



2021 Financial Results

2022.2.10

Contents

I. 2021 Group Highlights

1.	Highlights – Profitability	3
2.	Highlights – Profitability, Growth	4
3.	Highlights – Asset Quality, Capital Adequacy	5
4.	Group ESG	6
5.	Group Digitization	7
6.	Group Structure	8

II. Profitability

1.	Group Earning Results	10
2.	Subsidiaries Earning Results	11
3.	Banks Earning Results	12
4.	Banks NIM	14
5.	SG&A	15

III. Growth

1.	Group Assets	17
2.	Banks Loans / Deposits	18

IV. Asset Quality

1.	Group Asset Quality	21
2.	Banks Asset Quality	22
3.	Group Provisioning	24
4.	Banks Provisioning / Write-offs & NPL Sales	25

V. Capital Adequacy

1.	Capital Adequacy	28
----	------------------	----

VI. Appendix

1.	Banks KRW Loan Portfolio	30
2.	Cyclical Sector	31
3.	BNK Capital	32
4.	BNK Securities	33
5.	Group Networks & Major Industries	34

DISCLAIMER

The financial information presented herein is prepared on the basis of pre-audited financial of BNK Financial Group and is based upon the plans, strategies and expectations of the FG's management. All information described in this presentation should be treated as forward looking statements that are subject to risks and uncertainties. Actual results could vary materially from the expectations reflected in this presentation, thus the statements presented herein do not purport to be a complete description of the group's operations or future developments. Readers are cautioned not to place under reliance on these statements, which speak only as of the date of this presentation BNK Financial Group does not undertake any obligation to publicly release any revisions to these statements to reflect any future events.

- KNB has been added October 10, 2014, with earnings consolidated starting from 4Q of 2014. As of June 4, 2015, KNB has become a 100% subsidiary of BNK Financial Group
- AM has been added July 28, 2015, and earnings will be consolidated starting from August 2015

I . 2021 Group Highlights

1. Highlights – Profitability	3
2. Highlights – Profitability, Growth	4
3. Highlights – Asset Quality, Capital Adequacy	5
4. Group ESG	6
5. Group Digitization	7
6. Group Structure	8

1. Highlights – Profitability

Profitability – Group Net Income

(KRW bn, %)	2021	2020	YoY	21.4Q	21.3Q	QoQ
Net Interest Income	2,571.8	2,184.5	17.7	687.5	665.7	3.3
Net Fee Income	460.4	363.7	26.6	71.9	123.6	-41.8
Others	72.1	90.3	-20.2	-27.7	31.4	Net Loss
SG&A(-)	1,597.6	1,436.7	11.2	410.7	350.6	17.1
Provision Expense(-)	414.7	453.6	-8.6	127.9	103.0	24.2
Net Income	834.2	562.5	48.3	58.4	286.2	-79.6
Net Income in Controlling Interest	791.0	519.3	52.3	47.6	275.4	-82.7

NI 791.0 KRW bn

(YoY +52.3%)

- Banks & Subsidiaries interest / non-interest income growth led highest ordinary earnings
- 2014 Earnings 809.8 (Negative Good Will 447.9)
- PF Fee Income ↑ Security Gains ↑ Provisions ↓

Core Income 3,032.2 KRW bn

(YoY +19.0%)

- Steady loan growth & NIM improvement leading interest income up by +17.7% YoY
- Continued fee income growth for Subs.

SG&A 1,597.6 KRW bn

(YoY +11.2%)

- Banks bonus & ERP, Securities Incentive ↑
- Cost growth excluding Banks ERP around 3.9%

Prov. Exp. 414.7 KRW bn

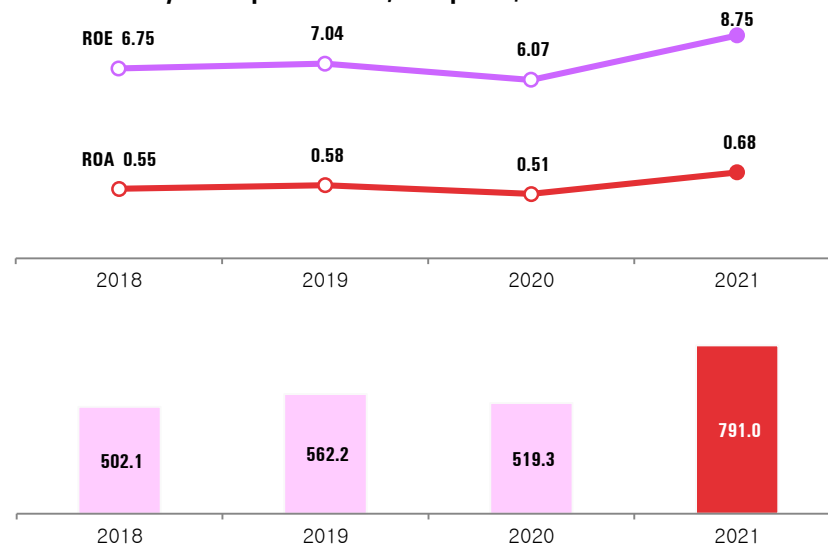
(YoY -8.6%)

- Large Banks provisions decrease YoY
- Covid provision ↓ & slower NPL formation
- Asset Growth/Write-offs leading subsidiaries provision ↑

Profitability – Group Subsidiaries Net Income

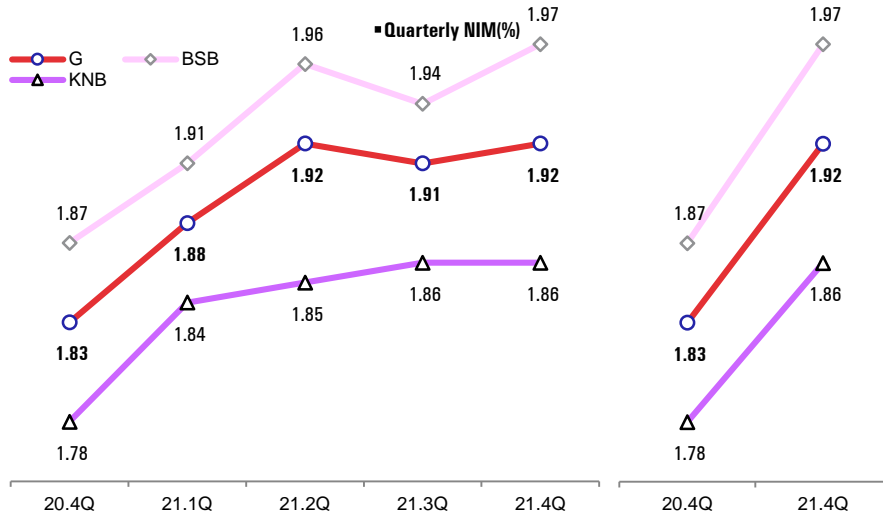
(KRW bn, %)	2021	2020	YoY	21.4Q	21.3Q	QoQ
Banks(A)	633.2	473.1	33.8	36.2	228.1	-84.1
BSB	402.6	308.5	30.5	34.5	136.1	-74.7
KNB	230.6	164.6	40.1	1.7	92.0	-98.2
Non-Banks(B)	290.5	152.4	90.6	53.0	79.2	-33.1
Capital	133.2	71.9	85.3	22.4	39.4	-43.1
Securities	116.1	53.4	117.4	18.0	33.1	-45.6
MSB	21.5	16.6	29.5	4.4	5.6	-21.4
AM	12.2	7.6	60.5	5.8	-0.6	Net Gain

Profitability – Group Net Income, Group ROA/ROE

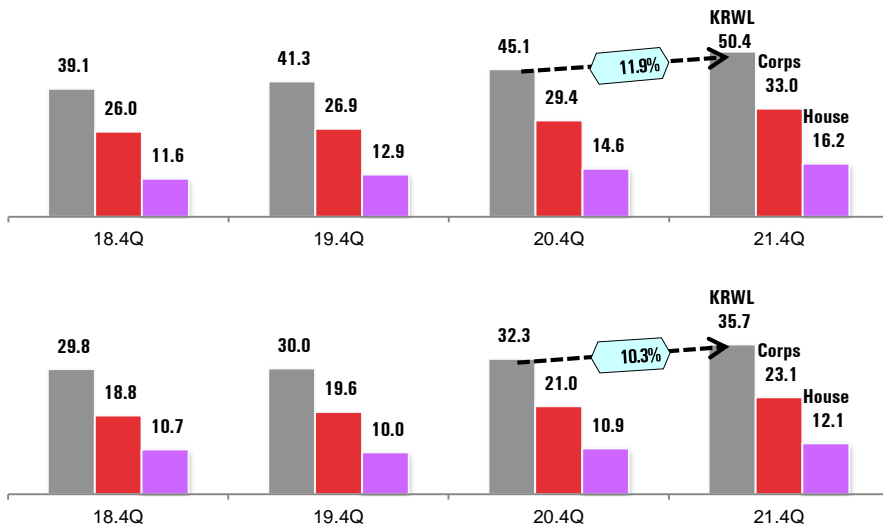


2. Highlights – Profitability, Growth

Profitability, Growth – Quarterly NIM, Total Assets, Banks KRW Loans



Banks KRW Loans & Breakdown (KRW tn)



NIM 1.92%

(QoQ +1bps)

- Rate hike leading lending yield ↑, while local gov. 4Q expenditures led deposit rate ↑ limiting quarterly NIM improvements
- BSB 1.97%(+3bps), KNB 1.86%(-)

KRW Loans 86.1 KRW tn

(YTD +11.2%, Banks Tot.)

- Main regions showing continuous demand (Corps: Non-manufacturing ↑, House: Mortgage ↑)
- BSB & KNB YTD +11.9%, +10.3% (BSB & KNB QoQ -0.2%, -0.4%)

KRW Deposits 85.5 KRW tn

(YTD +11.7%, Banks Tot.)

