



Reporting and Self-Assessment Template

Principles for Responsible Banking



Reviewed version (V2) from September 2022



Reporting and Self-Assessment Template

The following template sets out the reporting and self-assessment requirements for Signatories of the Principles for Responsible Banking (PRB). Your bank discloses which actions it has undertaken to implement the PRB by self-assessing its progress on each of the 6 Principles. This template is therefore structured in accordance with the 6 Principles that signatories have committed to.

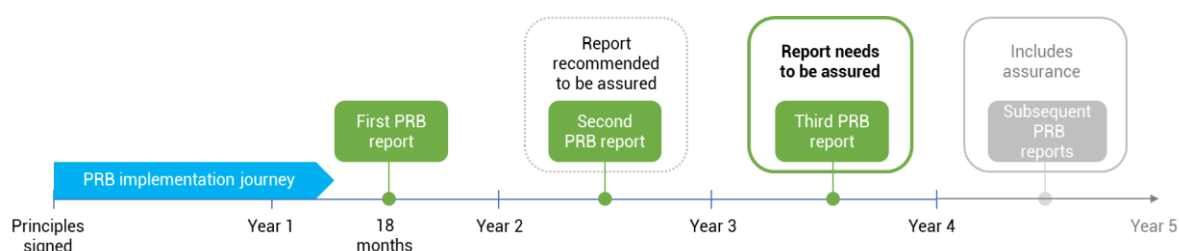
Three [Key Steps](#) are critical to showing that your bank is fulfilling its commitments as a signatory of the PRB, i.e. Impact Analysis, Target Setting & Implementation and Assured Reporting/Accountability. The sections in the Reporting and Self-Assessment Template that relate to the 3 Key Steps also require a self-assessment summary to demonstrate the extent to which the bank has fulfilled the respective requirements of the Key Steps.

Accommodating different starting points

Your bank has an initial four-year period from signing to implement the 6 Principles including to bring its reporting fully in line with the requirements. Your bank may not be able to provide all information required in this template in the first report. You should build on your implementation progress annually. Feedback, support, capacity building, training and peer learning are available to all signatory banks to help them progress with both implementation and reporting.

Timeline for reporting and assurance

Signatory banks need to report on their implementation of the Principles on an annual basis. The first PRB report has to be published within 18 months of signing the Principles, to give the bank some flexibility to align the PRB reporting with its reporting cycle. Publishing the first PRB report at any point earlier than 18 months after signing the Principles is therefore an option. After the first PRB reporting has been published, subsequent reports have to be published annually thereafter, i.e. within 12 months at the latest after the prior report¹.



Assurance

The last report within the initial 4 year implementation period (and subsequent reports thereafter) needs to be assured, which means that at least the third PRB report needs to be assured. Banks are encouraged to put the assurance process in place well before that and have earlier PRB reports already assured.

¹ Early reporting is permitted, although sufficient time to show progress from one year to the other should be taken into account.

All items that relate to the three [Key Steps](#) (highlighted in yellow) require limited assurance by year four of signing the PRB, undertaken by an independent third party with relevant expertise in the field. These are:

- 2.1 Impact Analysis
- 2.2 Target Setting
- 2.3 Target Implementation and Monitoring
- 5.1 Governance Structure for Implementation of the Principles

An assurer provides limited assurance of your self-assessment in these listed areas. You can do this by including it in your existing assured reporting. Where third-party assurance is not feasible, an independent review may be conducted. Assurance requirements are described in more detail in the [Guidance for Assurance providers: Providing limited assurance for reporting](#).

Purpose of the template

The purpose of this template is to assist signatories in disclosing their progress on implementing the PRB. The disclosed information is used by the UNEP FI Secretariat as the basis for the individual review of each bank's progress, as well as for reporting the collective progress made by the PRB Signatory Group. To measure collective progress in a consistent manner, some standardized questions to be completed by the banks are integrated into the template. The open questions give banks the flexibility to disclose the progress they make, considering the diverse business models and various contextual differences in which banks operate.

How to use this template

This template gives banks the chance to provide summaries of the annual progress made in implementing each Principle. It is designed for your bank to provide references/links to where in your existing reporting/public domains (websites) the required information can be found to support your answers. The aim is to keep any additional reporting burden to a minimum while ensuring transparency and accountability as set out in Principle 6. When referring to other documents, please specify the pages where the exact information appears.

The Reporting and Self-Assessment Template shall not be amended structurally and content-wise. The content and text of the template can be applied to corporate layout and designed accordingly, without omitting parts of the texts. The Reporting and Self-Assessment Template can be integrated into your bank's reports (annual report, sustainability report or relevant reporting formats) or can be published as a stand-alone document. It needs to be publicly available and will be listed on the UNEP FI Signatories page.

The reporting needs to be published in English. Information that is referenced to within the Reporting and Self-Assessment Template should also be available in English. Where that is not possible, it is recommended to include the summary of relevant information as text in the Template, so that all necessary information can be taken into account when the UNEP FI Secretariat reviews the bank's performance.

Principle 1: Alignment



We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Response

Woori Financial Group provides a variety of financial services through its 14 subsidiaries, including Woori Bank, Woori Card, and Woori Finance Capital, as well as its overseas subsidiaries and sub-subsidiaries. Since its establishment as a holding company, Woori Financial Group has acquired 3 asset management companies- a real estate trust company, a capital company, and a savings bank. We established an NPL professional investment firm in January 2022, and acquired a venture capital company in March 2023, expanding the Group's business areas. To strengthen the non-banking sector and maximize management efficiency, Woori Financial Group fully incorporated Woori Investment Bank and Woori Venture Partners as wholly-owned subsidiaries in 2023. In 2024, we have completed the merger of Woori Asset Management and Woori Global Asset Management, and the incorporated Woori Asset Management as a wholly-owned subsidiary.

- Woori Financial Group: 584 networks in 24 countries
- Woori Bank: 473 network in 24 countries
- Woori Card: 107 network in 2 countries
- Woori Asset Management: 1 network in 1 country
- Woori Venture Partners: 3 networks in 3 countries

Links and references

2023 Sustainability
Report
Introduction p7-9

Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

☒ Yes

☐ No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

- ☒ UN Guiding Principles on Business and Human Rights
- ☐ International Labour Organization fundamental conventions
- ☒ UN Global Compact
- ☐ UN Declaration on the Rights of Indigenous Peoples
- ☒ Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones: Climate Risk
- ☒ Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: Human Rights
- ☐ None of the above

Response

Under our ESG vision of 'A Better World We Create Through Finance' and the mid- to long-term ESG goal, "Plan Zero 100," Woori Financial Group has established and is actively implementing three major ESG strategies and nine strategic tasks. These strategies and tasks are aligned with the UN SDGs and support a strategic approach to sustainable development, driving positive change in social, economic, and environmental dimensions.

