	2022
Acuon Capital		2020	2021	2022	2020	2021	2022
Total salary	KRW million	15,784	16,575	18,061	3,201	3,115	3,255
Employee benefits expenses <small>*Calculated based on gender ratio as of year-end</small>	KRW million	2,155	2,381	2,537	1,110	1,227	1,181
Minimum wage by gender							
1. Legal minimum wage <small>*Based on Acuon Capital's standard (209 hours per month, including partial meal expenses)</small>	KRW million	23	23	23	23	23	23
2. Average salary of new employees <small>** No new employees. All new hires are experienced staff.</small>	KRW million	0	0	0	0	0	0
3. Ratio of new employee salary to legal minimum wage	KRW million	0	0	0	0	0	0
Ratio of female base pay and compensation to male							
1. Executives (executives)	KRW million(%)	17	17	17	0(0)	0(0)	0(0)
2. Managerial positions (supervisors and above)	KRW million(%)	5	5	5	4(80)	4(80)	4(80)
3. Non-managerial positions (excluding executives and managerial positions)	KRW million(%)	3	3	3	2(67)	2(67)	2(67)
Acuon Savings Bank							
Total salary	KRW million	18,146	20,235	19,127	10,781	11,868	11,248
Employee benefits expenses	KRW million	3,387	4,075	4,401	2,653	2,906	2,758
Minimum wage by gender							
1. Legal Minimum Wage <small>* Not based on internal minimum wage standard</small>	KRW million	22	22	23	22	22	23
2. Average salary of new employees	KRW million	41	41	0	41	42	0
3. Ratio of new employee salary to legal minimum wage	KRW million	2	2	0	2	2	0
Ratio of female base pay and compensation to male							
1. Executives (executives)	KRW million(%)	15	15	15	0(0)	0(0)	0(0)
2. Managerial positions (supervisors and above)	KRW million(%)	6	6	6	6(100)	6(100)	5(92)
3. Non-managerial positions (excluding executives and managerial positions)	KRW million(%)	4	4	4	4(100)	4(100)	4(100)

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ESG Data Minority

Acuon Capital / Acuon Savings Bank

We recognize and value the diversity of our employees, strictly banning any form of discrimination on account of race, nationality, religion, background, regionalism, education, kinship, gender, or disability.

Item	Unit	Male			Female			TOTAL		
		2020	2021	2022	2020	2021	2022	2020	2021	2022
Acuon Capital										
By position	Persons	2	2	3	0	0	0	2	2	3
	Executive	0	0	0	0	0	0	0	0	0
	Team Leader	0	0	0	0	0	0	0	0	0
	Team Member	2	2	3	0	0	0	2	2	3
Acuon Savings Bank										
By position	Persons	1	1	1	0	0	0	1	1	1
	Executive	0	0	0	0	0	0	0	0	0
	Team Leader	0	0	0	0	0	0	0	0	0
	Team Member	1	1	1	0	0	0	1	1	1

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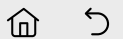


ESG Data Recruitment

Acuon Capital

Item	Unit	Male			Female			TOTAL		
		2020	2021	2022	2020	2021	2022	2020	2021	2022
Acuon Capital (*Full-time regular employees throughout the year)										
By age	Persons	6	16	15	0	5	3	6	21	18
	Under 30s	0	1	0	0	2	1	0	3	1
	30s to 50s	6	13	15	0	3	2	6	16	17
	50s and above	0	2	0	0	0	0	0	2	0
By position	Persons	6	16	15	0	5	3	6	21	18
	Department Manager	0	0	0	0	0	0	0	0	0
	Division Director	0	0	0	0	0	0	0	0	0
	Team Leader	0	3	1	0	0	0	0	3	1
	Team Member	6	13	14	0	5	3	6	18	17
By region	Persons	6	16	15	0	5	3	6	21	18
	Seoul	6	15	14	0	5	3	6	20	17
	Others	0	1	1	0	0	0	0	1	1

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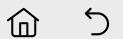


ESG Data Recruitment

Acuon Savings Bank

Item	Unit	Male			Female			TOTAL		
		2020	2021	2022	2020	2021	2022	2020	2021	2022
Acuon Savings Bank		2020	2021	2022	2020	2021	2022	2020	2021	2022
By age	Persons	36	32	25	33	15	14	69	47	39
	Under 30s	5	9	5	13	5	7	18	14	12
	30s to 50s	30	21	18	20	10	7	50	31	25
	50s and above	1	2	2	0	0	0	1	2	2
By age	Persons	36	32	25	33	15	14	69	47	39
	Department Manager	3	2	2	0	0	0	3	2	2
	Team Leader	5	2	1	0	0	0	5	2	1
	Team Member	28	28	22	33	15	14	61	43	36
By region	Persons	36	32	25	33	15	14	69	47	39
	Seoul	34	32	25	31	15	14	65	47	39
	Others	2	0	0	2	0	0	4	0	0

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ESG Data Turnover

Acuon Capital

Item	Unit	Male			Female			TOTAL		
		2020	2021	2022	2020	2021	2022	2020	2021	2022
Acuon Capital (*Full-time regular employees throughout the year)										
Voluntary turnover (by voluntary decisions)										
1.By age	Persons	11	10	14	3	3	5	14	13	19
	Under 30s	0	1	1	1	2	0	1	3	1
	30s to 50s	11	9	11	2	1	5	13	10	16
	50s and above	0	0	2	0	0	0	0	0	2
2.By position	Persons	11	10	14	3	3	5	14	13	19
	Management	0	0	0	0	0	0	0	0	0
	Managerial positions	1	1	0	0	0	0	1	1	0
	Non-managerial positions	10	9	14	3	3	5	13	12	19
3.By region	Persons	11	10	14	3	3	5	14	13	19
	Seoul	10	10	11	3	3	5	13	13	16
	Others	1	0	3	0	0	0	1	0	3
Involuntary turnover (by recommendation)										
1.By age	Persons	0	0	8	0	0	2	0	0	10
	Under 30s	0	0	0	0	0	0	0	0	0
	30s to 50s	0	0	8	0	0	2	0	0	10
	50s and above	0	0	0	0	0	0	0	0	0
2.By position	Persons	0	0	8	0	0	2	0	0	10
	Management	0	0	0	0	0	0	0	0	0
	Managerial positions	0	0	1	0	0	0	0	0	1
	Non-managerial positions	0	0	7	0	0	2	0	0	9
3.By region	Persons	0	0	8	0	0	2	0	0	10
	Seoul	0	0	8	0	0	2	0	0	10
	Others	0	0	0	0	0	0	0	0	0

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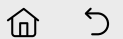


ESG Data Turnover

Acuon Savings Bank

Item	Unit	Male			Female			TOTAL		
		2020	2021	2022	2020	2021	2022	2020	2021	2022
Acuon Savings Bank										
Voluntary turnover (by voluntary decisions)										
1.By age	Persons	19	24	19	23	16	16	42	40	35
	Under 30s	1	1	3	7	3	2	8	4	5
	30s to 50s	16	17	15	15	13	14	31	30	29
	50s and above	2	6	1	1	0	0	3	6	1
2.By position	Persons	19	24	19	23	16	16	42	40	35
	Management	1	3	0	1	0	0	2	3	0
	Managerial positions	2	3	2	0	1	0	2	4	2
	Non-managerial positions	16	18	17	22	15	16	38	33	33
3.By region	Persons	19	24	19	23	16	16	42	40	35
	Seoul	18	23	19	23	14	16	41	37	35
	Others	1	1	0	0	2	0	1	3	0
Involuntary turnover (by recommendation)										
1.By age	Persons	1	0	0	0	0	0	1	0	0
	Under 30s	0	0	0	0	0	0	0	0	0
	30s to 50s	0	0	0	0	0	0	0	0	0
	50s and above	1	0	0	0	0	0	1	0	0
2.By position	Persons	1	0	0	0	0	0	1	0	0
	Management	0	0	0	0	0	0	0	0	0
	Managerial positions	0	0	0	0	0	0	0	0	0
	Non-managerial positions	1	0	0	0	0	0	1	0	0
3.By region	Persons	1	0	0	0	0	0	1	0	0
	Seoul	1	0	0	0	0	0	1	0	0
	Others	0	0	0	0	0	0	0	0	0

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ESG Data

Collective Bargaining

Acuon Capital / Acuon Savings Bank

We are building a reasonable and sound labor-management relationships founded on ongoing communication.

Item	Unit	Male			Female			TOTAL		
		2020	2021	2022	2020	2021	2022	2020	2021	2022
Acuon Capital										
By no. of membership										
Regular	Persons	119	127	121	38	40	39	157	167	160
Contract	Persons	0	0	0	0	0	0	0	0	0
Dispatched	Persons	0	0	0	0	0	0	0	0	0
Subcontracted	Persons	0	0	0	0	0	0	0	0	0
Ratio*										
Regular	%	77.8	80.9	81.2	44.2	44.4	50.6	65.7	67.6	70.8
Contract	%	0	0	0	0	0	0	0	0	0
Dispatched	%	0	0	0	0	0	0	0	0	0
Subcontracted	%	0	0	0	0	0	0	0	0	0
Acuon Savings Bank										
By no. of membership										
Regular	Persons	145	152	148	117	136	128	262	288	276
Contract	Persons	0	0	0	0	10	0	0	10	0
Dispatched	Persons	0	0	0	0	0	0	0	0	0
Subcontracted	Persons	0	0	0	0	0	0	0	0	0
Ratio*										
Regular	%	66.2	67.6	66.4	79.6	90.1	87.1	71.6	76.6	74.6
Contract	%	0	0	0	0	0	0	0	0	0
Dispatched	%	0	0	0	0	0	0	0	0	0
Subcontracted	%	0	0	0	0	0	0	0	0	0

* Ratio: The ratio of union membership, and the scope of application may vary by employment type depending on the terms of the collective agreement.

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ESG Data

Labor-Management Meetings and Employee Satisfaction

Acuon Capital / Acuon Savings Bank

Labor-Management Meetings

We hold regular labor-management meetings to promote mutual cooperation and communication.

Item	Unit	2020	2021	2022	
Labor-management meetings	Acuon Capital	Time	4	4	4
	Acuon Savings Bank	Time	4	4	4

Employee Satisfaction

Item	Unit	Male			Female			TOTAL		
		2020	2021	2022	2020	2021	2022	2020	2021	2022
Employee satisfaction		N/A	N/A	3.21	N/A	N/A	2.86	N/A	N/A	3.08
Acuon Capital	Survey results (on a scale of 5)	Point	N/A	N/A	-	N/A	N/A	-	N/A	2.50
Acuon Savings Bank (*gender indeterminate)	Survey results (on a scale of 5)	Point	N/A	N/A	-	N/A	N/A	-	N/A	2.50

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ESG Data

Grievance Handling

Acuon Capital / Acuon Savings Bank

We have established a grievance handling process to protect the human rights of our employees.

Item	Unit	2020	2021	2022
Acuon Capital				
Grievance handling*				
No. of reports	Cases	0	0	1
No. of resolutions	Cases	0	0	1
Resolution rate	%	0	0	100
Acuon Savings Bank				
Grievance handling*				
No. of reports	Cases	3	4	0
No. of resolutions	Cases	3	4	0
Resolution rate	%	100	100	0

*No. of employee complaints related to human rights violations such as sexual harassment, sexual assault, and workplace discrimination and bully

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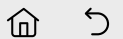
Work-Life Balance

Acuon Capital / Acuon Savings Bank

We provide various support systems to address childcare issues for employees, whether they are primary or secondary caregivers.