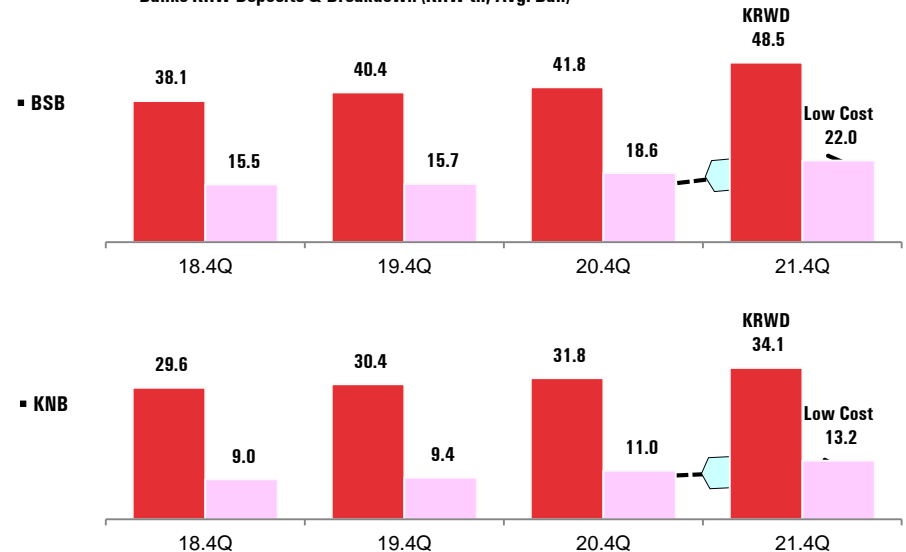
- Loans growth followed by adequate deposit growth
- Focus on improving quality of funding

L-C Deposits 35.2 KRW tn

(YTD +18.7%, Banks Tot., Avg.Bal)

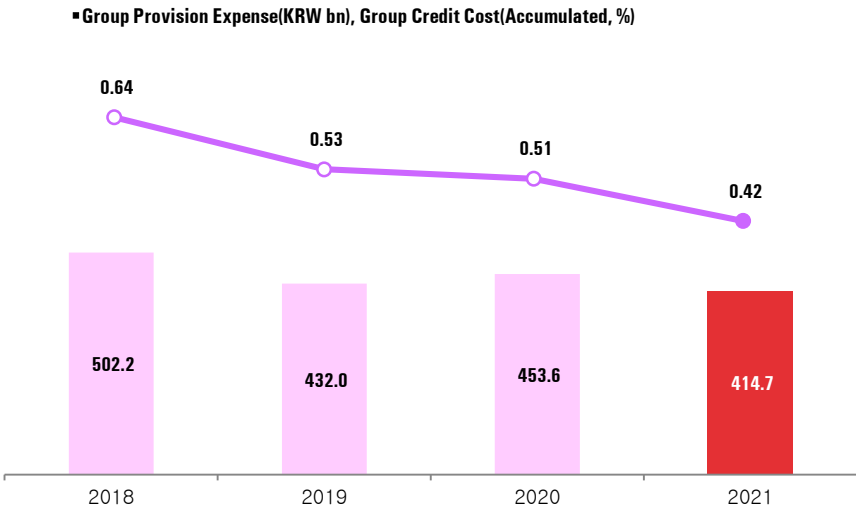
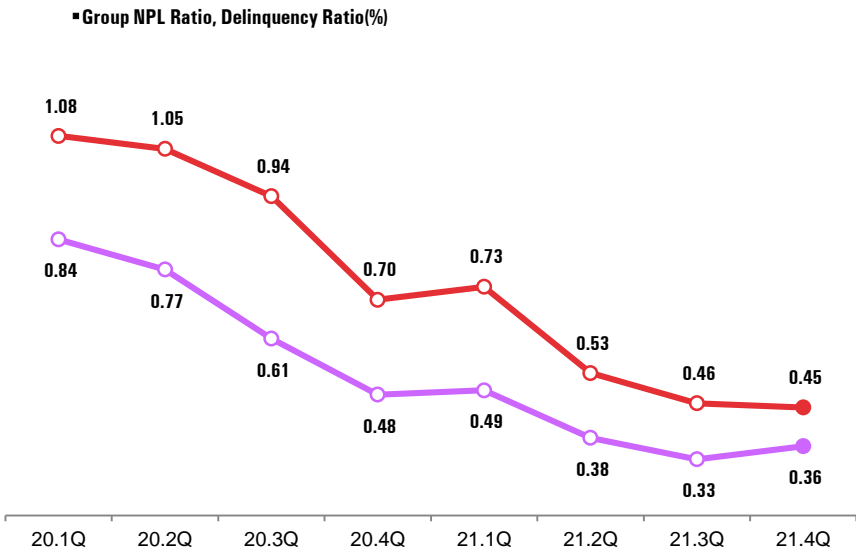
- Continued high market liquidity
- Growth in House. & Corps. Core Deposits

Banks KRW Deposits & Breakdown (KRW tn, Avg. Bal.)



3. Highlights – Asset Quality, Capital Adequacy

Asset Quality, Capital Adequacy – NPL & Delinquency Ratio, Group Capital Adequacy



NPL Ratio 0.45%

(YTD -25bps)

- Preemptive AQ control & slower NPL formation led the low NPL Ratio
- BSB 0.34%(-33bps), KNB 0.61%(-13bps)

Delinquency Ratio 0.36%

(YTD -12bps)

- NPL Sales/Write-offs & AQ TFT enabled stable ratios
- BSB 0.24%(-19bps), KNB 0.43%(-7bps)

Credit Cost 0.42%

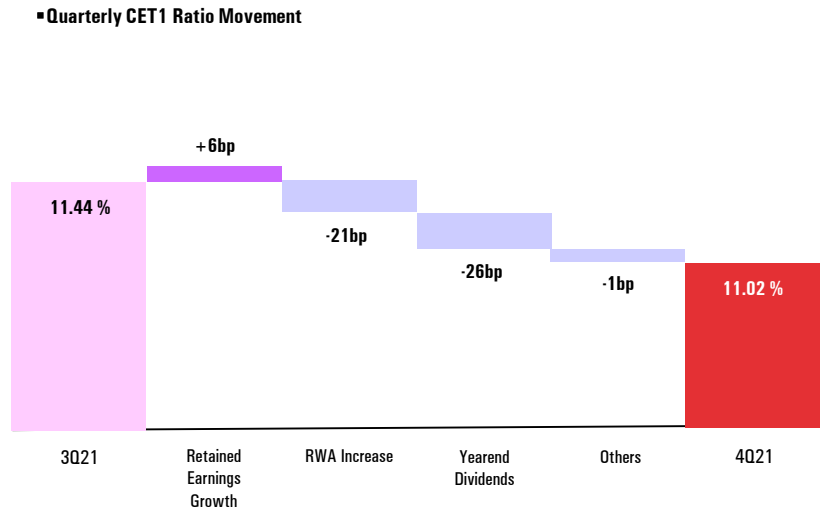
(YTD -9bps)

- Better quality asset growth, slower NPL formation, Provision expense ↓ led decrease

CET1 Ratio 11.02%

(YTD +122bps)

- Even with higher growth, NI ↑ & 2Q IRB transfer led the large CET1 Ratio boost YTD



4. Group ESG

ESG Strategic Direction & Target

Social Value Creation through realization of Sustainable Finance

Partnered Growth
(Environment)

Resolve issues within
Community & Environment
for Sustainable Growth

Trustworthy Growth
(Social)

Customer-focused
management increasing
Financial Consumer trust

Responsible Growth
(Governance)

Establish Sustainable
Management Governance

Stage 3 2025

Completion of Sustainable
Finance

Stage 2 2022

Advanced ESG Strategy
Systems

Stage 1 2020

Establish ESG Strategy
Systems

2020 Corporate Sustainability Management(ESG)

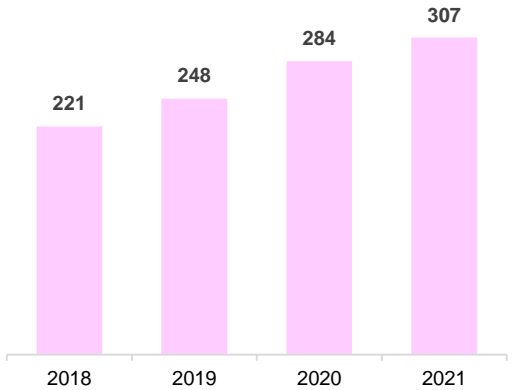
- 2020.07 ○ Become a member of the UN Global Compact
- 2021.03 ○ Establish ESG Committee under BOD
- 2021.05 ○ Join the CDP(Carbon Disclosure Project) & announce support for TCFD(Task Force on Climate Related Financial Disclosures)
- 2021.06 ○ Announce ESG Management
- 2021.08 ○ Declare De-Coal Financing
- 2021.11 ○ Korea Corporate Governance Services(KCGS) ESG Evaluation
- Acquired A for 3 consecutive years for combined rating

ESG Highlights

- BSB & KNB ESG Bond Issuance(100.0 KRW bn each)
- BSB received the Innovation Finance Commendation from the FSC Chairman
- 2021 Innovation Finance Balance 8,777.7 KRW bn
 - Loans 8,252.7 KRW bn (Technology Finance/Support Innovation Finance etc.)
 - Investments 525.0 KRW bn (Creating Jobs etc.)

5. Group Digitization

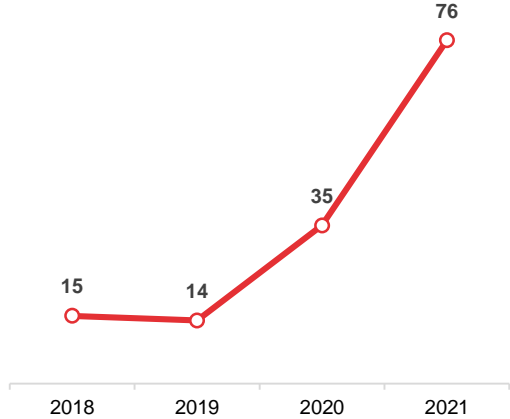
☐ Digital Chanel Mobile Subscribers (Ten Thousand)



Improving Mobile Competitiveness

- Continuous Improvement of Mobile UX
- Strengthening Personalized Marketing

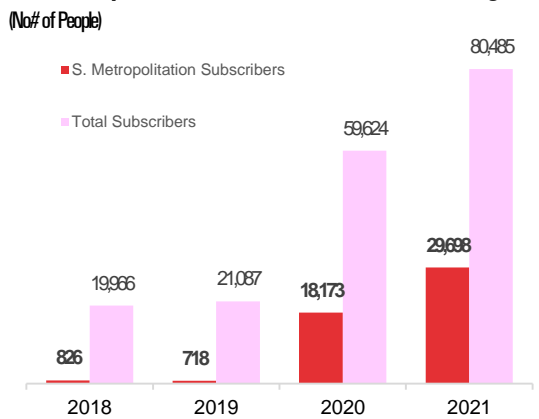
☐ Portion of Contactless Credit Loans (%)



Strengthening Competitiveness of Products & Services

- Offering Contactless Mortgages
 - Starting from June 2021
 - Full process done on mobile

☐ Seoul Metropolitan's Contactless Credit Loans Subscribing Results (No# of People)



Expansion into Seoul Metropolitan

- Maintaining & Expanding Competitiveness of Contactless Products
- Increasing Strategic Joint Ventures to widen distribution

3 Major Digital Strategies for 2021

1 Expansion into Seoul Metropolitan

- Expansion of Digital Products & Services, Diversification of Distribution Channels
- Differentiaton of Digital Services



- Maintaining & Expanding Competitiveness of Contactless Products
- Introduction of Simple Payment Service(BNK-Pay)
- Increase Strategic Joint Ventures to widen distribution channels

2 Securing the Southeastern Market, while increasing MS

- Establish a Regional Financial Platform
- Digital Innovation of Mobile·Branch·Customer Center



- Introduction of Personal Finance and Contents based Service
- Introduction of Process Automation and Digital Desk
- Establish Intelligent Digital Contact Center

3 Securing Data Ability

- Build a Group Data Lake
- Establish a Group Big Data/A.I. Platform



- Prepare basis for Omni Channel Marketing
- Data Analysis-based Support for Overall Business
- Create Optimal Algorithm for Personal Asset Management

Plans for the Future

5. Group Structure

BNKFG

Establishment : 2011.03.15

Total Assets : 149,020.0

Net Income : 791.0

Employees : 7,915

(%, KRW bn, Accumulated)

BSB

Est : 1967.10.10
Branches : 218
Employees : 3,554

Share's Owned

100%

Tot. Assets

80,492.3

Net Income

402.6

KNB

Est : 1970.05.22
Add : 2014.10.10
Branches : 133
Employees : 2,724

Share's Owned

100%

Tot. Assets

53,947.2

Net Income

230.6

Capital

Est : 2010.07.15
Branches : 15
Employees : 527

Share's Owned

100%

Tot. Assets

8,444.5

Net Income

133.2

Securities

Est : 1997.06.02
Sec. Add : 2009.11
Branches : 4
Employees : 360

Share's Owned

100%

Tot. Assets

3,996.0

Net Income

116.1

MSB

Est : 2011.12.13
Branches : 7
Employees : 144

Share's Owned

100%

Tot. Assets

1,662.3

Net Income

21.5

AM

Est : 2008.07.15
Add : 2015.07.28
Employees : 80

Share's Owned

100%

Tot. AUM

8,597.3

Net Income

12.2

Credit Info.