1. Expanding Eco-friendly Management – SDG6, SDG7, SDG11, SDG12, SDG13
 - 1) Promoting green finance
 - 2) Establishing a climate change response system
 - 3) Strengthening environmental management systems
2. Creating Social Value – SDG1, SDG5, SDG8, SDG10, SDG16
 - 4) Expanding social finance
 - 5) Enhancing financial consumers' rights
 - 6) Establishing a culture that respects human rights and diversity
3. Enhancing Transparent Management – SDG8, SDG12, SDG16, SDG17
 - 7) Strengthening ESG finance management systems
 - 8) Transparently disclosing ESG information
 - 9) Advancing ESG governance

Links and references

2023 Sustainability Report
Woori Financial Group ESG Strategy and Governance p11

With an aim to facilitate sustainable management, Woori Financial Group adopted and complies with global conventions, guidelines, and frameworks as follows:

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<ul style="list-style-type: none"> - At Woori Financial Group, we practice principled human rights management in compliance with the Universal Declaration of Human Rights. We aim to expand our responsibility to respect human rights within the Sphere of Influence, thereby strengthening human rights management that encompasses various stakeholders, including employees, local communities, retail banking customers, corporate banking customers, subsidiaries, and supply chains. We have established the Group's Human Rights Principles with the approval of the ESG Management Committee within the Board of Directors. - In 2006, Woori Financial Group became the first company in South Korea's financial sector to join the UNGC (UN Global Compact) and it declared its intention to comply with ten principles in four areas, namely human rights, labor, the environment and anti-corruption. We will continue our efforts to faithfully fulfill our corporate social responsibility by conducting sustainability management activities according to UNGC principles. - Since 2021, Woori Financial Group has been progressively advancing climate change response activities. As a first step, we established the 'Plan Zero 100 (2050 Carbon Neutrality Strategy)' which sets long-term greenhouse gas reduction targets and strategies. We have set reduction targets and plans by categorizing corporate greenhouse gas emissions into internal energy use and financial portfolios, continuously refining the methods to achieve these goals. In 2023, we reviewed our previous activities and frameworks, focusing on enhancing the risk management sector. We ensured the objectivity of our established targets through SBTi certification and developed a system to measure financed emissions to identify and assess climate-related risks. In 2024, we will continue to measure financed emissions through the established system, accumulate data, and establish a portfolio management framework based on this data to continue our various greenhouse gas reduction efforts. Woori Financial Group will continue to respond to climate-related risks and opportunities and meet global requirements with genuine actions. We will transparently disclose our achievements and current status based on the TCFD recommendations. 	<p>Embedding a Culture of Respect for Human Rights p31</p> <p>UN Global Compact p141</p> <p>Climate Risk Management and TCFD p19-30</p>
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Principle 2: Impact and Target Setting



We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis (Key Step 1)

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly² and fulfil the following requirements/elements (a-d)³:

a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

Response

As part of our risk management, Woori Financial Group annually distinguishes and analyzes the financial, environmental and social impacts of ESG issues based on the revised Corporate Sustainability Reporting Directive (CSRD) published by the European Commission, and simultaneously analyzes the impacts on the main stakeholders.

Detailed key activities and achievements of the 10 issues are covered throughout the 2023 Sustainability Management Report, and detailed report on internalization of climate risk management and culture of respect for human rights are provided in the Special Report.

Links and references

2023 Sustainability Report
Double Materiality Assessment p16-17

b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope

- i) by sectors & industries⁴ for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or
- ii) by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

Response

1. Response to climate change

Links and references

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² That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.

³ Further guidance can be found in the [Interactive Guidance on impact analysis and target setting](#).

⁴ 'Key sectors' relative to different impact areas, i.e. those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.

Woori Financial Group calculates and manages its financed emissions in accordance with the global greenhouse gas accounting standards set by the Partnership for Carbon Accounting Financials (PCAF) to manage climate change risks. As of December 2023, the Group has designated 251 trillion KRW (50.4%) of its total assets of 498 trillion KRW as financed emission assets. These assets are classified into seven asset classes according to the PCAF standards, with the following distribution:

- Listed equity and corporate bonds – 12%
- Business loans and unlisted equity – 38%
- Project finance – 2%
- Commercial real estate – 18%
- Mortgages – 18%
- Motor vehicle loans – 2%
- Sovereign debt – 9%

2. Expanding Inclusive and Co-prosperity Finance

Woori Financial Group is expanding social finance and inclusive finance by developing financial products and services that contribute to society. The Group provides equal economic opportunities to various social groups and enhances access to financial services, fulfilling its social role and responsibilities in the financial sector.

We are promoting ESG finance in various financial segments including business, SME, and personal loans, as well as bond, investment, asset management, and advisory services. Woori Financial Group is continuously expanding its ESG finance initiatives, with the issuance of ESG bonds increasing each year. In 2023, the group issued a total of 25.8183 trillion KRW in bonds, of which ESG bonds accounted for 3.3 trillion KRW, representing approximately 12.9%.

Woori Financial Group integrates ESG factors into the customer verification and due diligence processes based on ESG finance principles. The Group conducts ESG assessments using an environmental and social risk management framework during the investment and lending review and approval processes. For projects with high risk and impact, ESG risk assessments are carried out based on the Equator Principles. This process covers various ESG risk factors, such as human rights, the environment, and biodiversity, while addressing exclusion zones, areas of concern, and environmental and social risk evaluations, and supporting eco-friendly economic activities.

Climate Risk
Management and
TCFD p30

ESG Finance p115-
117

ESG Finance p131-
132

c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate?⁵ Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

This step aims to put your bank's portfolio impacts into the context of society's needs.

Response

Our government has set a long-term goal to achieve carbon neutrality by 2050 and foster green growth. As part of this policy, it includes establishing and operating carbon-neutral friendly fiscal and financial programs, along with expanding investments in related areas.

In alignment with this, Woori Financial Group has set a target to reduce its financed emissions by 27% by 2030, compared to 2022 levels. Additionally, the group aims to reduce internal carbon emissions by 42%, through initiatives like transitioning to electric vehicles and expanding solar facilities. These efforts support carbon neutrality across industries and ensure that their financial services are aligned with the government's policy direction.

Woori Financial Group also calculates financed emissions for seven asset classes according to PCAF standards. This plays a crucial role in achieving the government's carbon neutrality goals by managing the carbon footprint of their invested assets and reducing financed emissions.

Moreover, Woori Financial Group is expanding its green finance efforts in line with the policy to achieve net-zero financed emissions by 2050 and to support the transition to low-carbon markets domestically and globally.

Our government's "Co-properity Finance" policy aims to strengthen the responsibility of financial institutions and expand financial support for low-income individuals and small businesses. The primary goal of this policy is to encourage financial institutions to autonomously promote Co-properity Finance, focusing on improving financial accessibility for low-income groups and small businesses. Measures include steps such as lowering loan interest rates for low-credit or financially vulnerable individuals.

The Financial Services Commission (FSC) regularly monitors the implementation of this Co-properity Finance policy and collaborates with various financial sector stakeholders to create a sustainable financial ecosystem. Specifically, the FSC has strengthened its monitoring of the Co-properity financial activities voluntarily undertaken by financial institutions and expanded policy support to protect the rights and interests of financial consumers.

Woori Financial Group is undertaking various activities in consideration of these policies and social responsibilities. Woori

Links and references

2023 Sustainability Report

Double Materiality Assessment Process & Key Management Issues p16-17

Inclusive Financial Support p52-58

⁵ Global priorities might alternatively be considered for banks with highly diversified and international portfolios.

<p>Co-prosperity Finance 3-3 Package is an example of a voluntary program under this government policy. This package includes special loan and financial support programs targeted at small businesses and low-income individuals, offering benefits such as reduced interest rates. It aims to improve financial access for low-income groups and small businesses.</p>	
<p>Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)6? Please disclose.</p>	
<p><i>Response</i></p> <p>We have focused on the 2 core issues 1) Expanding Inclusive and Co-prosperity Finance, 2) Response to climate change, when analyzing impact areas through double materiality assessment.</p> <p>Each issue has been classified according to the affected parties. If the issue has a significant impact on the business, it is categorized as Risk/Cost/Revenue. If it primarily affects external stakeholders, the impact is analyzed as positive, negative, or neutral.</p> <p>In particular, we view response to climate change as a core issue, and thus, adopted additional risk analysis and management methodologies. Climate change is a new form of risk that we are facing, and transitioning to a low-carbon economy involves significant costs and efforts across the entire industrial structure. Addressing climate change is an unavoidable task for a sustainable society, and it should be seen as an opportunity for future growth. Positive factors associated with this include expanded business opportunities due to the growth of the green finance market, while negative factors involve financial losses resulting from the phase-out of existing high-carbon-related technologies.</p> <p>Besides these issues, we have selected human rights as one of main management issues and have established prevention plan for human rights risks.</p>	<p><i>2023 Sustainability Report</i> <i>Double Materiality Assessment Process</i> <i>p16</i></p> <p><i>Climate Risk Management and TCFD</i> <i>p21</i></p>
<p>d) For these (min. two prioritized impact areas): <i>Performance measurement.</i> Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.</p> <p>In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health&inclusion as your most significant impact areas, please also refer to the applicable indicators in the Annex.</p> <p>If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.</p>	

⁶ To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.