Item	Unit	Male			여성			TOTAL		
		2020	2021	2022	2020	2021	2022	2020	2021	2022
Acuon Capital										
Employees who used maternity leave	Persons	8	3	5	1	1	2	9	4	7
Employees on childcare leave in the respective year	Persons	1	0	1	2	3	2	3	3	3
Employees returning from childcare leave	Persons	1	0	1	2	2	0	3	2	1
Employees scheduled to return from childcare leave	Persons	1	0	1	3	2	0	4	2	1
Return rate (returnees / scheduled returns)	%	100	-	100	67	100	-	75	100	100
Returnees from childcare leave and worked for more than 12 months in the previous year	Persons	1	1	0	3	2	1	4	3	1
Ratio of returnees from childcare leave and worked for more than 12 months in the previous year	%	50	100	-	100	100	50	80	100	-
Acuon Savings Bank										
Employees who used maternity leave	Persons	8	5	1	4	1	2	12	6	3
Employees on childcare leave in the respective year	Persons	0	1	2	5	8	6	5	9	8
Employees returning from childcare leave	Persons	2	1	0	10	7	5	12	8	5
Employees scheduled to return from childcare leave	Persons	2	1	0	11	7	9	13	8	9
Return rate (returnees / scheduled returns)	%	100	100	-	91	100	56	92	100	56
Returnees from childcare leave and worked for more than 12 months in the previous year	Persons	0	2	1	11	10	7	11	12	8
Ratio of returnees from childcare leave and worked for more than 12 months in the previous year	%	-	100	100	100	100	100	-	100	100

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ESG Data

Safety and Health

Acuon Capital / Acuon Savings Bank

We conduct an annual health check-up for our employees and their spouses.

Item	Unit	No. of beneficiaries			Unit	Expenses per capita (KRW)			Total amount (KRW)		
		2020	2021	2022		2020	2021	2022	2020	2021	2022
Acuon Capital											
1. Health check-up	Person	269	283	286	KRW	8,600,000	8,600,000	8,600,000	122,358,970	127,070,100	129,168,570
	Employees (regular, contracted)	187	202	203	KRW	400,000	400,000	400,000	74,800,000	80,800,000	81,200,000
	Division Director	4	3	3	KRW	1,000,000	1,000,000	1,000,000	3,970,020	2,826,290	3,000,000
	Executives	7	7	8	KRW	1,000,000	1,000,000	1,000,000	7,000,000	6,966,620	8,000,000
	CEO	1	1	1	KRW	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
	Spouse (employees)	47	54	55	KRW	400,000	400,000	400,000	18,800,000	21,600,000	22,000,000
	Spouse (Division Director)	3	3	3	KRW	1,000,000	1,000,000	1,000,000	2,988,950	2,966,740	3,000,000
	Spouse (executives)	7	7	7	KRW	1,000,000	1,000,000	1,000,000	7,000,000	7,000,000	7,000,000
	Spouse (CEO)	1	1	1	KRW	1,500,000	1,500,000	1,500,000	1,500,000	1,410,450	1,468,570
	Others (dispatched)	10	4	4	KRW	400,000	400,000	400,000	4,000,000	1,600,000	1,600,000
	Spouse (Others)	2	1	1	KRW	400,000	400,000	400,000	800,000	400,000	400,000
Acuon Savings Bank											
1. Health check-up	Person	588	413	636	KRW	5,580,000	5,330,000	5,580,000	158,210,000	97,290,000	172,020,000
	CEO	1	1	1	KRW	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
	Spouse (CEO)	1	1	1	KRW	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
	Executives	10	10	12	KRW	1,000,000	1,000,000	1,000,000	10,000,000	10,000,000	12,000,000
	Spouse (executives)	10	10	12	KRW	1,000,000	1,000,000	1,000,000	10,000,000	10,000,000	12,000,000
	Employees above 35 (regular, contracted)	323	253	314	KRW	250,000	250,000	250,000	80,750,000	63,250,000	78,500,000
	Employees under 35 (regular, contracted))	37	138	44	KRW	80,000	80,000	80,000	2,960,000	11,040,000	3,520,000
	Spouse (employees)	206	0	252	KRW	250,000	0	250,000	51,500,000	0	63,000,000

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Safety and Health

Acuon Capital / Acuon Savings Bank

We have enrolled in a group personal accident insurance policy that provides coverage for various aspects, including death / disability benefits, diagnosis expenses, surgical costs, and actual medical expenses.

Item	Unit	No. of beneficiaries			Unit	Total amount (KRW)		
		2020	2021	2022		2020	2021	2022
Acuon Capital								
2. Accident insurance coverage*	Person	242	241	235	KRW	59,844,400	104,922,390	96,231,050
Employees (regular, contracted)	Person	222	227	218	KRW	54,886,500	98,821,410	89,270,440
Executives (excluding CEO)	Person	7	7	8	KRW	1,719,760	3,036,810	3,276,640
Others (dispatched)	Person	13	7	9	KRW	3,238,140	3,064,170	3,683,970
Acuon Savings Bank								
2. Accident insurance coverage*	Person	407	420	392	KRW	68,018,247	63,291,480	46,545,688
Employees (regular, contracted)	Person	396	409	379	KRW	1,838,331	1,657,634	1,543,607
Executives	Person	11	11	13	KRW	66,179,916	61,633,846	45,002,081
Others	Person	0	0	0	KRW	0	0	0

* By July of each year

Item	Unit	No. of beneficiaries		
		2020	2021	2022
Acuon Capital				
3. Psychological counseling				
Utilization count	Case	0	0	52
Acuon Savings Bank				
3. Psychological counseling				
Utilization count	Case	0	8	37

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6. Appendix

Safety and Health

Acuon Capital

Item	Unit	No. of users			
		2020	2021	2022	
Acuon Capital					
4. Industrial accidents					
Absent due to industrial accidents	Employees	Day	0	0	0
	Partners	Day	0	0	0
Lost Time Incident Rate (LTIR)*	Employees	%	0	0	0
	Partners	%	0	0	0
Fatalities due to industrial accidents	Employees	Person	0	0	0
	Partners	Person	0	0	0
Fatality rate due to industrial accidents	Employees	%	0	0	0
	Partners	%	0	0	0
No. of serious injuries due to industrial accidents	Employees	Person	0	0	0
	Partners	Person	0	0	0
Rate of serious injuries due to industrial accidents	Employees	%	0	0	0
	Partners	%	0	0	0
No. of recordable work-related injuries	Employees	Person	0	0	0
	Partners	Person	0	0	0
Rate of recordable work-related injuries	Employees	%	0	0	0
	Partners	%	0	0	0

* LTIR: Lost Time Incident Rate = No. of accidents X 200,000 / (Total workforce x no. of workdays x 8 hours)

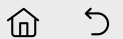
① Fatality rate due to occupational accidents = Fatalities due to industrial accidents / Total working hours X 200,000 or 1,000,000

② Rate of serious injuries due to industrial accidents (excluding fatalities) = No. of serious injuries due to industrial accidents / Total working hours X 200,000 or 1,000,000

③ Rate of recordable work-related injuries = No. of recordable work-related injuries / Total working hours X 200,000 or 1,000,000

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Safety and Health

Acuon Savings Bank

Item	Unit	No. of users			
		2020	2021	2022	
Acuon Savings Bank					
4. Industrial accidents					
Absent due to industrial accidents	Employees	Day	0	0	0
	Partners	Day	0	0	0
Lost Time Incident Rate (LTIR)*	Employees	%	0	0	0
	Partners	%	0	0	0
Fatalities due to industrial accidents	Employees	Person	0	0	0
	Partners	Person	0	0	0
Fatality rate due to industrial accidents	Employees	%	0	0	0
	Partners	%	0	0	0
No. of serious injuries due to industrial accidents	Employees	Person	0	0	0
	Partners	Person	0	0	0
Rate of serious injuries due to industrial accidents	Employees	%	0	0	0
	Partners	%	0	0	0
No. of recordable work-related injuries	Employees	Person	0	0	0
	Partners	Person	0	0	0
Rate of recordable work-related injuries	Employees	%	0	0	0
	Partners	%	0	0	0

* LTIR: Lost Time Incident Rate = No. of accidents X 200,000 / (Total workforce x no. of workdays x 8 hours)

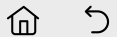
① Fatality rate due to occupational accidents = Fatalities due to industrial accidents / Total working hours X 200,000 or 1,000,000

② Rate of serious injuries due to industrial accidents (excluding fatalities) = No. of serious injuries due to industrial accidents / Total working hours X 200,000 or 1,000,000

③ Rate of recordable work-related injuries = No. of recordable work-related injuries / Total working hours X 200,000 or 1,000,000

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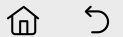
Local Economy

Acuon Capital

Item	Unit	Amount		
		2020	2021	2022
Acuon Capital		2020	2021	2022
1. Social contribution expenditure	KRW million	67	75	135
Cash donation	KRW million	67	75	135
In-kind donation	KRW million	0	0	0
Political donation	KRW million	0	0	0
Policy donation	KRW million	0	0	0
Support for local community projects	KRW million	0	0	0
2. Inclusive Financial Services	KRW million	21,343	68,806	58,431
Support for SMEs, and small business owners	KRW million	0	25,788	34,841
COVID-19 support	KRW million	21,343	10,547	8,524
Others	KRW million	0	32,400	15,000
3. Financial support for flexible working arrangements	KRW million	0	71	66

* Government financial support for the implementation of flexible working arrangements

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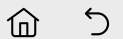
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Local Economy

Acuon Savings Bank

Item	Unit	Amount		
		2020	2021	2022
Acuon Savings Bank		2020	2021	2022
1. Social contribution expenditure	KRW million	20	75	130
Cash donation	KRW million	20	75	130
In-kind donation	KRW million	0	0	0
Political donation	KRW million	0	0	0
Policy donation	KRW million	0	0	0
Support for local community projects	KRW million	0	0	0
2. Inclusive Financial Services	KRW million	1,859	72,614	21,352
Support for SMEs, and small business owners	KRW million	0	13,000	11,300
COVID-19 support	KRW million	1,859	49,814	52
Others	KRW million	0	9,800	10,000

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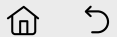
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Marketing And Labeling

Acuon Capital / Acuon Savings Bank

Item	Unit	Case			
		2020	2021	2022	
Acuon Capital					
1. Violations regarding product and service information and labeling	Fines or penalties	Case	0	0	0
	Warnings	Case	0	0	0
	Non-compliance with principles	Case	0	0	0
2. Violations related to marketing communications and regulations	Fines or penalties	Case	0	0	0
	Warnings	Case	0	0	0
	Voluntary code violations	Case	0	0	0
Acuon Savings Bank					
1. Violations regarding product and service information and labeling	Fines or penalties	Case	0	0	0
	Warnings	Case	0	0	0
	Non-compliance with principles	Case	0	0	0
2. Violations related to marketing communications and regulations	Fines or penalties	Case	0	0	0
	Warnings	Case	0	0	0
	Voluntary code violations	Case	0	0	0

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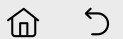
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Customer Management