Est : 2003.06.17
Indus. : Collection
Employees : 114

Share's Owned

100%

Tot. Assets

22.4

Net Income

2.0

System

Est : 2011.05.20
Indus. : IT
Employees : 263

Share's Owned

100%

Tot. Assets

27.7

Net Income

2.1

Venture Capital

Est : 2009.03.24
Add : 2019.11.05
Employees : 17

Share's Owned

100%

Tot. Assets

53.4

Net Income

3.4

Affiliates

Cambodia

Est : 14.03.07
Employees : 346
Share's Owned : 100%
Assets : 90.2 KRW bn
2015.06 Start

Myanmar

Est : 14.03.21
Employees : 670
Share's Owned : 99.9%
Assets : 66.6 KRW bn
2014.12 Start

Lao PDR

Est : 15.04.24
Employees : 55
Share's Owned : 97%
Assets : 38.0 KRW bn
2015.07 Start

Kazakhstan

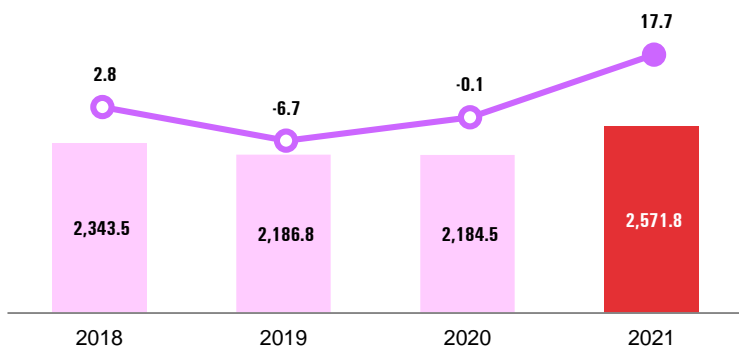
Est : 18.06.01
Employees : 50
Share's Owned : 100%
Assets : 30.5 KRW bn
2018.11 Start

II. Profitability

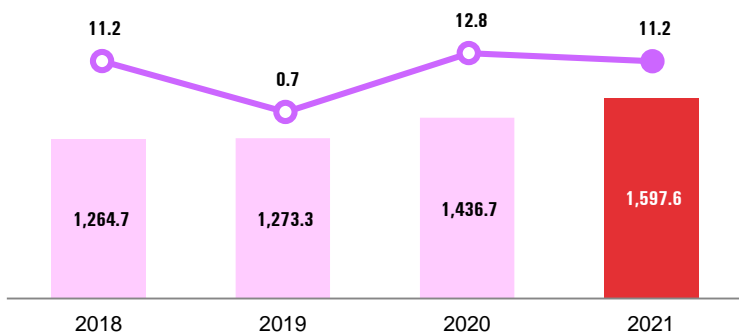
1. Group Earning Results	10
2. Subsidiaries Earning Results	11
3. Banks Earning Results	12
4. Banks NIM	14
5. SG&A	15

1. Group Earning Results

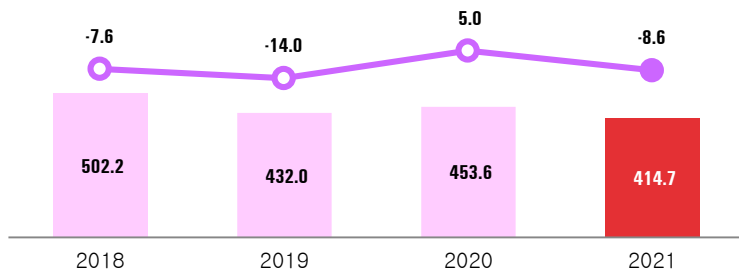
Interest Income(% , KRW bn)



SG&A(% , KRW bn)



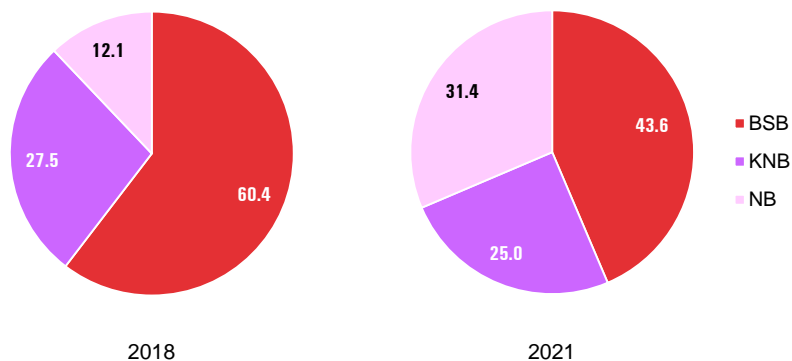
Provisioning(% , KRW bn)



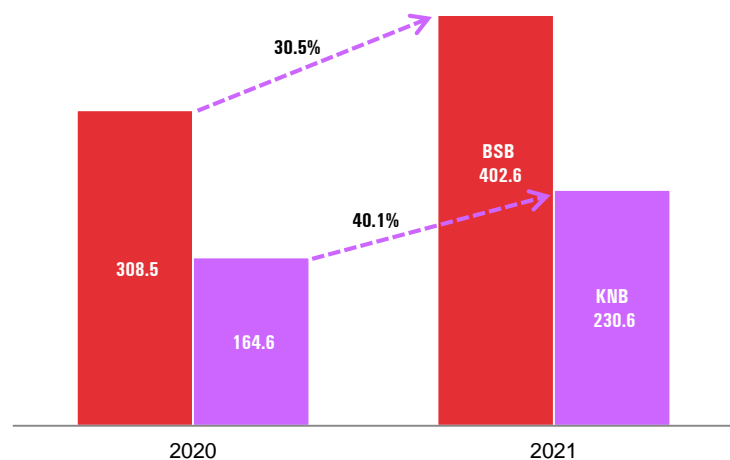
(KRW bn, %)	2021	2020	YoY	21.4Q	21.3Q	QoQ
Net Interest Income	2,571.8	2,184.5	17.7	687.5	665.7	3.3
Net Fee Income	460.4	363.7	26.6	71.9	123.6	-41.8
Others	72.1	90.3	-20.2	-27.7	31.4	Net Loss
SG&A(-)	1,597.6	1,436.7	11.2	515.5	350.6	47.0
Provision Expense(-)	414.7	453.6	-8.6	127.9	103.0	24.2
Non-Operating Income	31.2	-13.8	Net Gain	-5.2	18.9	Net Loss
Earnings Before Income Tax	1,123.2	734.4	52.9	83.1	386.0	-78.5
Income Tax Expense(-)	289.0	171.9	68.1	24.7	99.8	-75.3
Net Income(A)	834.2	562.5	48.3	58.4	286.2	-79.6
Net Income in Non-Controlling Interest(B)	43.2	43.2	0.0	10.8	10.8	0.0
Net Income in Controlling Interest(C) (C) = (A) - (B)	791.0	519.3	52.3	47.6	275.4	-82.7

2. Subsidiaries Earning Results

□ Banks & Non-Bank Net Income Portion(%)



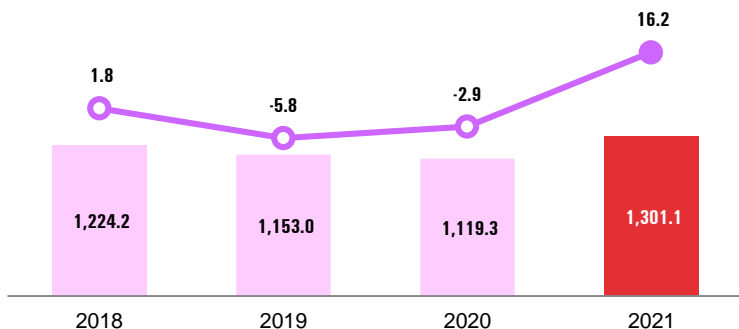
□ Banks Net Income(KRW bn)



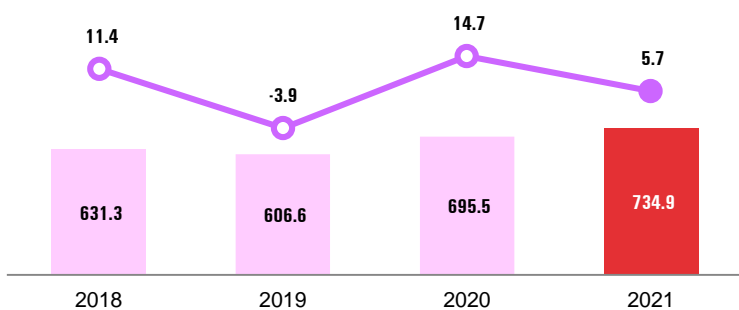
(KRW bn, %)	2021	2020	YoY	21.4Q	21.3Q	QoQ
Bank(A)	633.2	473.1	33.8	36.2	228.1	-84.1
BSB	402.6	308.5	30.5	34.5	136.1	-74.7
KNB	230.6	164.6	40.1	1.7	92.0	-98.2
Non-Bank(B)	290.5	152.4	90.6	53.0	79.2	-33.1
Capital	133.2	71.9	85.3	22.4	39.4	-43.1
Securities	116.1	53.4	117.4	18.0	33.1	-45.6
MSB	21.5	16.6	29.5	4.4	5.6	-21.4
AM	12.2	7.6	60.5	5.8	-0.6	Net Gain
Credit Info	2.0	1.1	81.8	0.8	0.6	33.3
System	2.1	1.4	50.0	0.1	0.8	-87.5
Venture Capital	3.4	0.4	750.0	1.5	0.3	400.0
Financial Group & Unconsolidated Portion(C)	-89.5	-63.0	-	-30.8	-21.1	-
Net Income in Non-Controlling Interest(D)	43.2	43.2	0.0	10.8	10.8	0.0
Net Income in Controlling Interest(E) (E= A+B+C-D)	791.0	519.3	52.3	47.6	275.4	-82.7