Response

Woori Financial Group has identified key management issues with its impacts on the business. We have set goals and indicators for each issue. Each issue is linked to KPIs of the heads of relevant departments and also can be used as an indicator for compensation. Issues identified for each impact area include :

1) Expanding Inclusive and Co-prosperity Finance

- Issue : Expanding Inclusive and Co-prosperity Finance
- Indicators : Positive
- Impact Metric : Inclusive financial social value total of KRW 386.6 billion

2) Response to climate change

- Issue : Reduction of internal carbon emission and expansion of the use of renewable energy
- Indicator : Cost/risk
- Impact Metric : Obtained SBTi certification for the carbon emissions reduction target in 2023

- Issue : Expanding consideration of ESG factors in loan and investment decision-making

- Indicator : Revenue
- Impact Metric : Issued ESG bonds amounting to KRW 3.3 trillion

- Issue : Managing climate risk to reduce financed emissions

- Indicator : Cost, Risk
- Impact Metric : Reduced financed emissions intensity (2022: 23.3 tCO₂eq per KRW 100 million → 2023: 23.15 tCO₂eq per KRW 100 million)

3) Human Rights

- Issue : Enhancing Financial Consumer Protection
- Indicator : Positive
- Impact Metric : Financial fraud prevention accounts: 884 accounts, Financial fraud prevention amount: KRW 11.1 billion, Number of prevented phishing cases: 200 cases, Phishing prevention amount: KRW 5.59 billion

Links and references

2023 Sustainability Report

Key Management Issues p17

Embedding a Culture of Respect for Human Rights p31-32

Self-assessment summary:

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?⁷

Scope:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Portfolio composition:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Context:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Performance measurement:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

Climate change mitigation, climate change adaptation, resource efficiency & circular economy, biodiversity, financial health & inclusion, human rights, gender equality, decent employment, water, pollution, other: please specify

How recent is the data used for and disclosed in the impact analysis?

- ☐ Up to 6 months prior to publication
- ☒ Up to 12 months prior to publication
- ☐ Up to 18 months prior to publication
- ☐ Longer than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc.:
(optional)

⁷ You can respond "Yes" to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.

2.2 Target Setting (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets⁸ have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) Alignment: which international, regional or national policy frameworks to align your bank's portfolio with⁹ have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

You can build upon the context items under 2.1.

Response

1) Expanding Inclusive and Co-prosperity Finance

Woori Financial Group has established five social contribution keywords considering the UN Sustainable Development Goals (UN SDGs) and the characteristics of the financial industry. We promote strategic social contribution projects for the group's sustainable management and social value creation.

The five social contribution keywords and SDGs relations are as follows:

- Fostering Future Generation – SDG4, SDG5, SDG8, SDG10
- Inclusive Finance – SDG8, SDG9
- Environmental Conservation – SDG6, SDG7, SDG12, SDG13, SDG14, SDG15
- Expanding Mecenat Activities – SDG10, SDG11
- Support for Vulnerable Classes – SDG1, SDG2, SDG3, SDG10

2) Response to climate change

Woori Financial Group discloses information transparently according to the TCFD recommendations to address climate risks.

We have established a financed emissions reduction strategy to support the transition to a decarbonized real economy and ensure the Group's sustainability. The reduction targets are based on the SBTi methodology and climate change scenarios that limit global temperature rise to 1.5°C in line with Paris Agreement.

3) Human rights

Woori Financial Group adheres to human rights management principles and practices human rights management in accordance with the Universal Declaration of Human Rights. We identify and manage human rights risks based on international

Links and references

2023 Sustainability Report
Community Value
p.82-83

Climate Risk Management and TCFD p22-24

Embedding a Culture of Respect for Human Rights p.31-32

Woori Financial Group Homepage
<https://www.woorifg.com/kor/social-contribution/esg-policy/contentsid/456/index.do>

regulations and guidelines, including the UN Guiding Principles on Business and Human Rights, ILO Conventions, and OECD Due Diligence Guidelines. Woori Financial Group is expanding its responsibility to respect human rights with the aim of enhancing human rights management across a wide range of stakeholders, including employees, local communities, retail banking customers, corporate banking customers, subsidiaries, and the supply chain.

b) Baseline: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target.

A package of indicators has been developed for climate change mitigation and financial health & inclusion to guide and support banks in their target setting and implementation journey. The overview of indicators can be found in the [Annex](#) of this template.

If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes:

Impact area	Indicator code	Response
Climate change mitigation	...	
	...	
	...	

Impact area	Indicator code	Response
Financial health & inclusion	...	
	...	
	...	

In case you have identified other and/or additional indicators as relevant to determine the baseline and assess the level of alignment towards impact driven targets, please disclose these.

Response

Impact area	Indicator code	Response
Expanding Inclusive and Co-prosperity Finance	C.1.1	Over 40 programs of Woori Bank, Woori Savings Bank, and Woori Card
Response to climate change	A.1.2	Net-zero by 2050, Base year : 2022
	A.2.2	58.17 million tCO ₂ eq

Links and references

Inclusive Finance Support p52-58

Climate Risk Management and TCFD p23

⁸ Operational targets (relating to for example water consumption in office buildings, gender equality on the bank's management board or business-trip related greenhouse gas emissions) are not in scope of the PRB.

⁹ Your bank should consider the main challenges and priorities in terms of sustainable development in your main country/ies of operation for the purpose of setting targets. These can be found in National Development Plans and strategies, international goals such as the SDGs or the Paris Climate Agreement, and regional frameworks. Aligning means there should be a clear link between the bank's targets and these frameworks and priorities, therefore showing how the target supports and drives contributions to the national and global goals.

	A.4.1	Net-zero financed emissions by 2050 (baseline 2022)	Embedding a Culture of Respect for Human Rights p31 Diversity and Communication Culture p80
Human Rights	Gender diversity	By 2030, Ratio of total female employees : 50%, Ratio of female managers and management : 20%, 15%	

c) SMART targets (incl. key performance indicators (KPIs)¹⁰): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

Response

1) Expanding Inclusive and Co-prosperity Finance
Woori Financial Group sets annual goals for inclusive finance. Starting in 2024, to support disadvantaged individuals and promote mutual growth, we plan to implement a livelihood support program worth approximately KRW 270 billion for small business owners and financially vulnerable groups. We will continue to expand our efforts in inclusive finance, mutual growth initiatives, and social contribution activities.

2) Response to climate change

To achieve the goal of carbon neutrality, Woori Financial Group is striving to correctly measure and manage internal carbon emissions and financed emissions that we are currently generating. We aim to cut internal carbon emissions down by 42% until 2030 and net zero by 2044. As for financed emissions, we aim to reduce the emissions by 27% by 2030 (33.75 million tCO₂eq), 56% by 2040 (20.34 million tCO₂eq), and ultimately achieving 100% reduction by 2050.