Acuon Capital

Item		Unit	Case		
Acuon Capital			2020	2021	2022
1. Handling complaints of customers					
Receiving suggestion / complaints of customers	No. of reports	Case	22	15	13
Handling suggestion / complaints of customers	No. of resolutions	Case	22	15	13
	Resolution rate	%	100	100	100
2. Consumer information protection					
	Incidents regarding information and cyber security	Case	0	0	0
	Data breaches	Case	0	0	0
	Fines related to information security violations	KRW million	0	0	0
	Reported violations of personal information protection	Case	0	0	0
	Reported violations of personal information protection from regulatory agencies	Case	0	0	0
3. Analysis and evaluation of ARS operation					
	Evaluation scores for ARS service providers	Case	86.4	82.6	86.4
	Average score across all industries	Case	71.5	68.4	71.5
	Average score within the same industry	Case	74.8	74.0	74.8

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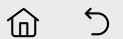
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Customer Management

Acuon Savings Bank

Item		Unit	Case		
Acuon Savings Bank			2020	2021	2022
1. Handling complaints of customers					
Receiving suggestion / complaints of customers	No. of reports	Case	211	283	279
Handling suggestion / complaints of customers	No. of resolutions	Case	211	283	279
	Resolution rate	%	100	100	100
2. Consumer information protection					
	Incidents regarding information and cyber security	Case	0	0	0
	Data breaches	Case	0	0	0
	Fines related to information security violations	KRW million	0	0	0
	Reported violations of personal information protection	Case	0	0	0
	Reported violations of personal information protection from regulatory agencies	Case	0	0	0

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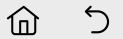
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Issuance of ESG Bonds

Acuon Capital

Item	Unit	2020	2021	2022
Acuon Capital				
Issuance of ESG bonds				
Sustainable bonds	KRW 100 million	0	1,400	1,700
Total bond issuance: corporate bonds (net amount before deducting bond issuance discount)	KRW 100 million	20,800	26,175	19,955
ESG bond issuance ratio	%	0	5.35	8.52

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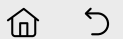
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Environmental Finance Performance

Acuon Capital / Acuon Savings Bank

Item	Unit	2020	2021	2022
Acuon Capital				
By product	KRW 100 million	0	1,049	567
Financial leasing	KRW 100 million	0	15	20
Business loan	KRW 100 million	0	521	70
Collateralized loan	KRW 100 million	0	88	116
Technology financing	KRW 100 million	0	130	10
Investment financing	KRW 100 million	0	206	283
Installment financing	KRW 100 million	0	89	67
Acuon Savings Bank				
By product	KRW 100 million	0	357	366
Business loan	KRW 100 million	0	357	287
Investment financing	KRW 100 million	0	0	79

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ESG Data

ESG Credit Finance Performance

Acuon Capital / Acuon Savings Bank

Since 2021, we have implemented ESG credit finance such as loans to SMEs and financial assistance for job seekers.

Item	Unit	2020	2021	2022
Acuon Capital				
ESG credit finance	KRW 100 million	-	1,835	1,159
1. Environment	KRW 100 million	-	1,049	567
Natural gas transport vessel	KRW 100 million	-	270	0
Battery forklift	KRW 100 million	-	168	153
Offshore wind power business	KRW 100 million	-	140	50
Recycling of semiconductor and display material	KRW 100 million	-	0	50
Green smart factory	KRW 100 million	-	0	50
Waste incineration recycling	KRW 100 million	-	0	20
Secondary battery recycling	KRW 100 million	-	0	10
Construction waste treatment business	KRW 100 million	-	37	1
Waste recycling	KRW 100 million	-	27	205
Wood chipper	KRW 100 million	-	9	19
Water-saving toilet bowl (WASCO project)	KRW 100 million	-	11	0
Electric excavator	KRW 100 million	-	4	9
Production and sales of new and renewable energy	KRW 100 million	-	100	0
Reduction of chemical consumption	KRW 100 million	-	52	0
Ship scrubber (sulfur oxide reduction device)	KRW 100 million	-	50	0
ABL loan for EV part makers	KRW 100 million	-	50	0
Eco-friendly material packaging products	KRW 100 million	-	50	0
Eco-friendly fuel cell	KRW 100 million	-	50	0
GHG reduction	KRW 100 million	-	30	0

* ESG categorization applied to ESG credit performance since 2021

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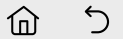
ESG Credit Finance Performance

Acuon Capital

Since 2021, we have implemented ESG credit finance such as loans to SMEs and financial assistance for job seekers.

Item	Unit	2020	2021	2022
Acuon Capital				
2. Social (including principal payment deferral)	KRW 100 million	-	786	593
Loans for SMEs and small business owners	KRW 100 million	-	258	348
Job placement support services	KRW 100 million	-	125	0
Urban regeneration projects	KRW 100 million	-	110	120
Semi-public electric city buses	KRW 100 million	-	98	9
Elderly welfare facilities	KRW 100 million	-	60	0
COVID-19 support hospitals	KRW 100 million	-	27	0
Unmanned parcel delivery CCTV (targeting underprivileged groups)	KRW 100 million	-	2	0
Semi-public city buses	KRW 100 million	-	0	30
Principal payment deferral	KRW 100 million	-	105	85

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ESG Credit Finance Performance

Acuon Savings Bank

Since 2021, we have implemented ESG credit finance programs such as loans to SMEs and financial assistance for job seekers.

Item	Unit	2020	2021	2022
Acuon Savings Bank				
ESG credit finance	KRW 100 million	-	1,083	580
1. Environment	KRW 100 million	-	357	366
Natural gas transport vessel	KRW 100 million	-	80	0
Battery forklift	KRW 100 million	-	0	0
Offshore wind power business	KRW 100 million	-	60	45
Recycling of semiconductor and display material	KRW 100 million	-	0	19
Green smart factory	KRW 100 million	-	0	50
Waste incineration recycling	KRW 100 million	-	0	20
Secondary battery recycling	KRW 100 million	-	0	0
Construction waste treatment business	KRW 100 million	-	0	92
Waste recycling	KRW 100 million	-	30	0
Wood chipper	KRW 100 million	-	0	0
Water-saving toilet bowl (WASCO project)	KRW 100 million	-	0	0
Electric excavator	KRW 100 million	-	0	0
Production and sales of new and renewable energy	KRW 100 million	-	100	40
Reduction of chemical consumption	KRW 100 million	-	0	0
Ship scrubber (sulfur oxide reduction device)	KRW 100 million	-	0	0
ABL loan for EV part makers	KRW 100 million	-	87	0
Eco-friendly material packaging products	KRW 100 million	-	0	0
Eco-friendly fuel cell	KRW 100 million	-	0	100
GHG reduction	KRW 100 million	-	0	0

* ESG categorization applied to ESG credit performance since 2021

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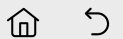
ESG Credit Finance Performance

Acuon Savings Bank

Since 2021, we have implemented ESG credit finance such as loans to SMEs and financial assistance for job seekers.

Item	Unit	2020	2021	2022
Acuon Savings Bank				
2. Social (including principal payment deferral)	KRW 100 million	-	726	214
Loans for SMEs and small business owners	KRW 100 million	-	130	113
Job placement support services	KRW 100 million	-	0	0
Urban regeneration projects	KRW 100 million	-	48	100
Semi-public electric city buses	KRW 100 million	-	0	0
Elderly welfare facilities	KRW 100 million	-	50	0
COVID-19 support hospitals	KRW 100 million	-	0	0
Unmanned parcel delivery CCTV (targeting underprivileged groups)	KRW 100 million	-	0	0
Semi-public city buses	KRW 100 million	-	0	0
Principal payment deferral	KRW 100 million	-	498	1

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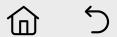
ESG Finance Performance

Acuon Capital

Item	Unit	2020	2021	2022
Acuon Capital				
ESG credit finance				
1. Commercial	KRW 100 million	-	411.3	347.5
ESG lending ratio	%	-	1.2	1.1
Financial leasing	KRW 100 million	-	15.3	112.6
Business loan	KRW 100 million	-	218.8	50.0
Collateralized loan	KRW 100 million	-	88.5	117.5
Technology financing	KRW 100 million	-	88.8	67.4
2. IB	KRW 100 million	-	1,318.2	726.7
ESG lending ratio	%	-	3.8	2.2
Project financing	KRW 100 million	-	119.3	54.5
Business loan	KRW 100 million	-	851.3	340.0
Technology financing	KRW 100 million	-	130.0	10.0
Investment financing	KRW 100 million	-	217.6	322.2
Overall ESG loan status (balance)	KRW 100 million	-	1,729.5	1,074.2

* ESG categorization applied to loan performance since 2021

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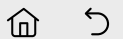
ESG Finance Performance

Acuon Savings Bank

Item	Unit	2020	2021	2022
Acuon Savings Bank				
ESG credit finance				
1. IB	KRW 100 million	-	585.0	579.4
ESG lending ratio	%	-	1.2	0.9
Project financing	KRW 100 million	-	0	0
Business loan	KRW 100 million	-	585.0	500.4
Technology financing	KRW 100 million	-	0	0
Investment financing	KRW 100 million	-	0	79.0
Overall ESG loan status (balance)	KRW 100 million	-	585.0	579.4

* ESG categorization applied to loan performance since 2021

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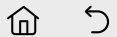
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Fossil Fuel Exposure

Acuon Capital

Item	Unit	2020	2021	2022
Acuon Capital				
1. Financial leasing	KRW 100 million	129.2	371.3	226
	Piping and HVAC construction	KRW 100 million	11	17
	Fuel gas production and distribution	KRW 100 million	97	196
	Food and tobacco processing machinery manufacturing	KRW 100 million	22	13
2. Loan	KRW 100 million	189	1,720	992
	Construction stone mining and quarrying	KRW 100 million	0	178
	Piping and HVAC construction	KRW 100 million	86	745
	Wholesale of piping and HVAC equipment	KRW 100 million	54	10
	Fuel gas production and distribution	KRW 100 million	10	33
	Lubricating oil and grease manufacturing	KRW 100 million	0	8
	Food and tobacco intermediaries	KRW 100 million	19	6
	Wholesale of beverage and tobacco	KRW 100 million	20	12
3. Installment	KRW 100 million	164	1,265	706
	Construction stone mining and quarrying	KRW 100 million	0	581
	Piping and HVAC construction	KRW 100 million	41	67
	Wholesale of piping and HVAC equipment	KRW 100 million	17	24
	Fuel gas production and distribution	KRW 100 million	31	17
	Production of coal and other coal products	KRW 100 million	60	13
	Lubricating oil and grease manufacturing	KRW 100 million	13	4
	Wholesale of beverage and tobacco	KRW 100 million	1	0
Total - fossil fuel exposure	KRW 100 million	482	3,355	1,924
Total - credit execution	KRW 100 million	2,037,888	2,747,446	2,463,947
Rate of fossil fuel exposure	%	0.024	0.122	0.078

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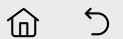
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Fossil Fuel Exposure

Acuon Savings Bank

Item	Unit	2020	2021	2022
Acuon Savings Bank				
1. Loan	KRW 100 million	1,931	4,452	3,458
Construction stone mining and quarrying	KRW 100 million	0	0	0
Piping and HVAC construction	KRW 100 million	1,522	2,278	1,455
Wholesale of piping and HVAC equipment	KRW 100 million	409	1,214	921
Fuel gas production and distribution	KRW 100 million	0	0	210
Lubricating oil and grease manufacturing	KRW 100 million	0	0	0
Food and tobacco intermediaries	KRW 100 million	0	960	872
Wholesale of beverage and tobacco	KRW 100 million	0	0	0
Total - fossil fuel exposure	KRW 100 million	1,931	4,452	3,458
Total - credit execution	KRW 100 million	3,062,230	4,736,668	5,588,691
Rate of fossil fuel exposure	%	0.063	0.094	0.062