3. Banks Earning Results - BSB

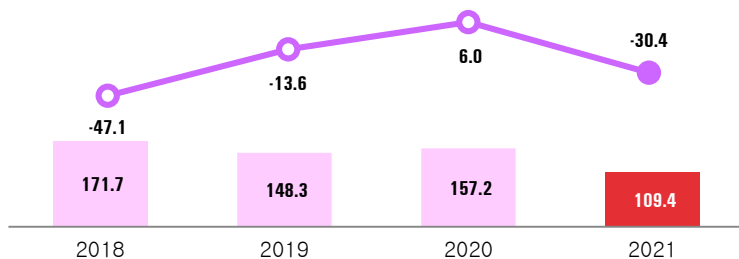
Interest Income(% , KRW bn)



SG&A(% , KRW bn)



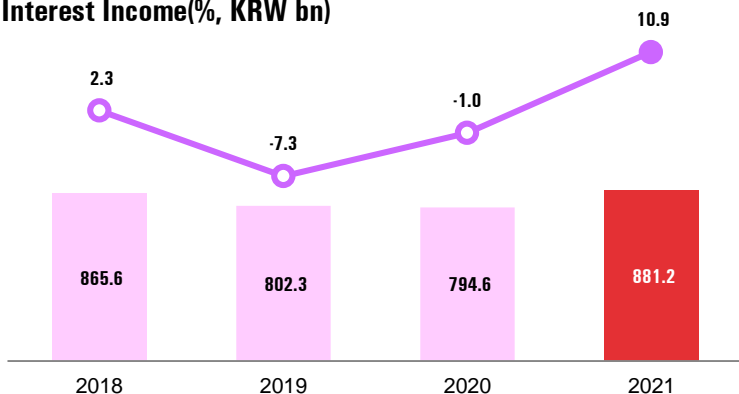
Provision Expense(% , KRW bn)



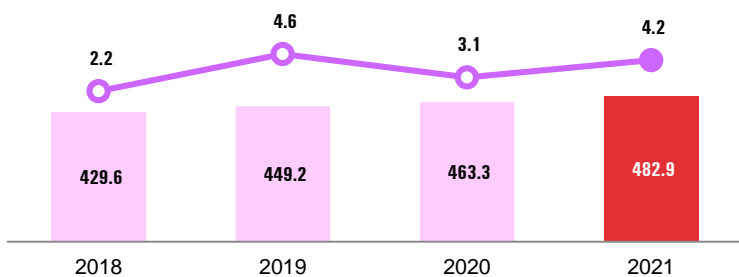
(KRW bn, %)	2021	2020	YoY	21.4Q	21.3Q	QoQ
Net Interest Income	1,301.1	1,119.3	16.2	346.0	332.1	4.2
Net Fee Income	126.9	140.9	-9.9	14.6	28.9	-49.5
Fees from Trust Account	21.1	17.0	24.1	4.5	5.4	-16.7
Others	-71.6	-6.7	-	-26.0	-21.3	-
SG&A(-)	734.9	695.5	5.7	256.5	151.5	69.3
Provision Expense(-)	109.4	157.2	-30.4	35.8	20.9	71.3
Net Operating Income	533.2	417.8	27.6	46.8	172.7	-72.9
Non-Operating Income	-0.1	-21.0	-	-1.2	6.3	Net Loss
Earnings Before Income Taxes	533.1	396.8	34.3	45.6	179.0	-74.5
Income Tax Expenses(-)	130.5	88.3	47.8	11.1	42.9	-74.1
Net Income	402.6	308.5	30.5	34.5	136.1	-74.7

3. Banks Earning Results - KNB

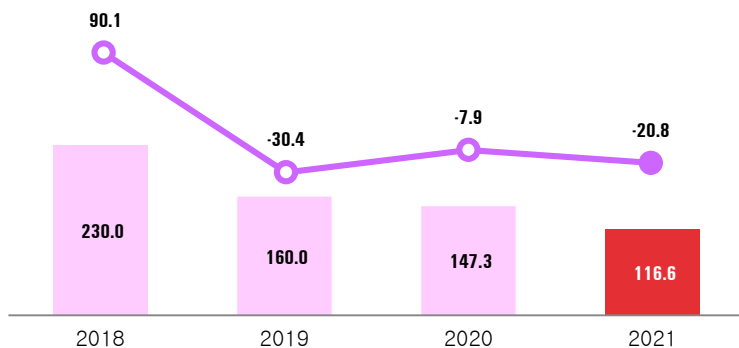
Interest Income(% , KRW bn)



SG&A(% , KRW bn)



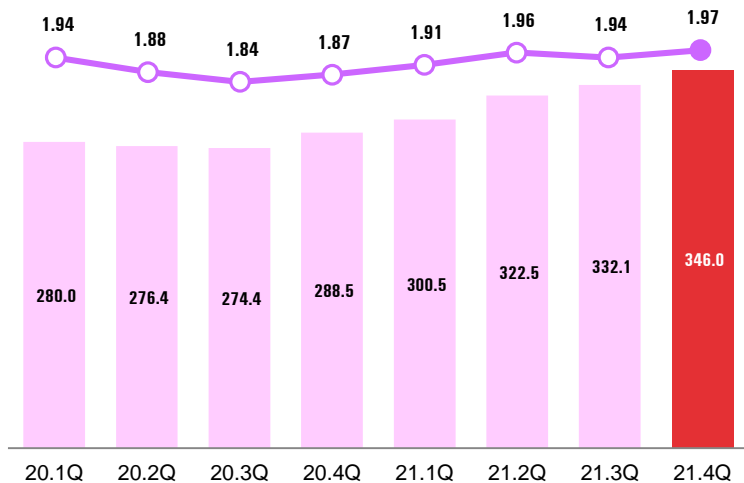
Provision Expense(% , KRW bn)



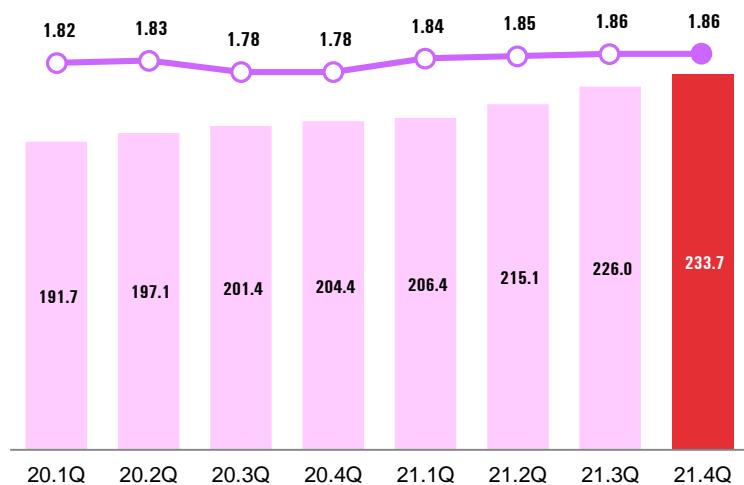
(KRW bn, %)	2021	2020	YoY	21.4Q	21.3Q	QoQ
Net Interest Income	881.2	794.6	10.9	233.7	226.0	3.4
Net Fee Income	73.0	72.6	0.6	0.2	21.8	-99.1
Fees from Trust Account	8.3	8.0	3.8	2.0	2.0	0.0
Others	-47.4	-46.8	-	-22.8	-0.8	-
SG&A(-)	482.9	463.3	4.2	158.5	105.1	50.8
Provision Expense(-)	116.6	147.3	-20.8	40.3	21.2	90.1
Net Operating Income	315.6	217.8	44.9	14.3	122.7	-88.3
Non-Operating Income	-12.3	-9.8	-	-13.4	-0.8	-
Earnings Before Income Taxes	303.3	208.0	45.8	0.9	121.9	-99.3
Income Tax Expenses(-)	72.7	43.4	67.5	-0.8	29.9	-102.7
Net Income	230.6	164.6	40.1	1.7	92.0	-98.2

4. Banks NIM

BSB Quarterly Interest Income & NIM (% , KRW bn)



KNB Quarterly Interest Income & NIM(% , KRW bn)



BSB

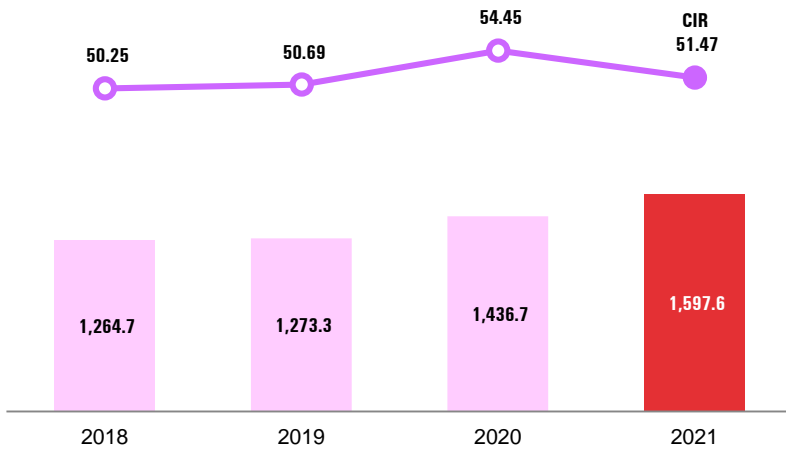
(% , KRW tn)	21.4Q	21.3Q	21.2Q	21.1Q	20.4Q
Quarterly NIM	1.97	1.94	1.96	1.91	1.87
Quarterly NIS	2.19	2.17	2.19	2.14	2.10
Interest Rate on KRW Loans	3.06	2.93	2.93	2.93	2.96
Interest Rate paid on KRW Deposits	0.87	0.76	0.74	0.79	0.86
Average Interest Earning Assets	61.2	60.2	58.4	55.9	54.1
Accumulated NIM	1.95	1.94	1.94	1.91	1.88

KNB

(% , KRW tn)	21.4Q	21.3Q	21.2Q	21.1Q	20.4Q
Quarterly NIM	1.86	1.86	1.85	1.84	1.78
Quarterly NIS	2.08	2.07	2.07	2.07	2.01
Interest Rate on KRW Loans	3.03	2.92	2.92	2.98	2.99
Interest Rate paid on KRW Deposits	0.95	0.85	0.85	0.91	0.98
Average Interest Earning Assets	42.9	42.2	40.5	39.4	39.3
Accumulated NIM	1.85	1.85	1.85	1.84	1.80