3) Human rights

Woori Financial Group recognizes various human rights issues related to multiple stakeholders and have set up the “2030 Gender Diversity Goals” as a mid- to long-term goal related to human rights management, which aims to have 20% and 15% of female representation in General Manager and Management, respectfully, and the ratio of total female employees will be kept at 50%. Through this, we are continuously striving to promote gender equality, secure talents from diverse backgrounds, and enhance diversity and inclusiveness of the organization.

Links and references

2023 Sustainability Report
CommunityValue p82
Inclusive Financial Support p52-58

Climate Risk Management and TCFD p22-23, 30

Embedding a Culture of Respect for Human Rights p31
Diversity and Communication Culture p80

d) Action plan: which actions including milestones have you defined to meet the set targets? Please describe.

¹⁰ Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

Response

1) Expanding Inclusive and Co-prosperity Finance

Woori Financial Group is advancing five strategic projects aimed at creating social value, considering both the United Nations Sustainable Development Goals (UN SDGs) and the characteristics of the financial industry. These includes inclusive finance, in which we are continuously promoting sustainable economic growth and job creation by strengthening financial support for low-income individuals, small business owners, SMEs, and innovative enterprises.

2) Response to climate change

We plan to achieve our internal emission short-term target of a 42% reduction by 2030 compared to 2022 level by implementing various activities such as transitioning to electric vehicles and expanding solar power facilities. In addition, we plan to actively support carbon neutrality activities across key industries by reducing financed emissions by 27% by 2030 compared to 2022.

As response to climate change, Woori Financial Group will continue to manage the seven asset classes classified according to PCAF standards: listed equity and corporate bonds, business loans and unlisted equity, project finance, commercial real estate, mortgages, motor vehicle loans, and sovereign debt and seven key industries (power generation, steel, cement, chemical, paper, aluminum, and transportation).

3) Human rights

Woori Financial Group identifies and manages human rights risks based on international regulations and guidelines, including the UN Guiding Principles on Business and Human Rights. Additionally, to ensure fair recruitment, we have established and operated personnel management guidelines and recruitment process operating guidelines in accordance with the bank recruitment procedure model standards.

We fulfill our responsibility to customers and society and pursue sustainable management by including human rights risk management as one of the main management strategies. Based on the results of regular human rights impact assessments, we identify major human rights risks and the stakeholders involved, and we develop and implement improvement plans for the main risks identified. Additionally, as a signatory to the Equator Principles, Woori Financial Group conducts internal due diligence and third-party audits based on the Equator Principles to manage human rights risks may arise from project financing. We measure the effectiveness of actions taken to eliminate or

Links and references

2023 Sustainability Report
Community Value p82

Climate Risk Management and TCFD p30

Embedding a Culture of Respect for Human Rights p32

mitigate negative human rights impacts and reflect this in our human rights management implementation for the following year.

Self-assessment summary

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...

	... first area of most significant impact: ... (please name it)	... second area of most significant impact: ... (please name it)	(If you are setting targets in more impact areas) ...your third (and subsequent) area(s) of impact: ... (please name it)
Alignment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Baseline	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
SMART targets	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Action plan	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No

2.3 Target implementation and monitoring (Key Step 2)

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

Response

1) Expanding Inclusive and Co-prosperity Finance
Woori Financial Group supports financial stability by offering a variety of financial products to alleviate the economic difficulties

Links and references

2023 Sustainability Report

of vulnerable groups. To enhance financial accessibility for low-income individuals and reduce their interest burden, we offer inclusive financial products tailored for the underprivileged, and microfinance products for low-credit individuals.

In March 2023, Woori Bank announced the 'Woori Co-prosperity Finance 3·3 Package' of KRW 20 trillion providing annual benefits of KRW 205 billion to customers. The beneficiaries include small business owners, SMEs, and vulnerable groups, offering various advantages such as reduced interest rates on all household loans and KRW 500 billion in living stabilization funds. By the end of December 2023, the package delivered a total of KRW 21 trillion in financial support, including annual benefits of KRW 212.3 billion to customers, providing substantial assistance to customers burdened from high interest rates. We will continue to strive to support the financially underserved and uphold the value of inclusive finance.

2) Response to climate change

Woori Finance Group is proactively responding to climate changes by reducing financed emissions through established financed emissions reduction strategy to support the transition to a decarbonized real economy and ensure the Group's sustainability.

As of 2023, Woori Financial Group holds a total of KRW 251 trillion in carbon-related assets. Using the PCAF methodology for financed emissions calculation, the Group's financed emissions amount to 58.17 million tCO₂eq, with a carbon intensity of 23.15 tCO₂eq per KRW 100 million. Among the seven asset classes, the project finance category has the highest carbon intensity, at 75.06 tCO₂eq per KRW 1 billion, while the corporate loans and private equity asset class contributes the most to financed emissions, with 43.11 million tCO₂eq. Compared to last year, the carbon intensity has decreased by approximately 0.15 tCO₂eq per KRW 1 billion. To meet the short-term goal of reducing financed emissions by 27% by 2030 compared to 2022, Woori Financial Group plans to actively support carbon-neutral initiatives across major industries.

This 2023, Woori Financial Group emitted a total of 72,857 tCO₂eq, comprising 10,955 tCO₂eq from direct emissions (Scope 1) such as vehicle use, and 61,902 tCO₂eq from indirect emissions (Scope 2) from electricity use in offices and branches. We plan to achieve our short-term target of a 42% reduction by 2030 compared to 2022 level by implementing various activities such as transitioning to electric vehicles and expanding solar power facilities.

3) Human rights

Woori Financial Group has conducted human right impact assessments on a variety of stakeholders, such as employees of

Community Value p85

*Climate Risk
Management and
TCFD p30*

Embedding a Culture
of Respect for Human
Rights p32, 34

all worksites, local communities, partners and customers and identified major human rights issues. The Group subsequently implemented measures and plans of relief and mitigation for all worksites with human rights risks found to be present. As a result of these preemptive mitigation measures, we achieved a final compliance rate of 94.8% in the 2023 Human Rights Impact Assessment.

We are continuously upgrading our assessment indicators and systems through continuous feedback. In fact, we are operating anonymous reporting through both internal and external channels preventing, reporting, and investigating grievances of our stakeholders. In 2023, 394 cases from internal channel were received and addressed, and 25 cases from external channels were handled and resolved.

Principle 3: Clients and Customers



We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers¹¹ in place to encourage sustainable practices?

☒ Yes ☐ In progress ☐ No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

☒ Yes ☐ In progress ☐ No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities¹²). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

Response

1. Climate Risk Management

As part of Woori Financial Group's sustainable practices, we are measuring emissions per emission source in each core sector. We have selected seven industries which has high financial intensity, the power generation, cement, steel, aluminum, paper manufacturing, transportation, and chemicals, as the core management industries and have set interim reduction targets. To achieve these targets, we will continue to monitor related policies, revise and supplement reduction measures, and implement performance management.

Additionally, as part of our management activities, we will actively support green economic activities of those companies in core management industries. This includes providing financial support for process changes, infrastructure improvements, and the development of carbon-neutral technologies to reduce carbon emissions. These efforts aim to mitigate the transition risks for these industries and companies. For companies and industries that do not respond or act contrary to the decarbonization trend, we plan to adjust the proportion of our financial assets by setting industry-specific limits.

2. Expanding Inclusive and Co-prosperity Finance"

Links and references

2023 Sustainability Report
Climate Risk Management and TCFD p23-24

Mutual Growth p89

Inclusive Finance p52-58

1) Inclusive Finance (ESG Financial Services)

Woori Bank has implemented the 'Woori ESG Self-Diagnosis Service' and 'Woori ESG Consulting Service' to achieve mutual growth with small and medium-sized enterprises. The 'Woori ESG Self-Diagnosis Service' is a non-face-to-face service that supports companies in checking their grades and readiness levels in various ESG areas. Through Woori Bank's corporate internet banking channel, companies can access a free diagnosis and, based on the evaluation results, receive interest rates on ESG loan products.