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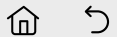
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Current Board Composition

Acuon Capital

Item	Name	Position	Nationality	Gender	Expertise	First Appointment	Term Expiry	Key Career
Acuon Capital								
	Jae jeong Ryu	Chairperson	Republic of Korea	Male	Finance, Management	August 1, 2019	July 31, 2023	ex-CEO of HanKook Capital
		Outside Director						ex-CEO of KT Capital ex-CEO of Hyosung Capital
	Jung Mu Lee	CEO / Inside Director	Republic of Korea	Male	Finance, Management	August 1, 2019	July 31, 2023	Current) CEO of Acuon Capital
	Wook Hyun Cho	Outside Director	Republic of Korea	Male	Finance, Financial Accounting	August 1, 2019	July 31, 2023	ex-Deputy Director of Korea Financial Training Institute ex-Director of Mutual Finance at the Financial Supervisory Service
	Jeong Ho Suh	Outside Director	Republic of Korea	Male	Finance, Financial Accounting, Risk Management	August 1, 2019	July 31, 2023	Current) Deputy Director of Korea Financial Institute ex-Executive Vice President of Hana Financial Group
	Yu Sung Kim	Outside Director	Republic of Korea	Male	Legal	August 1, 2019	July 31, 2023	Current) Associate Professor at Yonsei University Law School ex-Research Judge at the Supreme Court of Korea ex-Judge at Seoul Bankruptcy Court
	Han Chul Kim	Non-executive Director	People's Republic of China	Male	Global, Finance	February 15, 2021	July 31, 2023	Current) Representative of BPEA EQT Korea Investments Formerly at Credit Suisse Formerly at Lehman Brothers Formerly at Credit Lyonnais
	Da Yea Yeon	Non-executive Director	Republic of Korea	Female	Global, Finance	August 1, 2019	July 31, 2023	Current) Representative of BPEA EQT Korea PE Investment Team Formerly at Morgan Stanley

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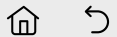
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Current Board Composition

Acuon Savings Bank

Item	Name	Position	Nationality	Gender	Expertise	First Appointment	Term Expiry	Key Career
Acuon Savings Bank								
	Choo Jin ho	Chairperson / Outside Director	Republic of Korea	Male	Finance	August 1, 2019	July 31, 2023	ex-CEO of Hana Capital ex-Executive Vice President of Hana Financial Group
	Lee Ho geun	CEO	United States of America	Male	Finance	August 1, 2019	July 31, 2023	ex-President of Chicago Business Management ex-Asia-Pacific Regional President of Gray Group MDS Global Consulting
	Lee Hyun seok	Outside Director	Republic of Korea	Male	Accounting, Accounting law	August 1, 2019	July 31, 2023	Current) Attorney at law Apex LLC ex-Certified Public Accountant at Samjeong Accounting Corporation
	Kim Chun kyung	Outside Director	Republic of Korea	Female	Financial risk management	August 1, 2019	July 31, 2023	Current) Permanent Advisor at Human Vision ex-Executive Director at SC Capital
	Kim Kyung seok	Outside Director	United States of America	Male	Legal, Global	August 1, 2019	July 31, 2023	Current) Attorney at BKL LLC ex-Partner Attorney at Arnold & Porter LLP
	Kim Young hwan	Outside Director	Republic of Korea	Male	Digital management	August 1, 2021	July 31, 2023	Current) CEO at Paymint ex-Director at BMBCOMS
	Yeon Da ye	Non-executive Director	Republic of Korea	Female	Global, Finance	August 1, 2019	July 31, 2023	Current) Representative of BPEA EQT Korea PE Investment Team Formerly at Morgan Stanley
	Lee Joong mu	Non-executive Director	Republic of Korea	Male	Finance, Management	August 1, 2019	July 31, 2023	Current) CEO of Acuon Capital ex-President of Acuon Capital, ex-Head of Sales Group at KT Capital
	Choi Sung-gwan	External Director	Republic of Korea	Male	Finance	August 1, 2021	July 31, 2023	ex-External Director at JT Chinae Savings Bank ex-Deputy Director at Financial Supervisory Service

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Independence and Professionalism of the BOD

Acuon Capital / Acuon Savings Bank

Item	Unit	Male			Female			TOTAL		
		2020	2021	2022	2020	2021	2022	2020	2021	2022
Acuon Capital										
Independence	Person	5	6	6	1	1	1	6	7	7
	Inside director	1	1	1	0	0	0	1	1	1
	Non-executive director	0	1	1	1	1	1	1	2	2
	Outside director	4	4	4	0	0	0	4	4	4
Professionalism	Person	7	8	8	1	1	1	8	9	9
	Industry expertise*	4	5	5	1	1	1	5	6	6
	Risk	1	1	1	0	0	0	1	1	1
	Finance / accounting	2	2	2	0	0	0	2	2	2
Acuon Savings Bank										
Independence	Person	7	7	7	2	2	2	9	9	9
	Inside director	1	2	2	0	0	0	1	2	2
	Non-executive director	2	1	1	1	1	1	3	2	2
	Outside director	4	4	4	1	1	1	5	5	5
Professionalism	Person	7	7	7	2	2	2	9	9	9
	Industry expertise	5	6	6	1	1	1	6	7	7
	Risk	0	0	0	1	1	1	1	1	1
	Finance / accounting	2	1	1	0	0	0	2	1	1

* Including non-executive and internal directors

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ESG Data Performance of the BOD

Acuon Capital / Acuon Savings Bank

Item	Unit	2020	2021	2022
Acuon Capital				
Performance of the BOD				
Performance of the BOD	Case	14	11	11
Agendas for reporting and resolution	Case	51	58	52
Attendance rate	%	99	97	94
Acuon Savings Bank				
Performance of the BOD				
Performance of the BOD	Case	12	12	11
Agendas for reporting and resolution	Case	58	69	77
Attendance rate	%	98	99	96

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ESG Data Activities of the BOD

Acuon Capital

Item	Unit	2020	2021	2022
애큐온캐피탈				
Candidate Nomination Committee				
	No. of members	Person	0	0
	No. of meetings	Case	0	0
Audit Committee				
	No. of members	Person	3	3
	No. of meetings	Case	5	7
Risk Management Committee				
	No. of members	Person	2	2
	No. of meetings	Case	4	4
Compensation Committee				
	No. of members	Person	0	0
	No. of meetings	Case	0	0

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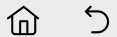
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Activities of the BOD

Acuon Savings Bank

Item	Unit	2020	2021	2022
Acuon Savings Bank				
Candidate Nomination Committee				
	No. of members	Person	3	3
	No. of outside directors	Person	2	2
	No. of meetings	Case	2	1
Audit Committee				
	No. of members	Person	3	3
	No. of outside directors	Person	3	2
	No. of meetings	Case	6	6
Risk Management Committee				
	No. of members	Person	3	3
	No. of outside directors	Person	2	2
	No. of meetings	Case	4	4
Compensation Committee				
	No. of members	Person	3	3
	No. of outside directors	Person	2	2
	No. of meetings	Case	1	1
Digital Committee				
	No. of members	Person	0	4
	No. of outside directors	Person	0	1
	No. of meetings	Case	0	2

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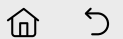
ESG Data

Anti-Corruption

Acuon Capital

Item	Unit	2020	2021	2022
Acuon Capital				
Financial accident				
(based on Financial Supervisory Service Reporting Criteria)	Embezzlement and misappropriation	Case	0	0
	Fraud and deception	Case	0	0
	Improper financial brokerage	Case	0	0
	Bribery	Case	0	0
	Private money lending	Case	0	0
	Other	Case	0	0
Measures				
(based on Financial Supervisory Service Reporting Criteria)	Salary reduction	Case	0	0
	Disciplinary action	Case	0	0
	Warning	Case	0	0
	Caution	Case	0	0
	Other	Case	0	0
Fines Imposed for anti-corruption and anti-competitive practices				
	Amount	KRW	0	0
	No. of cases	Case	0	0
Actions taken for unfair trade practices (bribery)				
	Amount	KRW	0	0
	No. of cases	Case	0	0
Fines and settlements related to anti-monopoly / anti-competitive behavior				
	Amount	KRW	0	0
	No. of cases	Case	0	0

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ESG Data

Anti-Corruption

Acuon Savings Bank

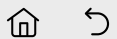
Item	Unit	2020	2021	2022
Acuon Savings Bank				
Financial accident				
(based on Financial Supervisory Service Reporting Criteria)	Embezzlement and misappropriation	Case	0	0
	Fraud and deception	Case	0	0
	Improper financial brokerage	Case	0	0
	Bribery	Case	0	1
	Private money lending	Case	0	0
	Other	Case	0	0
Measures				
(based on Financial Supervisory Service Reporting Criteria)	Salary reduction	Case	0	0
	Disciplinary action	Case	0	1
	Warning	Case	0	0
	Caution	Case	0	6
	Other	Case	0	1
Fines Imposed for anti-corruption and anti-competitive practices				
	Amount	KRW	0	0
	No. of cases	Case	0	0
Actions taken for unfair trade practices (bribery)				
	Amount	KRW	0	0
	No. of cases	Case	0	0
Fines and settlements related to anti-monopoly / anti-competitive behavior				
	Amount	KRW	0	0
	No. of cases	Case	0	0

1) Violation of Code of Conduct - Bribery: Breach of reporting obligations for receiving inappropriate gifts or favors from stakeholders.

2) The individual involved was disciplined according to internal guidelines, and the misconduct-related funds (approximately KRW 1.3 million) were addressed through profit adjustment and donations.

3) Preparing a report on the disciplinary status including individuals, accomplices, and supervisors involved in financial misconduct.

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ESG Data

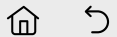
Employee Training

We provide a variety of training programs for different ranks and job positions on human rights, ethics, consumer information protection, information security to enhance employees' capabilities and leadership.

Item	Unit	2020	2021	2022
Acuon Capital				
By position	Person	1,581	2,060	1,944
	Under Section Manager	1,185	1,469	1,249
	Under Department Manager	347	532	639
	Executives	49	59	56
By gender	Person	1,581	2,060	1,944
	Male	1,025	1,327	1,278
	Female	556	733	666
By age	Person	1,581	2,060	1,944
	Under 30s	232	197	133
	30s - 50s	1,233	1,666	1,561
	50s and above	116	197	250
Total training hours	Hour	10,402	13,728	8,144
	Average training hours per capita	6.58	6.66	4.19
Total expenses	KRW	33,608,700	21,530,600	16,416,500
	Average training hours per capita	21,259	10,451	8,445

* Cumulative no. of employees completing training by course

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ESG Data

Employee Training on Human Rights

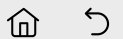
1. Training on Preventing Sexual Harassment, Enhancing Awareness of Disabilities, and Addressing Workplace Harassment

We have made it mandatory for employees to complete training on human rights for the purpose of preventing sexual harassment, enhancing awareness of disabilities, and addressing workplace harassment. This commitment aims to enhance employees' understanding of human rights, and proactively prevent any violations within our organization.