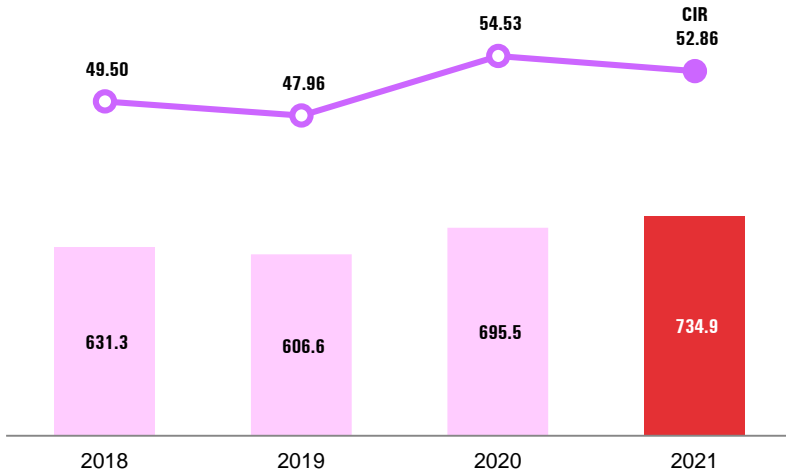
5. SG&A

□ Group SG&A & CIR (% , KRW bn)

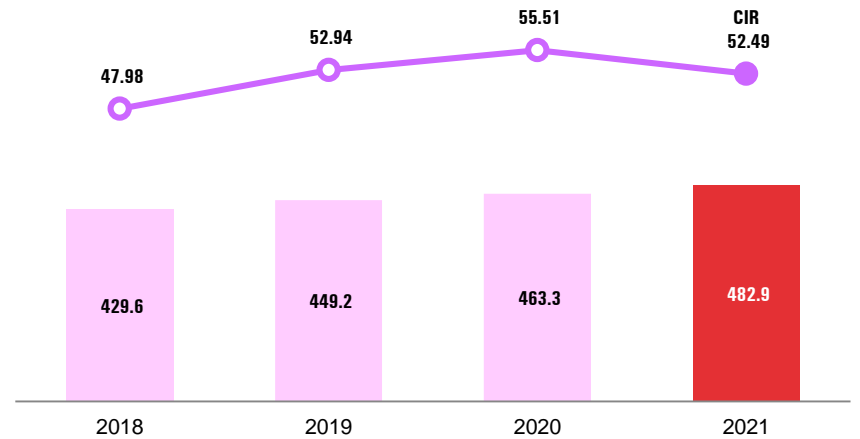


(KRW bn, %)	2021	2020	YoY	21.40	21.30	0o0
SG&A	1,597.6	1,436.7	11.2	515.5	350.6	47.0
CIR	51.47	54.45	-2.98			

□ BSB SG&A & CIR (% , KRW bn)



□ KNB SG&A & CIR (% , KRW bn)



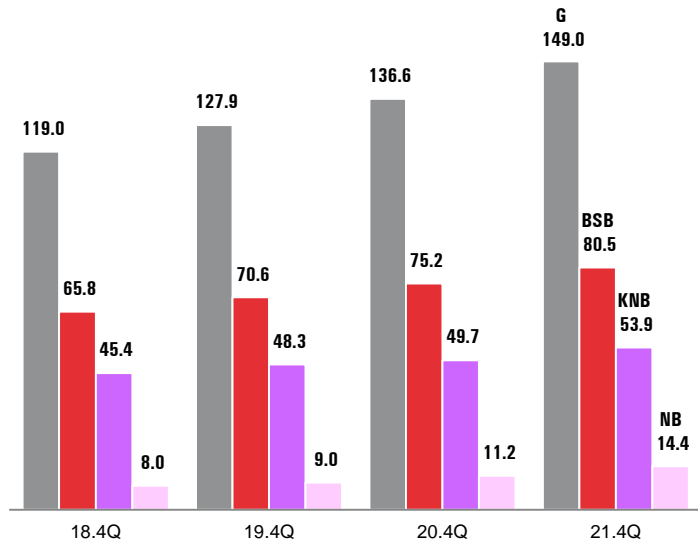
Note) Bank's CIR, non-consolidated

III. Growth

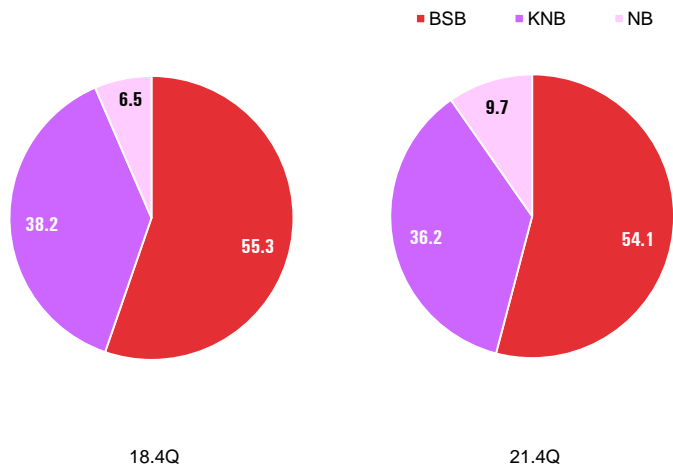
1. Group Assets	17
2. Banks Loans / Deposits	18

1. Group Assets

☐ Total Assets(KRW tn)



☐ Banks & Non-Banks Portion(%)

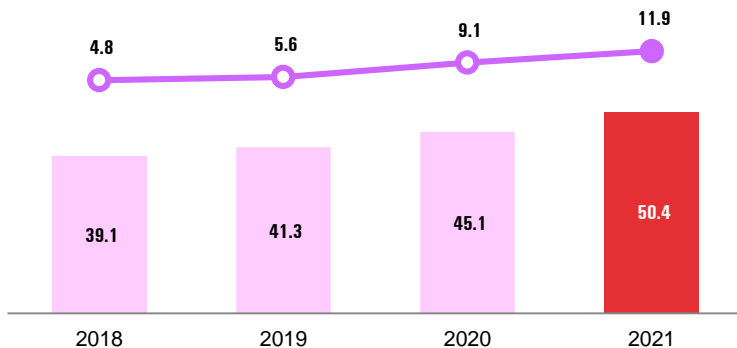


☐ Group Total Assets

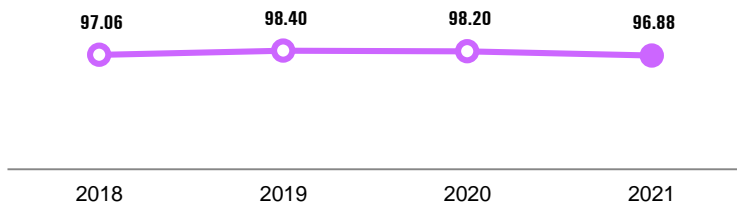
(KRW bn, %)	21.4Q	20.4Q	YTD	21.3Q	QoQ
Bank	134,439.5	124,956.4	7.6	137,002.4	-1.9
BSB	80,492.3	75,247.6	7.0	81,838.9	-1.6
KNB	53,947.2	49,708.8	8.5	55,163.5	-2.2
Non-Bank	14,395.9	11,192.5	28.6	14,914.2	-3.5
Capital	8,444.5	6,763.4	24.9	8,331.9	1.4
Securities	3,996.0	2,886.3	38.4	4,491.5	-11.0
MSB	1,662.3	1,349.5	23.2	1,814.4	-8.4
Asset Mgt.	189.6	119.1	59.2	177.6	6.8
Credit Info	22.4	19.5	14.9	21.1	6.2
System	27.7	25.4	9.1	26.1	6.1
Venture Capital	53.4	29.3	82.3	51.6	3.5
Financial Group & Unconsolidated Portion	184.6	426.6	-56.7	762.0	-75.8
Group Total Assets	149,020.0	136,575.5	9.1	152,678.6	-2.4

2. Banks Loans / Deposits - BSB

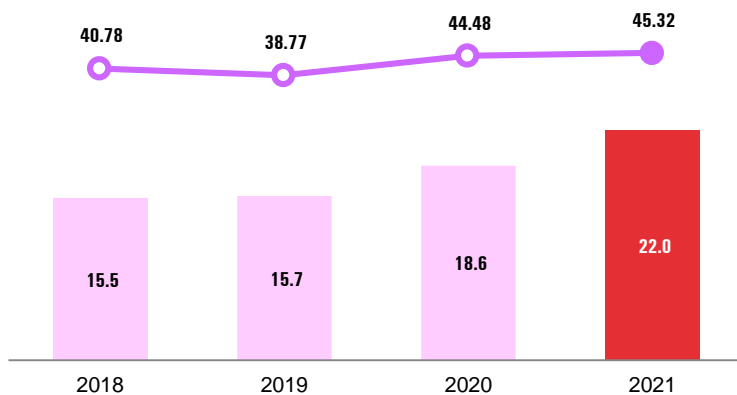
□ KRW Loans(% , KRW tn)



□ LDR(%)



□ Low Cost Deposits & Ratio(% , KRW tn)



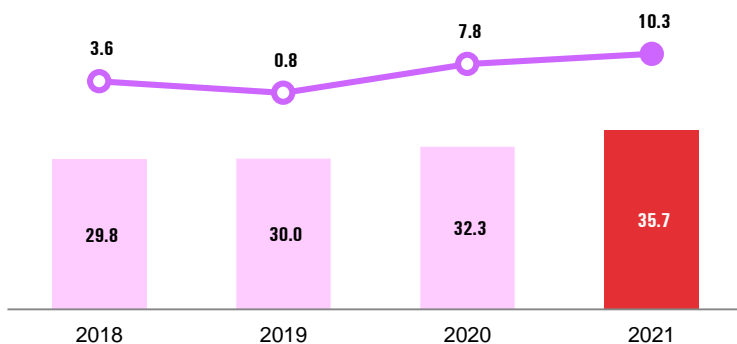
(KRW bn, %, Balance)	21.4Q	20.4Q	YTD	21.3Q	QoQ
KRW Loans¹⁾	50,404.2	45,052.1	11.9	50,510.0	-0.2
Corporate	32,988.1	29,355.0	12.4	32,697.3	0.9
SME	30,617.0	27,233.4	12.4	30,520.6	0.3
(SOHO) ²⁾	15,276.4	13,796.6	10.7	15,256.3	0.1
Large Corps.	2,371.1	2,121.6	11.8	2,176.7	8.9
Household	16,221.7	14,570.8	11.3	16,511.5	-1.8
Mortgage	11,556.5	10,228.1	13.0	11,725.5	-1.4
Public	1,194.4	1,126.3	6.0	1,301.2	-8.2
Foreign Currency Loans¹⁾	698.7	663.0	5.4	720.6	-3.0
KRW Deposits¹⁾	50,577.4	44,631.2	13.3	50,769.6	-0.4
Low Cost Deposits	22,364.1	20,978.1	6.6	22,697.2	-1.5
Core Deposits	18,374.1	17,478.7	5.1	19,750.5	-7.0
MMDA	3,990.0	3,499.4	14.0	2,946.7	35.4

(KRW bn, %, %p, Average Balance)	21.4Q	20.4Q	YTD	21.3Q	QoQ
Low-Cost Deposits(A)	21,963.0	18,611.0	18.0	21,756.8	0.9
Core Deposits ²⁾	18,826.8	15,374.0	22.5	18,703.9	0.7
MMDA	3,136.2	3,237.0	-3.1	3,052.9	2.7
KRW Deposits(B)	48,457.9	41,841.6	15.8	47,745.9	1.5
A / B	45.32	44.48	0.84	45.57	-0.25