The 'Woori ESG Consulting Service' diagnoses a company's non-financial items (environment, society, governance, etc.) and provides consulting on climate change (carbon neutrality, greenhouse gas emissions, etc.). This service supports small and medium-sized enterprises with various consulting services, including analysis and response strategies for ESG-related regulations and private sector support programs.

In 2023, we supported 900 companies with ESG self-assessment services and provided ESG consulting services to 20 companies.

2) Co-prosperity Finance

Based on Woori Financial Group's ESG Vision "Good Finance for the Next", we actively practice the value of financial inclusion for the underserved groups and aim to fulfill our role as a financial institution committed to social responsibility.

Inclusive Finance includes, enhancement of financial accessibility for vulnerable groups, expansion of digital financial accessibility, financial support for small business owners and SMEs, support and consulting for small business owners, expanded support for SMEs and innovative enterprises, support for the underserved and low-income groups, support for young people, and financial support for damage from natural disaster.

Woori Bank has implemented a voluntary program to refund paid loan interest to vulnerable groups, prioritizing the needs of beneficiaries of its microfinance products. Customers who have received microfinance loans, such as New Hope Spore Loan, and have diligently repaid the principal and interest without any delinquencies are eligible for cashback on interest payments.

Additionally, Woori Bank has launched three specialized new products under New Hope Loans II, targeting young people, small business owners, debt restructuring clients, and customers at risk of delinquencies, thereby expanding substantial financial support for vulnerable groups.

3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of

¹¹ A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

¹² Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

Response

Having recognized the importance of climate and green finance, Woori Financial Group strives to increase our bank's positive impact while reducing the negative impact, by providing the financial products and services that are developed taking into consideration ESG elements. Details on the said ESG-conscious products and services can be found in our sustainability report.

1) Increase of positive impacts

- Sales of climate and green loans: We are continuing the sales of financial products and services that are related to climate and green finance, helping create positive impacts on the environmental preservation and sustainability. This also gave our customers a chance to invest in eco-friendly projects, mitigating climate change and boosting economic growth, hence contributing to SDG 13.

- ESG loans and bond issuance: We are continuously offering loans to and the issuance of bonds for companies and projects that meet ESG standards, contributing to creating social values. Through this funding, we could witness that socially responsible companies grow further, and socially and environmentally sustainable projects rise in their number.

ESG Innovation Corporate Loans, one of Woori Financial Group's key ESG products, amounts to KRW 561 billion as of December 2023. The amount of bonds issued has steadily increased each year, with KRW 2.9 trillion issued in 2022 and an increase of KRW 400 billion in 2023, resulting in KRW 3.3 trillion issuance of ESG bonds.

2) Reduction of negative impacts

- Strengthening ESG evaluation and due diligence processes: We have reinforced our ESG evaluation and due diligence processes. Using the strengthened processes, companies' social and environmental impacts were evaluated, and support for improvement was offered accordingly. Through this, we believe companies work harder to deliver better ESG performance, which will, in turn, contribute to reducing negative impacts.

- Reduction of negative impact thorough Project financing based on Equator Principles : In August 2021, Woori Bank joined the Equator Principles and has actively worked to minimize environmental and social risks associated with large-scale new project financing and corporate loans. We review environmental and social risks for projects subject to the Equator Principles according to the outlined procedures and methodologies. In 2023, we conducted environmental and social risk assessments based

Links and references

2023 Sustainability Report
ESG Finance p115-117

on the Equator Principles framework for a total of 77 projects subject to the Equator Principles.

Principle 4: Stakeholders



We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups¹³) you have identified as relevant in relation to the impact analysis and target setting process?

☒ Yes ☐ In progress ☐ No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Response

Woori Financial Group aims to enhance corporate value through business growth based on trust in the overall management activities and prioritizes communication with internal and external stakeholders accordingly. The Group's key stakeholders are categorized into customers, shareholders and investors, partners, employees, government and media, and local communities, and various channels of communications are being operated to encourage more external and internal communication and incorporate the opinions and needs from valued stakeholders into our overall management practices.

1. Customers

- Activities :

- 1) Support for financial access for the underprivileged
- 2) Enhancement of personal information protection and management system

Links and references

2023 Sustainability Report
Participation of Stakeholders p15

¹³ Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations

<p>3) Strengthening customer service access through digital finance expansion</p> <p>- Communication channels : Customer center(regular satisfaction surveys and operational customer centers), Customer advisory group</p> <p>2. Shareholders and Investors</p> <p>- Activities :</p> <ol style="list-style-type: none"> 1) Transparent decision-making through regular Shareholders Meeting 2) Disclosure of Sustainability Reports, Business Reports, and Corporate Governance Reports, etc. 3) Strengthening shareholder return policies <p>- Communication channels : Shareholders Meeting (regularly), Investor meetings and management performance presentations (regularly)</p> <p>3. Partners</p> <p>- Activities :</p> <ol style="list-style-type: none"> 1) Establishment of behavior codes and transaction Management regulations for partner companies 2) Regular effectiveness assessment of the voluntary compliance principles and prohibition of unfair trade practices within the fair trade operational regulations 3) Support of partner company education 4) Holding events such as Partnership Day <p>- Communication channels : Co-prosperity management task force (regularly)</p> <p>4. Employees</p> <p>- Activities :</p> <ol style="list-style-type: none"> 1) Implementation of welfare and satisfaction survey programs 2) Employee education programs 3) Improvement of organizational culture <p>- Communication channels : Labor-management council (regularly), Employee meetings(as needed and once per quarter with representatives), Internal broadcasting station (as needed)</p> <p>5. Government and Media</p> <p>- Activities :</p> <ol style="list-style-type: none"> 1) Consideration of K-taxonomy adoption 2) Expansion of inclusive finance services <p>- Communication channels : Participation in government projects, Meetings with financial authorities (regularly), Press conferences</p>	
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<p>6. Local Community</p> <ul style="list-style-type: none"> - Activities : Various social contribution activities - Communication channels : Participation in community activities and infrastructure development (ongoing throughout the year), Strengthening environmental protection activities (all branches, ongoing throughout the year) 	
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Principle 5: Governance & Culture



We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

☒ Yes ☐ In progress ☐ No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

Response

Woori Financial Group has established a systematic governance structure to proactively respond to climate change risks and leverage related opportunities for business. Since 2022, the Group has integrated risk management systems with ESG management systems based on the Board of Directors and has distributed responsibilities considering the expertise of each department. The Board of Directors recognizes climate-related issues for comprehensive decision-making and serves as the highest decision-making body that manages and oversees proactive climate change response strategies and activities.

Woori Financial Group has established and operates a total of six committees within the Board of Directors. We are operating the 'ESG Management Committee' in which all board members attend to strengthen efficient decision-making and execution for ESG management. Additionally, we have structured the organizational system to enable the entire group to organically pursue ESG management based on the ESG departments and the Group Management Council of the Woori Financial Group and the subsidiaries.

The Board ESG Management Committee, consisting of 1 standing director and 7 independent directors, establishes the strategic direction and policies for ESG management, enacting, amending and abolishing regulations related to ESG management. It monitors ESG related activities and performances related to climate change, which includes Principles for

Links and references

2023 Sustainability Report
Woori Financial Group ESG Strategy and Governance p11

Key Management Issues p17

Governance p96

Climate Risk Management and TCFD p20

Responsible Banking. Furthermore, these are linked to KPI of the management compensations, which are managed through indicators.