Item	Unit	2020	2021	2022
Acuon Capital				
By position	Person	226	250	211
	Under Section Manager	168	178	129
	Under Department Manager	51	64	74
	Executives	7	8	8
By gender	Person	226	250	211
	Male	153	164	146
	Female	73	86	65
By age	Person	226	250	211
	Under 30s	35	33	17
	30s - 50s	180	194	172
	50s and above	11	23	22
Total training hours	Hour	746	1,000	633
	Average training hours per capita	3.30	4.00	3.00
Total expenses	KRW	1,904,000	1,928,000	1,582,500
	Average expenses per capita	8,425	7,712	7,500

* Cumulative number of employees completing training by course

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Employee Training on Human Rights

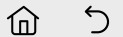
2. Training for Protection of Emotional Laborers

A training plan has been established for employees at the Customer Satisfaction Center for the year of 2023, with the aim of raising their awareness of customer-centric approaches, protecting customer information, and preventing information leakage, as well as promoting the well-being of emotional laborers.

Item	Unit	2020	2021	2022
Acuon Capital				
By position	Person	3	4	3
	Under Section Manager	2	3	2
	Under Department Manager	1	1	1
	Executives	0	0	0
By gender	Person	3	4	3
	Male	0	1	1
	Female	3	3	2
By age	Person	3	4	3
	Under 30s	0	0	0
	30s - 50s	3	4	3
	50s and above	0	0	0
Total training hours	Hour	2	2	6
	Average training hours per capita	0.80	0.60	2.00
Total expenses	KRW	80,000	32,000	30,000
	Average expenses per capita	26,667	8,000	10,000

* Target: Call center employees

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ESG Data

Employee Training on Ethical Management

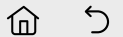
With the aim of practicing ethical management and anti-corruption policies to establish a fair and transparent corporate culture, we provide training on ethical management to all employees.

Item	Unit	2020	2021	2022
Acuon Capital				
By position	Person	710	1,038	1,014
	Under Section Manager	516	739	644
	Under Department Manager	163	267	334
	Executives	31	32	36
By gender	Person	710	1,038	1,014
	Male	466	657	673
	Female	244	381	341
By age	Person	710	1,038	1,014
	Under 30s	94	99	71
	30s - 50s	564	841	812
	50s and above	52	98	131
Total training hours	Hour	3,143	2,338	3,188
	Average training hours per capita	4.43	2.25	3.14
Total expenses	KRW	6,852,000	2,572,500	2,811,500
	Average expenses per capita	9,651	2,478	2,773

* Cumulative number of employees completing training by course

* In 2020, we conducted paid training on anti-money laundering through external vendors. From 2021, we have switched internal self-training, resulting in cost savings.

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ESG Data

Employee Training on Personal Data Protection

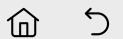
To guarantee the protection of financial consumers' personal information, we conduct annual training on relevant laws and regulations.

Item	Unit	2020	2021	2022
Acuon Capital				
By position	Person	233	229	229
Under Section Manager	Person	170	159	147
Under Department Manager	Person	55	62	74
Executives	Person	8	8	8
By gender	Person	233	229	229
Male	Person	150	146	151
Female	Person	83	83	78
By age	Person	233	229	229
Under 30s	Person	29	20	15
30s - 50s	Person	186	185	183
50s and above	Person	18	24	31
Total training hours	Hour	699	458	229
Average training hours per capita	Hour	3.00	2.00	1.00
Total expenses	KRW	0	612,500	1,145,500
Average expenses per capita	KRW	0	2,675	5,000

* Cumulative number of employees completing training by course

* In 2020, we participated in free cyber education implemented by the Ministry of Interior and Safety, and in 2021 and 2022, we joined paid online training programs organized by the Korea Human Resources Development Center

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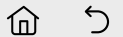
Employee Training on Personal Information Protection

We provide annual cyber education on information security and personal data protection to all employees, thereby enhancing awareness.

Item	Unit	2020	2021	2022
Acuon Capital				
By position	Person	730	913	828
	Under Section Manager	541	647	529
	Under Department Manager	173	247	279
	Executives	16	19	20
By gender	Person	730	913	828
	Male	486	601	552
	Female	244	312	276
By age	Person	730	913	828
	Under 30s	97	80	51
	30s - 50s	576	743	666
	50s and above	57	90	111
Total training hours	Hour	2,866	8,174	2,606
	Average training hours per capita	3.93	8.96	3.15

* Cumulative number of employees completing training by course

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Global Initiative

SASB



The Sustainability Accounting Standards Board (SASB) is a non-profit organization founded in 2011 to develop and maintain industry-specific standards for reporting financial material sustainability information by companies to investors and other financial stakeholders. The SASB standards are also recognized by global investors as essential requirements for consistent and comparable ESG disclosures. We are reporting our data in accordance with the Sustainability Accounting Standards for the Commercial Banks industry.

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Item	SASB code	Details	Our response	Page
Sustainability Disclosure Topics & Accounting Metrics				
Data security	FN-CB-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	We had zero number of breaches and leaks of data, such as personal credit information.	p. 107
	FN-CB-230a.2	Description of approach to identifying and addressing data security risks	We have established a step-by-step system to protect our information. Every year, we assess the risks of our protection measures and set a suitable risk level based on the results. We also find and manage any risks that may harm our information. In addition, we check our information security policies and identify weaknesses by conducting response training with different scenarios, taking steps to prevent any problems.	p. 39
Financial inclusion & capacity building	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	We spent KRW 135 million on inclusive finance and community contribution, including the support for small business owners (54 cases, KRW 34.84 billion) and COVID-19 support (968 cases, deferment of principal amount, KRW 8.52 billion).	p. 44, 49
	FN-CB-240a.2	(1) Number and (2) amount of past due and non-accrual loans qualified to programs designed to promote small business and community development	We supported a total of 1,303 cases worth KRW 9.99 billion (cumulative amount) of principal deferment by operating a principal deferment and refinancing loan programs for SMEs. The amount of overdue amounts was 34 cases, KRW 3.47 billion.	p. 49
	FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Not relevant.	-
	FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Acuon Capital and Acuon Savings Bank implemented two financial education programs, called "1 company-1 school," for students with little financial experience and understanding, and provided scholarships of KRW 10 million for each. In 2022, a total of 53 beneficiaries received financial education through this program.	p. 46



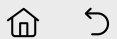
Global Initiative

SASB



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Item	SASB code	Details	Our response	Page
Sustainability Disclosure Topics & Accounting Metrics				
Incorporation of environmental, social, and governance factors in credit analysis	FN-CB-410a.1	Commercial and industrial credit exposure, by industry	<ol style="list-style-type: none"> 1. Finance and insurance 2. Wholesale and retail 3. Real estate 4. Construction 5. Manufacturing 6. Business facility management, business support and rental service 7. Transportation and warehousing 8. Professional, scientific and technical services 9. Associations and organizations, repair and other personal services 10. Water, sewage and waste treatment, raw material recycling 	-
	FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	Acuon Capital is a leader in ESG investing. In 2021, we issued ESG bonds worth KRW 140 billion, becoming the first A-class capital company to do so. We invest in businesses and projects that have a positive impact on ESG factors, helping to develop the domestic ESG environment. We also integrate ESG key management indicators into our risk management system and jointly manage them.	p. 63
Business ethics	FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	We had zero number of violations of anticompetitive behavior, antitrust and other unfair trade practices.	p. 125
	FN-CB-510a.2	Description of whistleblower policies and procedures	We operate a whistleblowing system (e-Clean Center) based on the Code of Ethics and Practice Guidelines. When the informant reports an issue anonymously or with their real name via the website, visit, or mail, we investigate and audit the reported matter, take appropriate actions, and close the case. We safeguard whistleblowers by ensuring their confidentiality, identity, and reduced liability.	p. 54



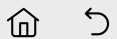
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Sustainability Disclosure Topics & Accounting Metrics				
Systemic risk management	FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Not relevant.	-
	FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	We establish an annual contingency plan and execute an action plan based on each scenario for risk factors with an aim to promote regular monitoring and preemptive risk management of the financial market and related regulations. In addition, the adequacy of the maturity structure of assets and liabilities and the size of emergency procurement plans is periodically checked through liquidity risk analysis and scenario testing. We manage our loan portfolio by industry to reduce soundness and concentration risks. We focus on corporate finance operations for growing industries.	p. 57, 58
Activity Metrics				
	FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	Not relevant.	-
	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	As of December 2022, the number of receivables of individual customers and SME business customers was 91,762 and 6,481, respectively. And loan balances are KRW 1,379,199 million and KRW 1,513,790 million, respectively. The number of receivables of large company customers is 4, and the loan balance is KRW 333,153 million.	-



Global Initiative TCFD

Task Force on Climate-related Financial Disclosures (TCFD) is an initiative created by the Financial Stability Board (FSB) in 2015 following a request from the G20 countries, with an aim of encouraging companies to voluntarily disclose their climate change-related data. G20 finance ministers and central bank governors have joined the FSB. And the TCFD Recommendations provide a basic framework for the disclosure of climate change-related financial data. Acuon Capital also follows the recommendations to disclose climate-related financial data to give a variety of stakeholders access to them.

Item	Recommended disclosures	Our response	Page
TCFD four recommendations			
Governance	Describe the board's oversight of climate-related risks and opportunities	Acuon Capital has put in place the Sustainable Management Committee under the BOD and CEO. The committee, which is comprised of C-level executives, plays a central role in sustainable management, working with the ESG Management Team and ESG Working Council. The ESG Working Council is in charge of discussing related issues and task developments, and reporting the results through the ESG Management Team. At the board meeting held in December 2022, we presented our strategic system, performances, and action plans for sustainable management to the BOD for feedback. Based on this feedback, the Sustainable Management Committee deliberated on strategies, key business policies, and related regulations to define the direction we will be headed, thereby helping the ESG Management Team and ESG Working Council promote sustainable management.	p. 20, 60
	Describe management's role in assessing and managing climate-related risks and opportunities.		
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	In accordance with the TCFD recommendations, we aim to combat climate crisis in a more active manner by telling climate-related opportunity factors from risk factors and reflecting them in our business strategies based on our management system for transition and physical risks. Furthermore, we will implement tasks that include the analysis of the impact of climate-related risks on our business environment and strategies, the appointment of personnel in charge of climate risk handling and establishment of a management system, the identification and evaluation of climate risks, climate risk management by portfolio, and the disclosure of climate risk management. And we will also build capacity to successfully deliver these tasks. In response to climate change, we joined the Partnership for Carbon Accounting Financials (PCAF) in 2022, and plan to voluntarily join the Science Based Targets initiative (SBTi) in 2023.	p. 2, 8, 17, 29, 61
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning		
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario		
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks	The Risk Management Committee under the BOD and ESG Management Team work together for the establishment and management of ESG-related key indicators. Additionally, we calculated our GHG emissions including scope 1, 2 and 3 emissions from our business operations and voluntarily had them verified for more systematic management and evaluation of key risks.	p. 8, 17, 58, 60
	Describe the organization's processes for managing climate-related risks		
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management		

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Global Initiative TCFD

Task Force on Climate-related Financial Disclosures (TCFD) is an initiative created by the Financial Stability Board (FSB) in 2015 following a request from the G20 countries, with an aim of encouraging companies to voluntarily disclose their climate change-related data. G20 finance ministers and central bank governors have joined the FSB. And the TCFD Recommendations provide a basic framework for the disclosure of climate change-related financial data. Acuon Capital also follows the recommendations to disclose climate-related financial data to give a variety of stakeholders access to them.