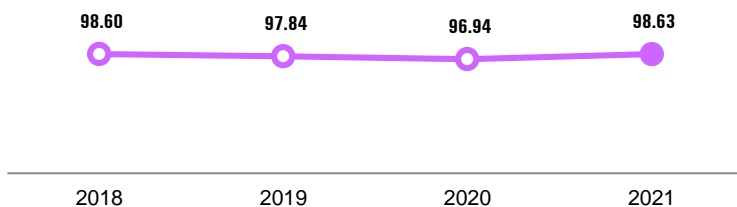
1) Unconsolidated FS, 2) SOHO(≤3 KRW bn), 3) Core Deposits : Demand + Savings(Ex. MMDA)

2. Banks Loans / Deposits - KNB

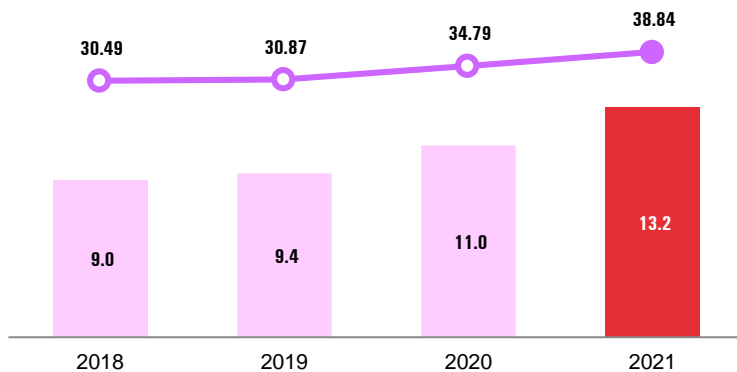
□ KRW Loans(% , KRW tn)



□ LDR(%)



□ Low-Cost Deposits & Ratio(% , KRW tn)



(KRW bn, %, Balance)	21.4Q	20.4Q	YTD	21.3Q	QoQ
KRW Loans¹⁾	35,681.2	32,345.3	10.3	35,833.8	-0.4
Corporate	23,082.5	21,012.8	9.8	22,688.7	1.7
SME	21,346.6	19,539.5	9.2	21,109.9	1.1
(SOHO) ²⁾	6,987.2	6,216.7	12.4	6,811.7	2.6
Large Corps.	1,735.9	1,473.3	17.8	1,578.8	10.0
Household	12,135.8	10,888.8	11.5	12,687.4	-4.3
Mortgage	9,470.0	8,584.6	10.3	9,900.3	-4.3
Public	462.9	443.7	4.3	457.7	1.1
Foreign Currency Loans¹⁾	146.9	151.2	-2.8	156.2	-6.0
KRW Deposits¹⁾	34,919.1	31,909.2	9.4	34,996.2	-0.2
Low Cost Deposits	13,164.9	11,908.8	10.5	13,849.0	-4.9
Core Deposits	11,249.4	10,009.0	12.4	12,137.8	-7.3
MMDA	1,915.5	1,899.8	0.8	1,711.1	11.9

(KRW bn, %, %p, Average Balance)	21.4Q	20.4Q	YTD	21.3Q	QoQ
Low-Cost Deposits(A)	13,230.8	11,046.1	19.8	13,086.1	1.1
Core Deposits ²⁾	11,372.1	9,360.8	21.5	11,214.2	1.4
MMDA	1,858.7	1,685.3	10.3	1,871.9	-0.7
KRW Deposits(B)	34,067.2	31,753.4	7.3	33,660.5	1.2
A / B	38.84	34.79	4.05	38.88	-0.04

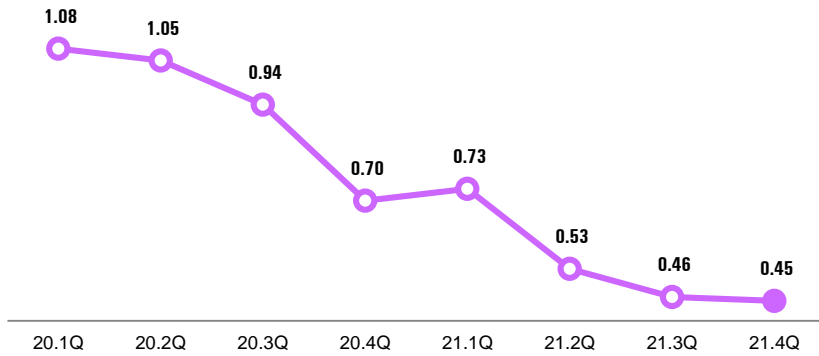
1) Unconsolidated FS, 2) SOHO(≤2 KRW bn), 3) Core Deposits : Demand + Savings(Ex. MMDA)

IV. Asset Quality

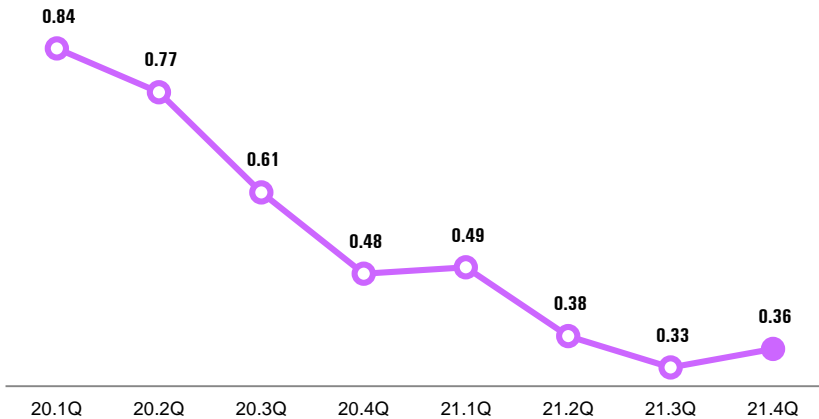
1. Group Asset Quality	21
2. Banks Asset Quality	22
3. Group Provisioning	24
4. Banks Provisioning / Write-offs & NPL Sales	25

1. Group Asset Quality

□ SBL(NPL) Ratio(%)



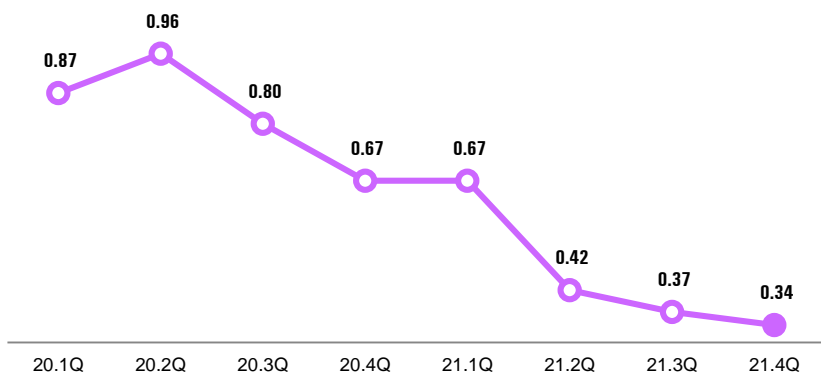
□ Delinquency Ratio(%)



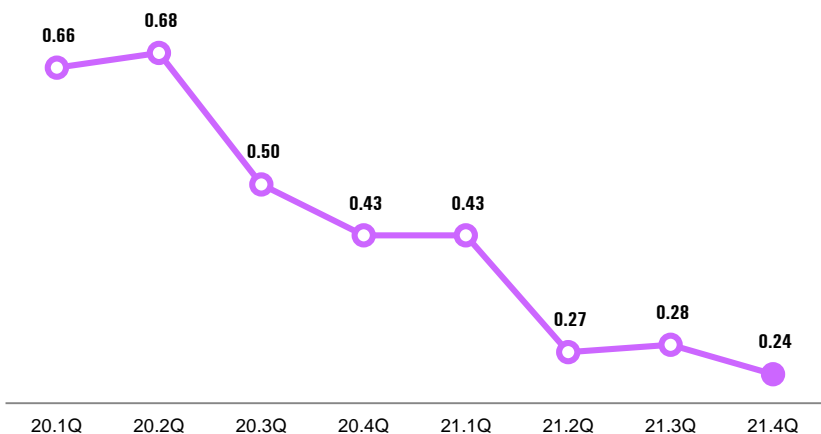
(KRW bn, %, %p)	21.4Q	20.4Q	YTD	21.3Q	QoQ
Total Credits	99,416.7	88,377.7	12.5	100,217.3	-0.8
Normal	98,075.8	86,727.9	13.1	98,817.5	-0.8
Precautionary	894.4	1,028.7	-13.1	942.0	-5.1
Substandard	258.1	413.6	-37.6	249.5	3.4
Doubtful	45.7	63.1	-27.6	86.4	-47.1
Expected Loss	142.7	144.4	-1.2	121.9	17.1
SBL(Substandard & Below Loans)	446.5	621.1	-28.1	457.8	-2.5
SBL Ratio	0.45	0.70	-0.25	0.46	-0.01
SBL Coverage Ratio (Ratio before Reserve deduction)	180.08 (291.21)	123.58 (198.92)	56.50 (92.29)	172.59 (287.04)	7.49 (4.17)
Delinquency Ratio	0.36	0.48	-0.12	0.33	0.03
Loan Amount	98,453.9	87,531.9	12.5	99,290.5	-0.8
Delinquent Amount	350.1	421.0	-16.8	325.9	7.4

2. Banks Asset Quality - BSB

□ SBL(NPL) Ratio(%)



□ Delinquency Ratio(%)



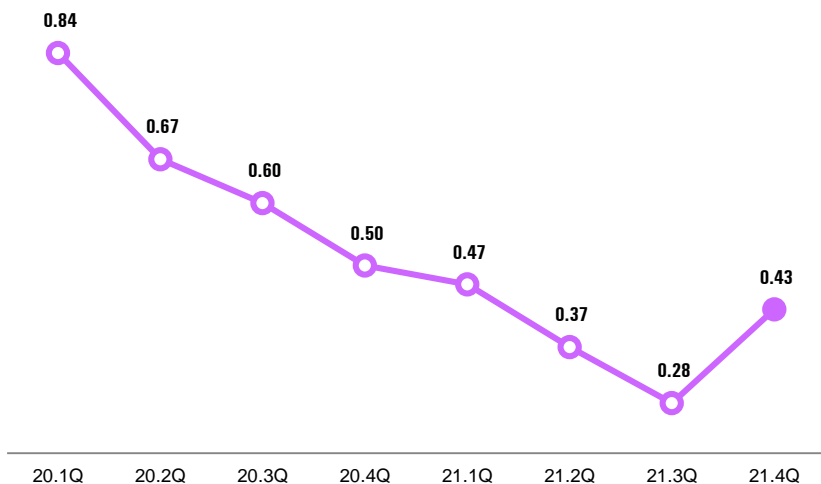
(KRW bn, %, %p)	21.4Q	20.4Q	YTD	21.3Q	QoQ
Total Credits	52,861.0	47,236.2	11.9	52,957.8	-0.2
Normal	52,310.8	46,488.2	12.5	52,343.8	-0.1
Precautionary	370.3	432.7	-14.4	416.1	-11.0
Substandard	90.1	222.4	-59.5	108.4	-16.9
Doubtful	13.8	20.4	-32.4	16.1	-14.8
Expected Loss	76.0	72.5	4.8	73.4	3.7
SBL(Substandard & Below Loans)	179.9	315.3	-42.9	197.9	-9.1
SBL Ratio	0.34	0.67	-0.33	0.37	-0.03
SBL Coverage Ratio (Ratio before Reserve deduction)	227.91 (346.57)	128.15 (192.18)	99.76 (154.39)	205.66 (318.33)	22.25 (28.24)
Delinquency Ratio	0.24	0.43	-0.19	0.28	-0.04
Loan Amount	52,133.6	46,594.7	11.9	52,244.0	-0.2
Delinquent Amount	126.1	199.2	-36.7	148.0	-14.8