ESG Management Department sets carbon reduction targets for approval by the Board ESG Management Committee and reports on the implementation status and progress according to the Group's carbon reduction targets. The head of the ESG management division is responsible for the tasks of the Board ESG Management Committee, ensuring that climate change-related indicators are reflected in the performance evaluation of the responsible executives for accountable activity executions. The Group's ESG Management Working Group and the ESG Management Department have established ESRM* to create a foundation to manage ESG risks in the Group's financial activities and to carry out tasks such as disclosure of related information.

*ESRM: Environmental and Social Risk Management

5.2 Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Response

Woori Financial Group has set "Leaping Forward to Leading Financial Group - 'Capability Concentration, Synergy, Communication'" as our management goal for 2024, and is pursuing seven strategic directions to achieve this goal. Additionally, we are growing into a global financial group leading the future financial industry through mid- to long-term management strategies to become the 'Prestigious Financial Company'. In particular, we are systematically strengthening ESG management by including ESG management advancement as an enabler in our strategy.

Semi-annual trainings are conducted to all employees to ensure the "Woori Financial Group Risk Management Principles" are well implemented. Woori Bank regularly provides focused risk training on specific topics and conducts financial investment product risk training to prevent the mis-selling of financial products.

In 2023, to promote climate risk management culture and knowledge dissemination, we revised and distributed the 'Group Climate Risk Management Guidelines' to all employees. To cultivate risk management experts (including ESG), we selected subsidiary-specific personnel, and conducted a 'Risk Management Capacity Enhancement Training' at the Korea Banking Institute for about five weeks starting in August 2023.

Other mandated trainings include Fair Advertising trainings for all employees, and financial consumer protection training for all employees, including those in customer-facing roles at branch offices. Woori Bank conducts monthly on-site visits to branches nationwide to deliver training on complaint status, prevention, and

Links and references

2023 Sustainability Report
Introduction to Woori Financial Group p9
Risk Management p113
Financial Consumer Protection p60, p65

response methods. Additionally, branch managers, CS managers, and deposit counter team leaders receive trainings on complaint-handling and reimbursement procedures for voice phishing victims. We are also enhancing the financial consumer protection capabilities of customer-facing employees through training on fraud prevention, enhancement of internal control, and prevention of incomplete sales.

5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio?¹⁴ Please describe.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

Response

Woori Financial Group has implemented an 'environmental social risk management framework' to meet our environmental and social responsibilities and mitigate ESG risks in our financial operations. 'ESG finance' encompasses financial products, services, and support aimed at reducing environmental and social risks while contributing to the sustainable development of society. This framework mandates us to thoroughly consider environmental and social issues and adhere to sustainability principles or guidelines, such as relevant domestic laws, the UN Global Compact, the Equator Principles, and the IFC (International Finance Corporation) Performance Standards on Environmental and Social Sustainability, particularly in emerging markets, when managing our resources, infrastructure, and making business decisions.

The framework outlines its application methodology and due diligence procedures, including areas for exclusion and caution, ESRM application standards and scope, and the application process. Additionally, it provides industry-specific guidelines that highlight key issues for each sector and offer policy direction.

Links and references ESRM

Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

☒ Yes

☐ No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

☒ Yes

☐ No

¹⁴ Applicable examples of types of policies are: exclusion policies for certain sectors/activities; zero-deforestation policies; zero-tolerance policies; gender-related policies; social due diligence policies; stakeholder engagement policies; whistle-blower policies etc., or any applicable national guidelines related to social risks.

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

☒ Yes ☐ In progress ☐ No

Principle 6: Transparency & Accountability



We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

☒ Yes ☐ Partially ☐ No

If applicable, please include the link or description of the assurance statement.

Response

Woori Financial Group's PRB commitments itself has not been assured, however, our PRB commitments are based on our 2023 Sustainability Report, which underwent assurance by the independent assurer.

Links and references

2023 2023 Sustainability Report
Independent Assurance Statement p143-144

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- ☒ GRI
☒ SASB
☒ CDP
☐ IFRS Sustainability Disclosure Standards (to be published)
☒ TCFD
☐ Other:

Response

Woori Financial Group is mainly using the Sustainability Report as a reference for data and documentary evidences under this PRB report. The Sustainability Report is prepared and verified based on the guidelines of the GRI Standards. The report also meets the list of reporting items required by the SASB's commercial banks, asset management and custody activities, and investment banking and brokerage sectors. This year, we have initially submitted response to CDP.

Links and references

2023 Sustainability Report P134-140

GRI p134-135

SASB p136-138

TCFD p139

PRB p140

6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis¹⁵, target setting¹⁶ and governance structure for implementing the PRB)? Please describe briefly.

Response

Woori Financial Group will take action on the 4 core themes recommended by UN to realize the Principles of Responsible Banking as below :

1) Expanding Inclusive and Co-prosperity Finance

Woori Financial Group has set a mid- to long-term goal of supporting ESG financing with a total of KRW 100 trillion by 2030. This includes promoting green finance, inclusive finance and co-prosperity finance. In our effort to actively implement inclusive finance, we plan to establish our own inclusive finance policy.

As mentioned in 2.2 Target Setting (c), starting in 2024, we plan to invest a total of KRW 275.8 billion to implement financial support for people's livelihoods and assist vulnerable groups. Moving forward, we will continue to expand inclusive finance and social contribution activities through sustained cooperative finance initiatives.

2) Response to climate change

We will further analyze climate change related risk factors (physical and transitional) and opportunity factors and derive financial impacts for each risk factors in accordance with TCFD framework. We will continue to encourage participation of companies in response to climate change through continuously developing products catering to those companies on the path to decarbonisation.

3) Human rights

By expanding the scope of human rights impact assessment, we will minimize the area

Links and references

2023 Sustainability Report

Key Management Issues p17

Climate Risk Management and TCFD p21

Embedding a Culture of Respect for Human Rights p32

Activities to Reduce Environmental Impact p43

¹⁵ For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement

¹⁶ For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

negligent of human rights and build an implementation plan to 100% remediate the potential risks detected. Plus, we will develop additional programs to further incorporate the culture of respect for human rights in our company.

4) Nature

Woori Financial Group is conducting environmental impact assessments in project financing as defined by the Equator Principles. The Group plans to apply the LEAP methodology presented by TNFD, not only for environmental impact assessments but also to measure and minimize the biodiversity impact of projects in four stages and develop response strategies.

6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

- | | |
|--|--|
| <input type="checkbox"/> Embedding PRB oversight into governance | <input checked="" type="checkbox"/> Customer engagement |
| <input type="checkbox"/> Gaining or maintaining momentum in the bank | <input type="checkbox"/> Stakeholder engagement |
| <input type="checkbox"/> Getting started: where to start and what to focus on in the beginning | <input type="checkbox"/> Data availability |
| <input type="checkbox"/> Conducting an impact analysis | <input type="checkbox"/> Data quality |
| <input type="checkbox"/> Assessing negative environmental and social impacts | <input type="checkbox"/> Access to resources |
| <input type="checkbox"/> Choosing the right performance measurement methodology/ies | <input type="checkbox"/> Reporting |
| <input type="checkbox"/> Setting targets | <input type="checkbox"/> Assurance |
| <input type="checkbox"/> Other: ... | <input type="checkbox"/> Prioritizing actions internally |

If desired, you can elaborate on challenges and how you are tackling these:

Annex

A set of indicators has been produced for the impact areas of climate mitigation and financial health & inclusion. These indicators will support you in your reporting and in showing progress against PRB implementation. Banks are expected to set targets that address minimum two areas of most significant impact within the first four years after signing the PRB. That means that Banks should ultimately set targets using impact indicators. Acknowledging the fact that banks are in different stages of implementation and on different levels of maturity and therefore might not be able to report on impact from the beginning, a Theory of Change approach has been used to develop the set of indicators below.¹⁷ The Theory of Change shows the **pathway to impact** and considers the relationship between inputs, actions, outputs, and outcomes in order to achieve impact. The Theory of Change for climate mitigation can be found [here](#), the Theory of Change for financial health & inclusion can be found [here](#).