Item	Recommended disclosures	Our response	Page
TCFD four recommendations			
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Acuon Capital aims to achieve its goal of mitigating its GHG emissions by 35% compared to 2020 by 2030 and reaching net-zero by 2040, which was unveiled at the ceremony for declaration of sustainable management. To this end, we will carry out a GHG inventory establishment project to calculate financed emissions from our asset portfolio, including PCAF-based investments and loans, and manage and monitor related indicators. In the years ahead, we will scale up eco-friendly assets as well as financing for green businesses to accomplish eco-friendly finance. And our persistent eco-friendly activities enabled us to reduce our GHG emissions in 2022. (Scope 1+ scope 2): 393.76tCO2eq in 2021 -> 358.07tCO2eq in 2022	p. 29
	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks		
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.		

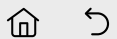
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Global Initiative GRI Index

GRI Standard	Topic	Disclosure	Omission	Additional comments	Page
General Standards Disclosure					
GRI 2_ General Disclosures 2021	The organization and its reporting practices	2-1	Organizational details		p.10
		2-2	Entities included in the organization's sustainability reporting	Refer to page 68 of the 17th Business Report for the current status of subsidiaries	p.2
		2-3	Reporting period, frequency and contact point		p.2, 153
		2-4	Restatements of information	We updated the overall data from the last year's report following the reorganization of the information collection process, and details are described in the comments of each data	p.2
		2-5	External assurance		
	Activities and workers	2-6	Activities, value chain and other business relationships	Refer to page 13 of the 17th Business Report for the business overview.	p.13
		2-7	Employees		p.88-89
		2-8	Workers who are not employees		p.88-89
	Governance	2-9	Governance structure and composition		p.119-120
		2-10	Nomination and selection of the highest governance body		p.65
		2-11	Chair of the highest governance body		p.66, 119-120
		2-12	Role of the highest governance body in overseeing the management of impacts		p.60, 65-66, 122-124
		2-13	Delegation of responsibility for managing impacts		p.60
		2-14	Role of the highest governance body in sustainability reporting		p.20
		2-15	Conflicts of interest		p.66
		2-16	Communication of critical concerns		p.20
		2-17	Collective knowledge of the highest governance body		p.66
		2-18	Evaluation of the performance of the highest governance body		p.66
		2-19	Remuneration policies		p.67

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GRI Standard	Topic	Disclosure	Omission	Additional comments	Page
General Standards Disclosure					
GRI 2_ General Disclosures 2021	Governance	2-20	Process to determine remuneration		p.67
		2-21	Annual total compensation ratio		p.79
	Strategy, policies and practices	2-22	Statement on sustainable development strategy		p.5-8
		2-23	Policy commitments		p.17, 42, 54, 61
		2-24	Embedding policy commitments		p.17, 41-43, 54-56, 60
		2-25	Processes to remediate negative impacts		p.36, 43, 54-57
		2-26	Mechanisms for seeking advice and raising concerns		p.36
		2-27	Compliance with laws and regulations		p.84, 125-126
		2-28	Membership associations		p.78
		Stakeholder engagement	2-29	Approach to stakeholder engagement	
2-30	Collective bargaining agreements			p.96	
GRI 3_ Material Topics 2021	Disclosures on material topics	3-1	Process to determine material topics		p.21-25
		3-2	List of material topics		p.21-25
		3-3	Management of material topics		p.21-25
Topic Specific Standards- Economic Performance (GRI 200)	Economic performance	GRI 201-1	Direct economic value generated and distributed		p.74
		GRI 201-2	Financial implications and other risks and opportunities due to climate change		p.31, 63-64 136-137
		GRI 201-3	Defined benefit plan obligations and other retirement plans		p.77
		GRI 201-4	Financial assistance received from government		p.104

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Global Initiative GRI Index

GRI Standard	Topic	Disclosure	Omission	Additional comments	Page	
General Standards Disclosure						
Topic Specific Standards- Economic Performance (GRI 200)	Market presence	GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage			p.90
		GRI 202-2	Proportion of senior management hired from the local community	Not applicable	All executives work in Seoul.	
	Indirect economic impacts	GRI 203-1	Infrastructure investments and services supported			p.112
		GRI 203-2	Significant indirect economic impacts			p.44-51
	Procurement practices	GRI 204-1	Proportion of spending on local suppliers	Information unavailable	This data is not managed separately.	
	Anti-corruption	GRI 205-1	Operations assessed for risks related to corruption	Information unavailable	This data is not managed separately.	
		GRI 205-2	Communication and training about anti-corruption policies and procedures			p.130
		GRI 205-3	Confirmed incidents of corruption and actions taken			p.125
	Anti-competitive behavior	GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			p.125
	Tax	GRI 207-1	Approach to tax	Information unavailable	Acuon Capital complies with the tax laws of each country in which it conducts business. We faithfully fulfill our duty to pay taxes, and we only do transactions that have a business purpose and substance. We do not engage in transactions that have no business purpose and substance to avoid tax obligations.	
		GRI 207-2	Tax governance, control, and risk management	Information unavailable		
		GRI 207-3	Stakeholder engagement and management of concerns related to tax	Information unavailable		
		GRI 207-4	Country-by-country reporting			p.72
Topic Specific Standards- Environmental Performance (GRI 300)	Materials	GRI 301-1	Materials used by weight or volume	Not applicable	As a financial company, we do not measure the raw material use.	
		GRI 301-2	Recycled input materials used	Not applicable	As a financial company, we do not measure the raw material use.	
		GRI 301-3	Reclaimed products and their packaging materials	Not applicable	As a financial company, we do not measure the raw material use.	
	Energyvv	GRI 302-1	Energy consumption within the organization			p.83
		GRI 302-2	Energy consumption outside of the organization			p.81

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GRI Standard	Topic	Disclosure	Omission	Additional comments	Page	
General Standards Disclosure						
Topic Specific Standards- Environmental Performance (GRI 300)	Energy	GRI 302-3	Energy intensity			p.83
		GRI 302-4	Energy intensity			p.28
		GRI 302-5	Energy intensity	Information unavailable	As a financial company, we do not deal with products and services	
	Emissions	GRI 305-1	Direct (Scope 1) GHG emissions			p.80
		GRI 305-2	Energy indirect (Scope 2) GHG emissions			p.80
		GRI 305-3	Energy indirect (Scope 2) GHG emissions			p.81
		GRI 305-4	Energy indirect (Scope 2) GHG emissions			p.80-81
		GRI 305-5	Energy indirect (Scope 2) GHG emissions			p.28
	Waste	GRI 306-1	Energy indirect (Scope 2) GHG emissions	Information unavailable	We do not have waste policies, and do not manage its impact	
		GRI 306-2	Energy indirect (Scope 2) GHG emissions	Information unavailable	We do not have waste policies, and do not manage its impact	
GRI 306-3		Energy indirect (Scope 2) GHG emissions	Information unavailable	Since we are using a rented building, it is not possible for us to measure the amount of waste generated		
GRI 306-4		Energy indirect (Scope 2) GHG emissions	Information unavailable	Since we are using a rented building, it is not possible for us to measure the amount of waste generated		
GRI 306-5		Energy indirect (Scope 2) GHG emissions	Information unavailable	Since we are using a rented building, it is not possible for us to measure the amount of waste generated		
Environmental compliance	GRI 307-1	Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations			p.84	
Supplier Environmental Assessment	GRI 308-1	New suppliers that were screened using environmental criteria	Information unavailable	We do not conduct environmental assessments		
	GRI 308-2	Negative environmental impacts in the supply chain and actions taken	Information unavailable	We do not conduct environmental assessments		
Topic Specific Standards- Social Performance (GRI 400)	Employment	GRI 401-1	New employee hires and employee turnover			p.92-95
		GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees			p.90
		GRI 401-3	Parental leave			p.99

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Global Initiative GRI Index

GRI Standard	Topic	Disclosure	Omission	Additional comments	Page	
General Standards Disclosure						
Topic Specific Standards- Social Performance (GRI 400)	Occupational Health and Safety	GRI 403-1	Occupational health and safety management system			p.38
		GRI 403-2	Hazard identification, risk assessment, and incident investigation			p.58
		GRI 403-3	Hazard identification, risk assessment, and incident investigation			p.38
		GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Not applicable	According to the Occupational Safety and Health Act, our company is not subject to the requirement of having 300 or more full-time workers.	
		GRI 403-5	Worker training on occupational health and safety			p.38
		GRI 403-6	Promotion of worker health			p.38, 100
		GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			p.38
		GRI 403-8	Workers covered by an occupational health and safety management system	Not applicable	Not applicable	
		GRI 403-9	Work-related injuries			p.102
		GRI 403-10	Work-related ill health	Information unavailable	Zero work-related disease breakout	
Training and Education		GRI 404-1	Average hours of training per year per employee			p.127
		GRI 404-2	Programs for upgrading employee skills and transition assistance programs			p.127
		GRI 404-3	Percentage of employees receiving regular performance and career development reviews			p.88-89
Diversity and Equal Opportunity		GRI 405-1	Diversity of governance bodies and employees			p.120
		GRI 405-2	Ratio of basic salary and remuneration of women to men			p.90

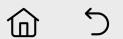
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Global Initiative GRI Index

GRI Standard	Topic	Disclosure	Omission	Additional comments	Page
General Standards Disclosure					
Topic Specific Standards- Social Performance (GRI 400)	Non-discrimination	GRI 406-1	Incidents of discrimination and corrective actions taken		p.98
	Freedom of Association and Collective bargaining	GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not applicable	Not applicable
	Child Labor	GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	Legal prohibitions	Legal prohibitions
	Forced or Compulsory Labor	GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Legal prohibitions	Legal prohibitions
	Security Practices	GRI 410-1	Security personnel trained in human rights policies or procedures	Not applicable	We do not have security guards in the company
	Rights of Indigenous Peoples	GRI 411-1	Incidents of violations involving rights of indigenous peoples	Not applicable	We are not subject to this requirement regarding the violation of local residents' rights
	Human rights assessment	GRI 412-1	Operations that have been subject to human rights reviews or impact assessment	Information unavailable	We do not conduct human rights impact assessments
		GRI 412-2	Employee training on human rights policies or procedures		p.129
		GRI 412-3	Significant investment agreements and contracts that include human rights causes or that underwent human rights screening	Information unavailable	No agreements or contracts signed related to human rights
	Local Communities	GRI 413-1	Operations with local community engagement, impact assessments, and development programs		p.44-51
GRI 413-2		Operations with significant actual and potential negative impacts on local communities	Information unavailable	We do not conduct impact assessments on local communities	

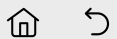
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GRI Standard	Topic	Disclosure	Omission	Additional comments	Page
General Standards Disclosure					
Topic Specific Standards- Social Performance (GRI 400)	Supplier Social Assessment	GRI 414-1	New suppliers that were screened using social criteria	Information unavailable	We do not conduct supplier assessments according to social standards
		GRI 414-2	Negative social impacts in the supply chain and actions taken	Information unavailable	No measures taken against adverse social impact within the supply chain
	Public Policy	GRI 415-1	Political contributions	Information unavailable	We do not donate political contributions in pursuit of political neutrality
	Customer Health and Safety	GRI 416-1	Assessment of the health and safety impacts of product and service categories	Not applicable	As a financial company, our products and services do not have an impact on health and safety
		GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not applicable	As a financial company, our products and services do not have an impact on health and safety
	Marketing and Labeling	GRI 417-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		Refer to the “Acuon Capital’s Investment Prospectus for Sustainable Bond” in the section of the disclosure of our key business performance on our website, and “Investment Prospectus” in the Data Analysis, Retrieval and Transfer System (DART) operated by the Financial Supervisory Service
		GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	Not applicable	As a financial company, we do not have product and service information and labeling issues
		GRI 417-3	Incidents of non-compliance concerning marketing communications		p.106
Customer Privacy	GRI 418-1	Incidents of non-compliance concerning marketing communications		p.107	

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UN SDGs

The UN Sustainable Development Goals (UN SDGs) are a set of shared objectives for humanity to address global poverty and achieve sustainable development. Our goal is to support the needs of the international community and work towards a sustainable future. With this in mind, we have implemented SDGs that take into account the financial aspects of the business and promote a variety of social contribution projects.