2. Banks Asset Quality - KNB

□ SBL(NPL) Ratio(%)



□ Delinquency Ratio(%)



(KRW bn, %, %p)	21.4Q	20.4Q	YTD	21.3Q	QoQ
Total Credits	36,705.6	33,263.8	10.3	36,851.6	-0.4
Normal	36,272.1	32,766.6	10.7	36,456.7	-0.5
Precautionary	210.8	251.8	-16.3	226.5	-6.9
Substandard	147.4	163.7	-10.0	116.6	26.4
Doubtful	24.5	28.9	-15.2	16.7	46.7
Expected Loss	50.8	52.8	-3.8	35.1	44.7
SBL(Substandard & Below Loans)	222.7	245.4	-9.3	168.4	32.2
SBL Ratio	0.61	0.74	-0.13	0.46	0.15
SBL Coverage Ratio (Ratio before Reserve deduction)	112.35 (201.97)	100.24 (175.35)	12.11 (26.62)	130.34 (251.96)	-17.99 (-49.99)
Delinquency Ratio	0.43	0.50	-0.07	0.28	0.15
Loan Amount	36,470.2	33,059.6	10.3	36,638.6	-0.5
Delinquent Amount	155.4	165.3	-6.0	100.9	54.0

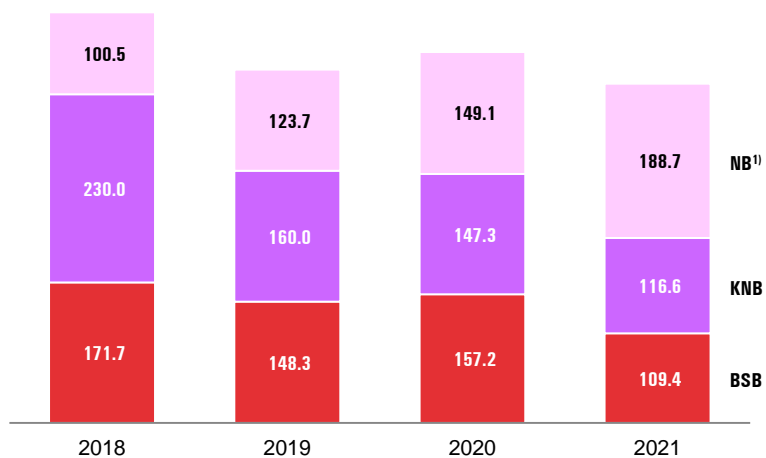
3. Group Provisioning

☐ Provision Expense

(KRW bn, %)	2021					2020				
	2021	4Q	3Q	2Q	1Q	2020	4Q	3Q	2Q	1Q
Total Provisions(A)	414.7	127.9	103.0	71.7	112.1	453.6	130.0	141.5	98.9	83.2
Total Credits(B)	99,416.7	99,416.7	100,217.3	96,597.3	92,616.6	88,377.7	88,377.7	86,052.6	83,623.9	82,053.0
¹⁾ Credit Cost(A/B)	0.42	0.51	0.41	0.30	0.49	0.51	0.59	0.65	0.48	0.41

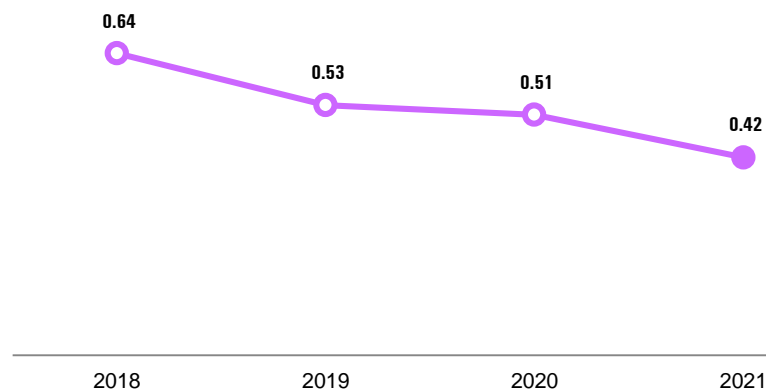
1) Accumulated

☐ Banks & Non-Bank Provision Breakdown(KRW bn)



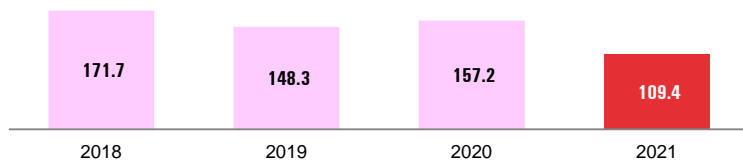
1) Non-banks : Asset growth for BNK Capital, IB growth for BNK Securities led YoY provision ↑

☐ Credit Cost(%)

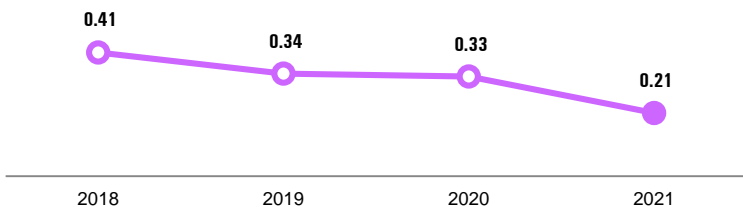


4. Provisioning / Write-offs & NPL Sales – BSB

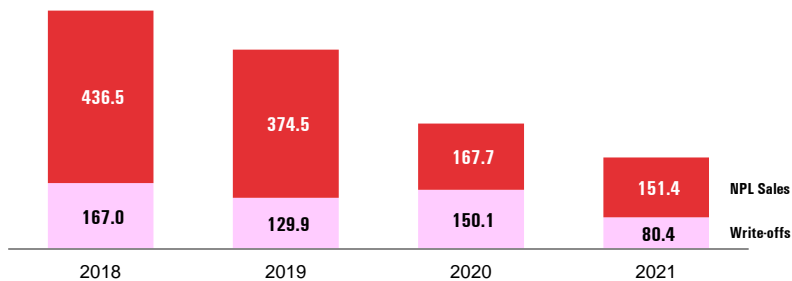
Provision Expense(KRW bn)



Credit Cost(%)



Write-offs & NPL Sales(KRW bn)



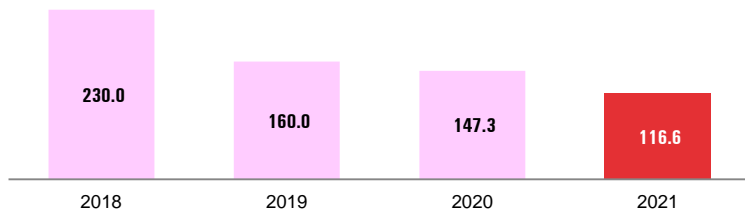
Provision Expense / Write-offs & NPL Sales

(KRW bn, %)	2021	21.4Q	21.3Q	21.2Q	21.1Q
Corporate	80.5	28.6	18.2	13.3	20.4
Household	13.7	3.8	0.6	5.1	4.2
Credit Card	12.5	4.4	2.0	2.9	3.2
Others	2.7	-1.0	0.1	1.4	2.2
Total(A)	109.4	35.8	20.9	22.7	30.0
Total Credits(B)	52,861.0	52,861.0	52,957.8	51,571.1	49,369.1
Credit Cost(A/B)	0.21 ¹⁾	0.28 ¹⁾	0.16	0.18	0.25
Total Write-Offs	80.4	15.7	22.1	15.0	27.6
Corporate	46.9	8.8	14.9	8.2	15.0
Household	15.6	3.6	3.1	2.7	6.2
Credit Card	17.9	3.3	4.1	4.1	6.4
Total NPL Sales	151.4	58.0	0.0	93.4	0.0
(NPL Sales for SBL Loans)	143.5	52.6	0.0	90.9	0.0
Corporate	146.1	55.5	0.0	90.6	0.0
Household	4.6	2.3	0.0	2.3	0.0
Credit Card	0.7	0.2	0.0	0.5	0.0

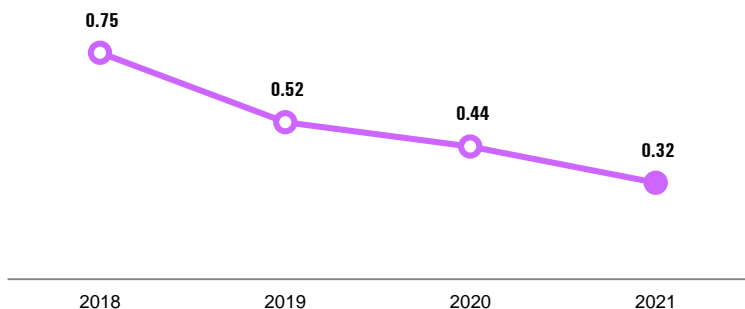
Note) Credit Cost calculated by including provision(0.6 KRW bn) due to SPCs(accountable for consolidation) related adjusted entries

4. Provisioning / Write-offs & NPL Sales - KNB

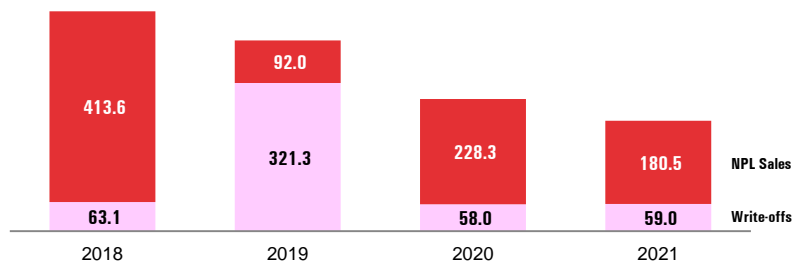
Provision Expense(KRW bn)



Credit Cost(%)



Write-offs & NPL Sales(KRW bn)