How to use: Both practice (action, outcome and output) and impact performance need to be understood because practice is the conduit for achieving desired impacts (including targets). The Theory of Change allows to identify metrics and set targets which align with a bank's maturity. The indicators below are all connected to a bank's impact and can be considered as steps towards measuring impact. Some of the practice indicators (on the action, output, and outcome levels respectively) are connected to portfolio composition and financial targets¹⁸ (highlighted in **green**) or to client engagement¹⁹ targets (highlighted in **blue**), which enable your overall target. If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex to measure your performance and baseline.²⁰ Once you have set the target, you can use the indicators as guidance for your action plan as well as defining Key Performance Indicators (KPIs) which you can then use to measure progress against the set targets.

¹⁷ It is not required from banks to work with the Theory of Change concept internally. In fact, the Theory of Change has been used to structure the requirements of setting SMART targets using relevant indicators.

¹⁸ Financial targets also aim for real economy outcomes but are not directly expressed as such. Instead, they are expressed with financial indicators and metrics, e.g., to redirect flows of lending and investments to sectors, activities or projects aligned with SDGs and/or related to the selected impact area. Banks can also set financial targets related to specific types of customers e.g., low-income customers or female entrepreneurs.

¹⁹ Client engagement targets involve engaging relevant clients and customers to enable your overall target. The purpose of client engagement is to support clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

²⁰ You might not be able to report on all indicators and/or or levels of practice (i.e. from left to right), in which case you should report on all applicable indicators on the respective level of practice no matter if it is an action, output or outcome indicator.

- **For Signatories of the Net-Zero Banking Alliance:** please report on the climate targets set as required in the [Guidelines for Climate Target Setting](#). As a member of the Alliance, you are required to publish first 2030 targets for priority sectors within 18 months and further sectoral targets within 36 months after signing. You can use the PRB template to disclose the required climate target information if its publication date is in line with the committed NZBA timeframe.
- **For Signatories of the Collective Commitment to Financial Health & Inclusion:** please report on financial health and/or financial inclusion targets set as required in the [Financial Health and Inclusion Commitment Statement](#). As a signatory to the Commitment, you have agreed to set a SMART ambitious target within 18 months after signing. To facilitate your process, please refer to the [Guidance on Target Setting for Financial Health and Inclusion](#) and the [Core Indicators](#) to measure financial health and inclusion. Keep in mind that signatories of the Commitment are encouraged to measure as many indicators as possible from the Core Set or their equivalent to be able to set a SMART impact driven target.

Impact area	Practice ²¹ (pathway to impact)									Impact ²²		
	1. Action indicators			2. Output indicators			3. Outcome indicators			4. Impact indicators		
	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics
A. Climate change mitigation	A.1.1	Climate strategy: Does your bank have a climate strategy in place?	Yes / In progress / No	A.2.1	Client engagement process: Is your bank in an engagement process with clients regarding their strategy towards a low(er)-carbon business model (for business clients), or towards low(er)-carbon practices (for retail clients)?	Yes / Setting it up / No; If yes: Please specify for which clients (types of clients, sectors, geography, number of clients etc.)	A.3.1	Financial volume of green assets/low-carbon technologies: How much does your bank lend to/invest in green assets / loans and low-carbon activities and technologies?	bln/mn USD or local currency, and/or % of portfolio; <i>please specify</i> the definition of green assets and low-carbon technologies used	A.4.1	Reduction of GHG emissions: how much have the GHG emissions financed been reduced?	% over time; baseline and tracking GHG emissions in kg of CO ₂ e (or applicable metrics) ²³
	A.1.2	Paris alignment target: Has your bank set a long-term portfolio-wide Paris-alignment target? To become net zero by when?	Yes / In progress / No; If yes: - please specify: to become net zero by when? - Emissions baseline / base year: What is the emissions baseline / base	A.2.2	Absolute financed emissions: What are your absolute emissions (financed emissions = scope 3, category 15) in your lending and/or	Total GHG emissions or CO ₂ e (please also disclose what is excluded for now and why)	A.3.2	Financial volume lent to / invested in carbon intensive sectors and activities and transition finance: How much does your bank lend to / invest in carbon-	bln/mn USD or local currency, and/or % of portfolio	A.4.2	Portfolio alignment: How much of your bank's portfolio is aligned with Paris (depending on the target set [A.1.2] either 1.5 or 2 degrees)?	% of portfolio (please specify which portfolio; for corporate and business clients: % of sectors financed)

²¹ Practice: the bank's portfolio composition in terms of key sectors, its client engagement, and its relevant policies and processes, and, if applicable, its advocacy practices

²² Impact: the actual impact of the bank's portfolio

²³ If possible and/or necessary, please contextualize the progress: Greenhouse gas emissions might even increase initially because the scope of measurements is extended and financed emissions from a growing proportion of the portfolio are measured, emission factors are updated etc. Emission reductions made by the clients should over time lead to a decrease in GHG emissions financed.

			year for your target? - Climate scenario used: What climate scenario(s) aligned with the Paris climate goals has your bank used?		investment portfolio?			intensive sectors and activities ²⁴ ? How much does your bank invest in transition finance ²⁵ ?			
	A.1.3	Policy and process for client relationships: has your bank put in place rules and processes for client relationships (both new clients and existing clients), to work together towards the goal of transitioning the clients' activities and business model?	Yes / In progress / No	A.2.3	Sector-specific emission intensity (per clients' physical outputs or per financial performance): What is the emission intensity within the relevant sector?	Please specify which sector (<i>depending on the sector and/or chosen metric</i>): kg of CO ₂ e/ kWh, CO ₂ e / m ² ; kg of CO ₂ e/USD invested, or kg of CO ₂ e/revenue or profit					
	A.1.4	Portfolio analysis: Has your bank analyzed (parts of) its lending and/or investment portfolio in terms of financed emissions (Scope 3, category 15); technology mix or carbon-intensive sectors in the portfolio?	Yes / In progress / No; <i>If yes:</i> please specify which parts of the lending and investment portfolio you have analyzed	A.2.4	Proportion of financed emissions covered by a decarbonization target: What proportion of your bank's financed emissions is covered by a decarbonization target, i.e. stem from clients with	% (<i>denominator: financed emissions in scope of the target set</i>)					

²⁴ A list of carbon-intensive sectors can be found in the [Guidelines for Climate Target Setting](#).

²⁵ Transition finance is defined as financing the transition towards a low-carbon future in alignment with the Paris climate goals. It entails any form of financial support for non-pure play green activities to become greener and reduce emissions.