<p>1 NO POVERTY</p> 	<p>GOAL 1. No Poverty</p> <p>Operating social contribution activities, such as inclusive financial support and assistance for the socially underprivileged</p> <p>Page: 44, 49</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>  <p>GOAL 8. Decent Work and Economic Growth</p> <p>Financial support for SMEs and microbusiness owners, providing education for employees to strengthen their competencies</p> <p>Page: 127</p>	<p>13 CLIMATE ACTION</p>  <p>GOAL 13. Climate Action</p> <p>Renewal of ISO14001, joining PCAF and calculating financed emissions according to PCAF guidelines</p> <p>Page: 29, 31</p>
<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>GOAL 3. Good Health and Well-being</p> <p>Welfare policy for ensuring health and promoting the well-being of people in all ages, managing the health of employees</p> <p>Page: 38, 100, 101, 112</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>  <p>GOAL 9. Industry, Innovation and Infrastructure</p> <p>Assistance with finance for SMEs and small business owners</p> <p>Page: 49</p>	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>  <p>GOAL 16. Peace and Justice Strong Institutions</p> <p>Formation and operation of a sound and transparent governance, practicing ethical management and fair trade</p> <p>Page: 54</p>
<p>4 QUALITY EDUCATION</p> 	<p>GOAL 4. Quality Education</p> <p>Providing basic job training, professional job training, and quality improvement training to sharpen employee competencies, carrying out social contribution activities to nurture future generations</p> <p>Page: 127</p>	<p>10 REDUCED INEQUALITIES</p>  <p>GOAL 10. Reduced Inequality</p> <p>Respecting the diversity of employees, developing financial products to support the underprivileged and SMEs, and expanding support programs</p> <p>Page: 44, 49, 91</p>	<p>17 PARTNERSHIPS FOR THE GOALS</p>  <p>GOAL 17. Partnerships to Achieve the Goal</p> <p>Participation in global initiatives for sustainable development</p> <p>Page: 61</p>
<p>5 GENDER EQUALITY</p> 	<p>GOAL 5. Gender Equality</p> <p>Operation of maternity protection programs, such as reduced working hours during pregnancy, leaves for prenatal examination, miscarriage, and infertility treatment, maternity leave (paid leave for the first 70 days), childcare leave, and having women's lounge and nursing room</p> <p>Page: 37</p>	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>  <p>GOAL 11. Sustainable Cities and Communities</p> <p>Providing eco-friendly boiler and efficient rice cooker, LED replacement support project</p> <p>Page: 44, 49</p>	
<p>7 AFFORDABLE AND CLEAN ENERGY</p> 	<p>GOAL 7. Affordable and Clean Energy</p> <p>Making energy saving efforts, sustainable bond issuance, sustainable eco-friendly energy investment and loans</p> <p>Page: 31, 45, 63</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>  <p>GOAL 12. Responsible Consumption and Production</p> <p>Replacement of lighting with LED in the office, eco-friendly office supplies, replacement of business vehicles with electric vehicles</p> <p>Page: 28-29</p>	



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UNGC

The UN Global Compact (UNGC) is a voluntary initiative that encourages businesses to adopt ten universal sustainability principles on human rights, labor, environment and anti-corruption. More than 650 companies from all around the world participate in the UNGC. We joined the UNGC in October 2021 and we will disclose the way we apply the international principles through our sustainability report in the future.

Category	10 principles	Our activity	Page
The Ten Principles of the UN Global Compact			
Human Rights	Principle 1 : Businesses should support and respect the protection of internationally proclaimed human rights; and	- Carrying out human rights management - Creation of a good working environment to work for employees	p.41-42
	Principle 2 : make sure that they are not complicit in human rights abuses.		
Labour	Principle 3 : Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	- Operation of the labor union and the Labor-management Council	p.36, 41-43
	Principle 4 : the elimination of all forms of forced and compulsory labour;	- Practice of human rights management through the Code of Ethics	
	Principle 5 : Principle 5: the effective abolition of child labour; 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;	- Sustainable management (ESG management) - Issuance of sustainable bonds and support with eco-friendly finance	p.28-31, 44-45, 63-64
	Principle 8 : undertake initiatives to promote greater environmental responsibility; and	- Creation of an eco-friendly organizational culture - Operation of green CSR programs	
	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.	- Establishment of an ethical management system - Operation of an internal control system - Performing anti-corruption practices	p.54-56



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Audit Report

To: Shareholders and Board of Directors of Acuon Capital Co., Ltd.

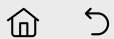
Opinion on the audit We have conducted an audit of the financial statements of Acuon Capital Co., Ltd. (hereinafter referred to as the "Company") as included herein. These financial statements consist of the balance sheet as of December 31, 2022, the income statement for the reporting period ending on the same date, the statement of changes in equity, the cash flow statement, and the accompanying notes that include a summary of significant accounting policies. In our opinion, the attached financial statements of the Company fairly present, from the perspective of importance, the financial position as of December 31, 2022, and the financial performance and cash flows for the reporting period ending on the same date, in accordance with the Korean International Financial Reporting Standards.

Basis for the audit opinion We have conducted the audit in accordance with the auditing standards of the Republic of Korea. Our responsibilities under these standards are described in the Auditor's Responsibilities section of this audit report. We have acted independently from the Company in accordance with the ethical requirements related to financial statement audits in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with those requirements. Based on the audit evidence obtained, we believe that the evidence is sufficient and appropriate to provide a basis for our audit opinion.

Additional information The financial statements for the reporting period ending on December 31, 2021, were audited by an external auditor, and their audit report dated March 18, 2022, expressed an unqualified opinion.

Responsibility of management and governance bodies for the financial statements Management has the responsibility, in accordance with the Korean International Financial Reporting Standards, to prepare and present these financial statements fairly and to ensure the absence of material misstatements due to fraud or error. Management is also responsible for the internal controls determined to be necessary to prepare financial statements without significant distortion or misrepresentation. In preparing the financial statements, management evaluates the Company's ability to continue as a going concern and, if applicable, is responsible for disclosing going concern matters. Furthermore, unless management intends to liquidate the Company or cease operations, management is responsible for the use of the going concern assumption in the accounting. The governance bodies have the responsibility for overseeing the Company's financial reporting process.

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Audit Report

Responsibility of the auditor for the audit of the financial statements

Our objective is to obtain reasonable assurance about whether the financial statements of the company are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that the audit conducted in accordance with auditing standards will always detect significant misstatements. Misstatements may arise from fraud or error and, when reasonably expected to individually or collectively influence the economic decisions of users relying on the financial statements, such misstatements are considered to be material. As part of our audit in accordance with auditing standards, we exercise professional judgment throughout the audit process and maintain a skeptical mindset. Furthermore, we:

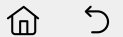
- Identify and assess the risk of material misstatement in the financial statements due to fraud or error and design and perform audit procedures to address such risks and obtain sufficient and appropriate audit evidence as a basis for our audit opinion. Fraud involves intentional acts, such as collusion, forgery, intentional omissions, false representations, or override of internal controls, and the risk of not detecting material misstatements due to fraud is greater than the risk of not detecting misstatements due to error.
- Understand the internal controls related to the audit in order to design audit procedures that are appropriate for the circumstances. However, this does not constitute expressing an opinion on the effectiveness of internal controls.
- Evaluate the appropriateness of the accounting policies applied by management in preparing the financial statements and the reasonableness of management's accounting estimates and related disclosures.
- Reach conclusions regarding the appropriateness of the management's use of the going concern assumption in accounting, as well as the existence of significant uncertainties related to events or conditions that could cast substantial doubt on the company's ability to continue as a going concern, based on the audit evidence obtained. If we conclude that there is significant uncertainty, we are required to draw attention to such matters in our audit report and may be called upon to modify our opinion if the related disclosures in the financial statements are deemed inadequate. Our conclusion is based on the audit evidence obtained up to the date of our audit report; however, future events or conditions may cause the company to cease its status as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and assess whether the transactions and events underlying the financial statements are presented in a fair manner.

We communicate with the governing body regarding significant audit findings, including the planned audit scope, timing, and identified significant deficiencies in internal controls during the audit.

Samjeong Accounting Firm
CEO, Kim Gyo Tae
27th Floor, Gangnam Finance Center, 152 Teheran-ro, Gangnam-gu, Seoul, Korea

This audit report is valid as of the date of the audit report (March 22, 2023). Therefore, events or circumstances that may have a significant impact on the financial statements of the company attached to this report may occur between the date of the audit report and the time of accessing this report, which could result in modifications to this audit report.

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Third-Party Assurance Statement

ECONINE has provided an independent verification opinion based on the verification scope and criteria of the sustainability management report prepared by Acuon Capital. The verification was conducted under the assumption that the information provided by Acuon Capital is complete, and Acuon Capital bears responsibility for all the contents included in the sustainability management report.

Verification criteria ECONINE conducted the verification in accordance with the AA1000 AccountAbility Principles (AA1000 AP) 2018 and GRI Standards 2021. The verification was performed based on the following criteria:

- Accountability principle and Type 1, with a moderate level of information reliability.
- Compliance with GRI Universal Standards and Topic Standards, and adherence to reporting principles.

Verification scope and method ECONINE has conducted verification based on sampling to ensure the reliability of the reported contents for the sustainability performance from January 1, 2022, to December 31, 2022. The verification process included the following:

- Consistency with business reports and other disclosure information
- Evaluation of materiality and alignment with GRI Standards in relation to key issues
- Consistency with previous reporting and identification of significant changes
- Identification of errors, inappropriate information and expressions, and ambiguous statements
- Interviews with internal stakeholders involved in the report preparation

Independence and competence ECONINE has carried out the verification activities with personnel possessing expertise in the field of sustainable management, based on ECONINE's Code of Conduct. ECONINE does not have any relationships that could compromise the independence of Acuon Capital's verification, apart from providing third-party verification services.

Conclusion Based on the verification of Acuon Capital's sustainability report, it is determined that a level of assurance consistent with Type 1 under the AA1000 AccountAbility Principles (AA1000 AP) has been obtained. Additionally, it is deemed that the report adheres to the requirements of the GRI Universal Standards and Topic Standards, and does not deviate from significant reporting principles.

Inclusiveness: Individuals should have the right to have a voice in decisions that affect them. Acuon Capital operates various channels of communication tailored to the characteristics of internal and external stakeholders, including employees, customers, business partners, shareholders / investors, local communities, external directors, and government entities. Stakeholders have access to communication channels that Acuon Capital operates, considering their characteristics, allowing them to provide opinions on issues of interest that may influence stakeholders.

Conclusion

Materiality: Decision-makers must identify and clarify significant sustainability topics. Acuon Capital has derived 26 potential material issues through international standards, industry issues, benchmarking, and media analysis. By conducting a validity assessment of the ESG Internal Working Committee, Acuon Capital has established 18 key issue pools. Through a dual materiality assessment considering both social / environmental and financial impacts for each identified materiality assessment issue, we have confirmed a final set of 11 material issues.