	A.1.5	Business opportunities and financial products: Has your bank developed financial products tailored to support clients' and customers' reduction in GHG emissions (such as energy efficient mortgages, green loans, green bonds, green securitisations etc.)?	Yes / In progress / No; Please specify which ones, and what financial volume and/or % of the portfolio they account for		a transition plan in place?							
B. Financial health	B.1.1	# of products and services in the portfolio with a focus on financial health	Internal data based. Measures how many of the products and services in the portfolio have a financial health focus. We deem a product or service to have this focus when it facilitates decision making and supports financial health increase based on our definition of financial health. This covers products and services embedded with nudges to simplify decision making, round-up, high yield savings accounts, easy investment tools, etc.	B.2.1	# of individuals supported with dedicated and effective financial and/or digital education initiatives	Based on internal data. Measures the number of users (customers and non customers) of financial and/or digital skills-building initiatives offered by the bank. An initiative encompasses courses, programs, training videos, articles, SMS education campaigns, etc. Dedicated means that the initiative was specially created for a defined group of individuals (in many cases a prioritized group). Effective	B.3.1	% of individuals with a good and/or very good level of financial skills	Assessment based. Measures the percentage of individuals with a good and/or very good level of financial skills according to the assessment chosen by the financial institution. Should be measured on individuals benefitting from the bank's financial education initiatives.	B.4.1	% of customers with a high level of financial health	Survey and/or transactional data based. Measures the percentage of customers with a high level of financial health according to the score chosen by the financial institution.

						means that the bank has measured if the initiative is successful in generating the desired results of stronger financial skills, and thus, any individual that is supported with the initiative will achieve the desired results. A bank can't count a click as an individual so we encourage that the data is presented as # of individuals for deanonymized users and # of interactions for anonymized users.						
	B.1.2	% of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health	Based on internal data. Measures the percentage of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health. Including training to attend the needs of prioritized groups. Effective means that the bank has measured if the initiative is successful in generating the desired results of	B.2.2	% of customers actively using the online/mobile banking platform/tools	Transactional data based. Measures the percentage of customers logging in, at least once a month, to one of the following digital platforms (measure those applicable for your bank): Online internet banking and/or mobile phone banking and/or digital tools (including	B.3.2	% of customers who use the bank's services to create a financial action plan with the bank	Transactional and/or survey data based. Measures the percentage of customers who create a financial action plan with the bank using the bank's services. A financial action plan is anything that helps the customer build financial resilience. It is done "with the bank" if the bank can visualize,	B.4.2	% of customers for which spending exceeded 90% of inflows for more than 6 months last year	Survey and/or transactional data based. Measures the percentage of customers with a transaction account and/or savings/investment accounts for which spending exceeded 90% of inflows for more than 6 months in the year within the reporting period compared to the total of customers within PRB scope. Focus on main

			stronger skills, and thus, any individual that is supported with the initiative will achieve the desired results. Relevant employees are those the bank prioritizes in the training program due to their direct impact on the customers' financial health			financial health tools)			through the transactions of the customer, the results of the plan.			financial institution customers.
	B.1.3	# of partnerships active to achieve financial health and inclusion targets	Based on internal data. Measures the number of partnerships currently active to achieve financial health and inclusion targets. By active we mean that are currently undergoing actions and generating results. We suggest disclosing the results of the partnerships in the commentary of the reports.				B.3.3	% of customers using overdraft regularly	Transactional data based. Measures the percentage of customers using the overdraft option in their accounts or credit cards, regularly. Overdraft can be used to handle unexpected emergencies but more than 1/3 of the year (banks may deviate if proper reasons are provided) denotes regularity and a precursor to lower financial health	B.4.3	% of customers that feel confident about their financial situation in the next 12 months	Survey based data. Measures the percentage of customers that answered positively to feeling confident about their financial situation in the next 12 months compared to the total number of customers surveyed. By confident we mean not feeling worried about their financial situation.
							B.3.4	% of customers with a non-performing loan	Transactional data based. Measures the percentage of customers with past-due loans ("past due"	B.4.4	% of customers with products connected to long-term saving and investment plans	Transactional and/or survey data based. Measures the percentage of customers with products

								defined by policies at each bank) compared to the total amount of customers with loans in the bank's lending portfolio.			connected to long-term saving and investment plans. "Long-term" will depend on each bank's definition.	
							B.3.5	% of customers showing an increase or stable amounts in savings, deposit and/or investment account balances, quarter on quarter.	Transactional data based. Measures the percentage of customers showing an increase or stable amounts in savings and/or deposit AND/OR investment accounts balances, quarter on quarter.	B.4.5	% of customers that would struggle to raise emergency funds or cover with insurance a major unexpected expense	Survey based data. Measures the percentage of customers that would struggle to raise emergency funds or cover with insurance a major unexpected expense. We consider a major unexpected expense, one that the customer hadn't planned for and would require them to spend more than what they have available for secondary expenses in their monthly budget or 1/20th of the country's Gross National Income (banks may deviate if proper reasons are provided). A good example is: unforeseen medical bills, large appliance malfunctioning, car repair, etc. Survey based

												using the question: "If a major unexpected expense arises, how can you cover it right now?" and give the multiple choice options of insurance, emergency funds, loan, credit card, family/friends, etc.
C. Financial Inclusion	C.1.1 *	# of products and services in the portfolio with a focus on financial inclusion	Internal data based. Measures how many of the products and services in the portfolio have a financial inclusion focus. We deem a product or service to have this focus when its design facilitates the access and usage by the prioritized customer. For example, no-fee savings account, low interest microloan, offline access or sim-based banking apps, etc	C.2.1	# of individuals supported with dedicated and effective financial and/or digital education initiatives	Based on internal data. Measures the number of users (customers and non customers) of financial and/or digital skills-building initiatives offered by the bank. An initiative encompasses courses, programs, training videos, articles, SMS education campaigns, etc. Dedicated means that the initiative was specially created for a defined group of individuals (in many cases a prioritized group). Effective means that the bank has measured if the initiative is	C.3.1 *	% of individuals with a good and/or very good level of financial skills	Assessment based. Measures the percentage of individuals with a good and/or very good level of financial skills according to the assessment chosen by the financial institution. Should be measured on individuals benefitting from the bank's financial education initiatives.	C.4.1	% of customers with 2 or more active financial products, from different categories, with the bank	Transactional data based. Measures the percentage of customers with 2 or more active financial products, from different categories, with the bank. By active we mean there's at least one usage per month. By category we mean credit/debt, savings/deposit/payment, insurance, investment, etc. Once a target has been set for this indicator, we encourage banks to ensure responsible selling policies or other initiatives so that the target doesn't become a toxic incentive.

					successful in generating the desired results of stronger financial skills, and thus, any individual that is supported with the initiative will achieve the desired results. A bank can't count a click as an individual so we encourage that the data is presented as # of individuals for deanonymized users and # of interactions for anonymized users.						
	C.1.2	% of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health	Based on internal data. Measures the percentage of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health. Including training to attend the needs of prioritized groups. Effective means that the bank has measured if the initiative is successful in generating the desired results of stronger skills, and thus, any individual that is supported with the initiative	C.2.2	% of customers with effective access to a basic banking product	C.3.2	% of customers supported with dedicated customer journey/advisory services	"Transactional data based. Where dedicated customer journey/advisory services are in place for prioritized groups, this indicator measures the percentage of customers using such services. Depending on size of bank, either number or percentage can be the unit of measure.			

			will achieve the desired results. Relevant employees are those the bank prioritizes in the training program due to their direct impact on the customers' financial health			money accounts, etc.						
	C.1.3	# of partnerships active to achieve financial health and inclusion targets	Based on internal data. Measures the number of partnerships currently active to achieve financial health and inclusion targets. By active we mean that are currently undergoing actions and generating results. We suggest disclosing the results of the partnerships in the commentary of the reports.	C.2.3	# of new customers per month	Transactional data based. Measures the number of new customers per month. Once the bank sets a target, this indicator can become a KPI to measure the percentage of new customers from the prioritized groups, per month.	C.3.3	% of customers actively using the online/mobile banking platform/tools	Transactional data based. Measures the percentage of customers logging in, at least once a month, to one of the following digital platforms (measure those applicable for your bank): Online internet banking and/or mobile phone banking and/or digital tools (including financial health tools, if applicable)			