Responsiveness: Organizations must act in a transparent way regarding the significant sustainability topics and their associated impacts. Acuon Capital reports on detailed issues within the environmental, social, and governance sections to differentiate the impacts of the top 11 selected material issues. For these specific issues, we have confirmed the disclosure of policies, systems, objectives, and performance status.

Impact: Organizations must monitor, measure, and take responsibility for the broader ecosystem impacts of their actions. Acuon Capital has disclosed policies and achievements related to the identified key strategic challenges resulting from the materiality assessment. This demonstrates its commitment to addressing the significant sustainability topics and meeting the key concerns of stakeholders.

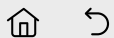
Recommendations Acuon Capital has identified key issues through a dual-materiality assessment and has developed tools to enable stakeholders to consider the environmental, social, and financial impacts. Looking forward, we anticipate Acuon's future development of a more systematic system to enhance the influence of significant issues based on these findings, and the utilization of this system by the top decision-making body addressing ESG issues.

May 3, 2023

CEO Seo Uk ECONINE Co., Ltd.






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Greenhouse gases Emissions Verification Opinion

April 24, 2023

Verification Opinion

(주)에쿠온캐피탈

검증 범위:
- 2021 년 국내 사업장 온실가스 직접배출(Scope1) 및 간접배출(Scope2)


검증 대상:
에쿠온캐피탈의 2021 년도 온실가스 직접배출(Scope1) 및 간접배출(Scope2)에 해당하는 온실가스 배출량은 다음과 같습니다.

사업장	Scope1		Scope2	총배출량
	고정연소	이동연소	간접배출(전력)	
본사	46,721	96,618	110,706	254,045
여의도 금융센터	0,855	1,547	10,780	13,182
나리기술빌딩	5,570	2,309	21,753	29,632
성원타워	8,390	5,619	2,740	16,757
부산금융센터	-	17,425	22,084	39,509
대구금융센터	0,230	7,025	11,616	18,871
대전금융센터	-	25,696	6,372	32,068
광주금융센터	-	14,597	19,767	34,364
광주 RC	4,595	-	13,002	17,597
강원금융센터	0,828	2,169	2,088	5,085
합계	67,189	178,005	220,916	466,110



* 온실가스 배출량 단위: tCO2e

검증에 사용된 온실가스 관련 기준 및 지침:
에쿠온캐피탈의 요청에 따라 다음의 기준 및 지침을 활용하여 검증이 수행되었습니다.
- 온실가스 배출권거래제의 배출량 보고 및 인중에 관한 지침
- WBCSD/WRI의 Greenhouse Gas Protocol Corporate Value Chain(Scope 3) Standard 및 Scope 3 Calculation Guidance
- ISO 14064-1:2018 & ISO 14064-3:2019
- BSI 온실가스 배출량 검증 매뉴얼
검증과 관련된 모든 활동에 대해 BSI Group Korea 의 표준 기밀 유지 원칙이 적용됩니다.

검증 의견:
상기 온실가스 관련 기준 및 지침에 따라 검증을 수행한 결과에 대한 BSI Group Korea 의 검증의견은 다음과 같습니다.
- 에쿠온캐피탈 국내 사업장에 대한 Scope1&2 검증은 온실가스 배출권거래제의 배출량 보고 및 인중에 관한 지침에 의해 합리적으로 검증된 것으로 확인되었습니다.
- 데이터의 질적인 측면의 수준은 온실가스 검증의 중요 국제 원칙에 부합합니다.
- 검증과정 중 온실가스 배출량 산정에 중대한 문제점이 발견되지 않았으며 관련 활동자료와 증명이 적절하게 관리되고 있음을 확인하였습니다.
- 이에 BSI Group Korea 검증팀은 '적정'하다는 검증의견을 제시합니다.

For and on behalf of BSI:  **Managing Director Korea, Seonghwan Lim** ...making excellence a habit.
Issue: 23/04/2023

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Verification Opinion

(주)에쿠온캐피탈

검증 범위:
- 2021 년 본사 및 국내 9 개사업장에 대한 온실가스 기타간접배출(Scope3)


검증 대상:
- 2021 년 온실가스 기타간접배출(Scope3) 6 개 항목에 대한 연간 배출량은 다음과 같습니다.

범주	세부내용	2021 년 배출량
직원통근	출퇴근에 사용한 운송수단	129
구매한 상품	연쇄용지, 봉투, 소풍백, 계약서 용지, L 홀더 구매	1,493
연료 및 에너지 관련 활동(Scope 1,2 제외)	구매한 연료 및 에너지(Scope1&2)의 수출, 생산, 운송	30
자본재	2021 년에 취득한 IT 장비 및 소프트웨어	69
판매된 제품사용	소배자의 웹사이트 및 모바일 앱 이용 시 전기사용량	0.49
투자(장정주식 및 회사채)	4가지 자산군에 대해 금융정보 기반으로 금융배출량 산정	8,047
투자(기업대출 및 배당금주식)	(투자대상기업에 대한) Blind fund와 사모펀드 제외, 담보 및	296,907
투자(프라이빗 에쿼티)	개인사업자 대출 제외)	26,313
투자(자동차 대출)		28,356
합계		361,344

* Scope3 범주별 배출량 산정에 대한 제한 및 가정을 포함한 자세한 사항은 검증보고서에 기술되어 있습니다.

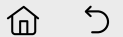
검증에 사용된 온실가스 관련 기준 및 지침:
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- ISO 14064-1:2018
- ISO 14064-3:2019
- 온실가스 배출권거래제의 배출량 보고 및 인중에 관한 지침
- WBCSD/WRI의 Greenhouse Gas Protocol Corporate Value Chain(Scope 3) Standard 및 Scope 3 Calculation Guidance
- PCAF-Global GHG Standard
- Global Warming Potentials- IPCC the second assessment report values (1995)
- BSI 온실가스 배출량 검증 매뉴얼

검증 의견:
상기 온실가스 관련 기준 및 지침에 따라 검증을 수행한 결과에 대한 BSI Group Korea 의 검증의견은 다음과 같습니다.
- 에쿠온캐피탈에 대한 Scope3 기타간접배출량 검증은 제한적 보증으로 수행되었으며, 데이터의 질적인 측면의 수준은 온실가스 검증의 중요 국제 원칙에 부합합니다.
- 검증과정 중 온실가스 배출량 산정에 중대한 문제점이 발견되지 않았으며 관련 활동자료와 증명이 적절하게 관리되고 있음을 확인하였습니다.
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ESG Management Declaration

May 30, 2022



ESG Management Declaration

All employees of Acuon Capital declare that we will put ESG management into action as follows to reinvent ourselves as a comprehensive financial firm that actively brings ESG value to our clients and stakeholders.

- 1.** All employees of Acuon Capital are committed to delivering ESG management with a sense of duty.
- 2.** Acuon Capital actively combat climate change, and ramp up its eco-friendly management to reach net-zero.
- 3.** Acuon Capital respects the diversity of its clients and stakeholders, and ensures equal opportunities for them.
- 4.** Acuon Capital make all-out efforts to create a safe and healthy work environment where no one is discriminated against in employment and work.
- 5.** Acuon Capital builds its transparent and sound governance structure, and transparently disclose its corporate data to ensure its compliance management.

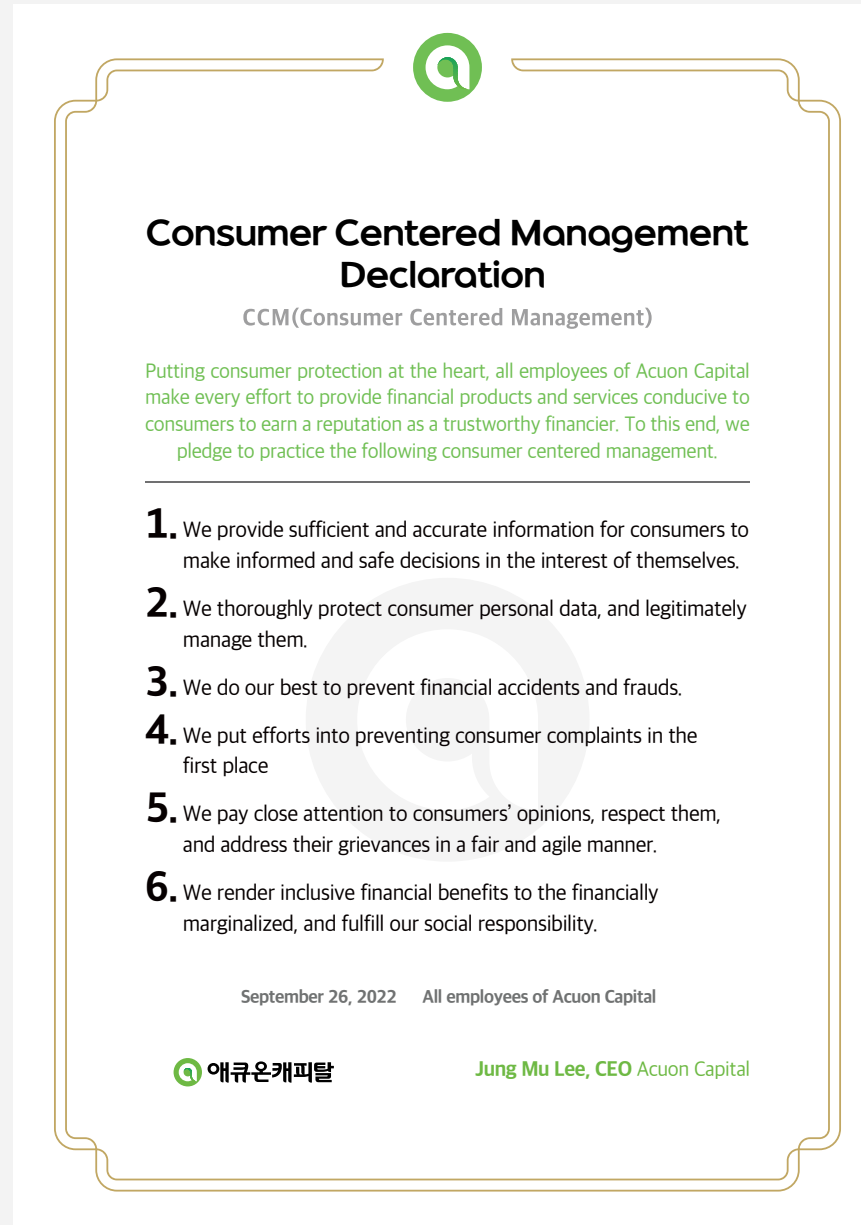

 May 30, 2022 All employees of Acuon Capital
 애큐온캐피탈 Jung Mu Lee, CEO Acuon Capital

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Consumer Centered Management Declaration

September 26, 2022




Consumer Centered Management Declaration
CCM(Consumer Centered Management)

Putting consumer protection at the heart, all employees of Acuon Capital make every effort to provide financial products and services conducive to consumers to earn a reputation as a trustworthy financier. To this end, we pledge to practice the following consumer centered management.

- 1.** We provide sufficient and accurate information for consumers to make informed and safe decisions in the interest of themselves.
- 2.** We thoroughly protect consumer personal data, and legitimately manage them.
- 3.** We do our best to prevent financial accidents and frauds.
- 4.** We put efforts into preventing consumer complaints in the first place
- 5.** We pay close attention to consumers' opinions, respect them, and address their grievances in a fair and agile manner.
- 6.** We render inclusive financial benefits to the financially marginalized, and fulfill our social responsibility.

September 26, 2022 All employees of Acuon Capital

 **에큐온캐피탈** **Jung Mu Lee, CEO** Acuon Capital

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