Provision Expense / Write-offs & NPL Sales

(KRW bn, %)	2021	21.4Q	21.3Q	21.2Q	21.1Q
Corporate	80.6	31.6	10.8	0.4	37.8
Household	26.8	6.8	7.3	6.4	6.3
Credit Card	8.3	2.1	2.0	2.4	1.8
Others	0.9	-0.2	1.1	0.0	0.0
Total(A)	116.6	40.3	21.2	9.2	45.9
Total Credits(B)	36,705.6	36,705.6	36,851.6	35,468.8	34,680.3
Credit Cost(A/B)	0.32	0.44	0.23	0.10	0.54
Total Write-Offs	59.0	12.8	17.9	9.4	18.9
Corporate	24.4	-3.6	11.3	3.3	13.4
Household	25.5	15.1	4.1	3.6	2.7
Credit Card	9.1	1.3	2.5	2.5	2.8
Total NPL Sales	180.5	0.0	52.6	85.3	42.6
(NPL Sales for SBL Loans)	171.6	0.0	50.1	81.1	40.4
Corporate	179.8	0.0	52.5	85.2	42.1
Household	0.4	0.0	0.0	0.0	0.4
Credit Card	0.3	0.0	0.1	0.1	0.1

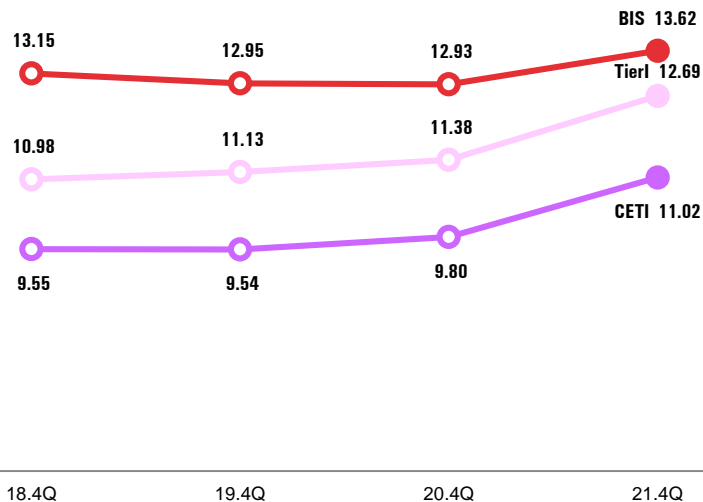
V . Capital Adequacy

1. Capital Adequacy

28

1. Capital Adequacy

Group Capital Adequacy(%)



BSB

(KRW bn, %, %p, BaselIII I.R.B.)	21.4Q	20.4Q	YTD	21.3Q	QoQ
Tot. Risk Adjusted Capital	5,503.0	5,600.5	-1.7	5,640.0	-2.4
Tier I	5,085.5	5,017.6	1.4	5,221.2	-2.6
(CETI)	4,703.7	4,602.9	2.2	4,839.4	-2.8
Tot. R.W.A.	32,272.4	30,232.0	6.7	32,834.6	-1.7
BIS Capital Ratio	17.05	18.53	-1.48	17.18	-0.13
Tier I	15.76	16.60	-0.84	15.90	-0.14
(CETI)	14.58	15.23	-0.65	14.74	-0.16

Group

(KRW bn, %, %p, BaselIII IRB)	21.4Q	20.4Q ¹⁾	YTD	21.3Q	QoQ
Tot. Risk Adjusted Capital	9,774.9	9,919.0	-1.5	9,948.6	-1.7
Tier I	9,106.5	8,729.0	4.3	9,257.9	-1.6
(CETI)	7,908.7	7,519.0	5.2	8,063.3	-1.9
Tot. R.W.A.	71,767.9	76,702.4	-6.4	70,454.6	1.9
BIS Capital Ratio	13.62	12.93	0.69	14.12	-0.50
Tier I	12.69	11.38	1.31	13.14	-0.45
(CETI)	11.02	9.80	1.22	11.44	-0.42

1) Basel III Standard

KNB

(KRW bn, %, %p, BaselIII I.R.B.)	21.4Q	20.4Q	YTD	21.3Q	QoQ
Tot. Risk Adjusted Capital	3,479.1	3,600.5	-3.4	3,623.0	-4.0
Tier I	3,167.3	3,144.1	0.7	3,240.3	-2.3
(CETI)	2,886.6	2,831.8	1.9	2,959.6	-2.5
Tot. R.W.A.	21,823.6	20,162.2	8.2	22,152.3	-1.5
BIS Capital Ratio	15.94	17.86	-1.92	16.36	-0.42
Tier I	14.51	15.59	-1.08	14.63	-0.12
(CETI)	13.23	14.05	-0.82	13.36	-0.13

VI. Appendix

1. Banks KRW Loan Portfolio	30
2. Cyclical Sector	31
3. BNK Capital	32
4. BNK Securities	33
5. Group Networks & Major Industries	34

1. Banks KRW Loan Portfolio

	2021 4Q			
	Amount	Ratio	YTD	QoQ
Manufacturing	8,578.4	17.0	1.5	-2.3
Steel Metal Products	2,499.9	5.0	2.9	-4.1
Automobile Parts	1,583.4	3.1	-8.3	-4.3
Machinery	1,249.7	2.5	2.5	-1.2
Petroleum, Rubber, etc.	952.8	1.9	5.0	-1.4
Fabric	335.0	0.7	8.2	1.8
Garment & Shoes	353.6	0.7	3.1	2.5
Kitchen Units	412.1	0.8	10.5	-1.9
Electronics	381.4	0.8	4.0	-0.9
Paper, Paper Mills	139.8	0.3	13.7	3.3
Others	670.7	1.3	2.8	-0.9
Non-Manufacturing	25,604.1	50.8	16.2	1.5
Wholesale & Retail	4,465.2	8.9	11.0	0.8
Public	0.5	0.0	-83.3	-50.0
Construction & Engineering	1,518.1	3.0	4.5	3.1
Real Estate	10,505.3	20.8	19.7	-0.4
Insurance & Financing	644.7	1.3	15.8	50.9
Transportation	1,253.8	2.5	10.3	1.0
Hotel & Food	2,097.5	4.2	22.4	3.1
Others	5,119.0	10.2	17.2	1.1
Households	16,221.7	32.2	11.3	-1.8
KRW Loans	50,404.2	100.0	11.9	-0.2

	2021 4Q			
	Amount	Ratio	YTD	QoQ
Manufacturing	9,771.8	27.4	3.2	-0.5
Steel Metal Products	2,281.2	6.4	3.4	1.0
Automobile Parts	2,750.2	7.7	-0.6	-1.7
Machinery	2,296.4	6.4	1.8	0.0
Petroleum, Rubber, etc.	356.8	1.0	14.4	-1.0
Fabric	127.2	0.4	21.6	0.4
Garment & Shoes	26.4	0.1	8.6	-1.5
Kitchen Units	330.7	0.9	32.6	-0.3
Electronics	588.6	1.6	2.9	-1.2
Paper, Paper Mills	85.2	0.2	3.0	0.2
Others	929.1	2.6	4.1	-1.4
Non-Manufacturing	13,773.6	38.6	14.9	3.4
Wholesale & Retail	3,099.6	8.7	22.6	7.0
Public	40.0	0.1	-2.9	0.3
Construction & Engineering	763.7	2.1	3.6	-11.3
Real Estate	4,510.4	12.6	14.2	3.2
Insurance & Financing	274.6	0.8	62.6	3.2
Transportation	647.3	1.8	4.9	2.8
Hotel & Food	1,194.5	3.3	15.0	2.4
Others	3,243.5	9.1	11.5	4.8
Households	12,135.8	34.0	11.5	-4.3
KRW Loans	35,681.2	100.0	10.3	-0.4

*Sectors are based on FSS Business Report

※ KSIC(Korea Standard Industry Classification) Change(July 1,2017) applied

2. Cyclical Sector

	2021.4Q					
	Steel	Auto	Construction	Shipbuilding	Shipping	Chemical
(KRW bn, %)						
Exposure	3,496.9	2,839.8	2,344.7	1,353.9	391.4	737.5
(% of Total Credits)	4.0	3.2	2.7	1.5	0.4	0.8
Collateral & Provision	2,715.4	1,957.2	1,647.3	1,074.1	111.6	473.9
Collateral & Provision Coverage	77.7	68.9	70.3	79.3	28.5	64.3
No# of Creditors	2,635	1,835	4,914	1,133	218	662

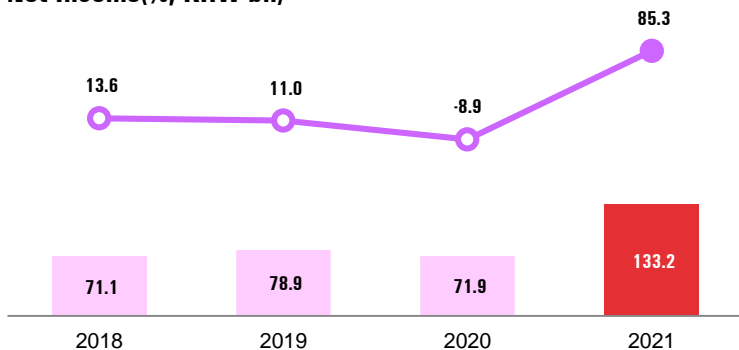
Note 1) Exposure & Total Credits are the sum of BSB & KNB

Note 2) Sectors are based on FSS Business Report

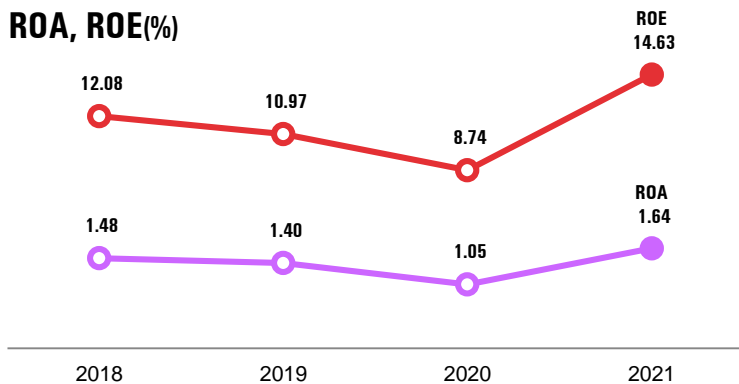
Note 3) Construction includes Real Estate PF(Ref. Collateral for Real Estate PFs are evaluated based on future cash flow that does not include land, buildings under construction etc. hence the overall low construction coverage)

3. BNK Capital

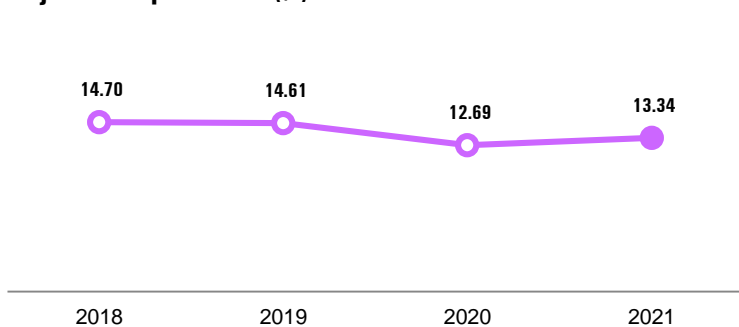
Net Income(% , KRW bn)



ROA, ROE(%)



Adjusted Capital Ratio(%)

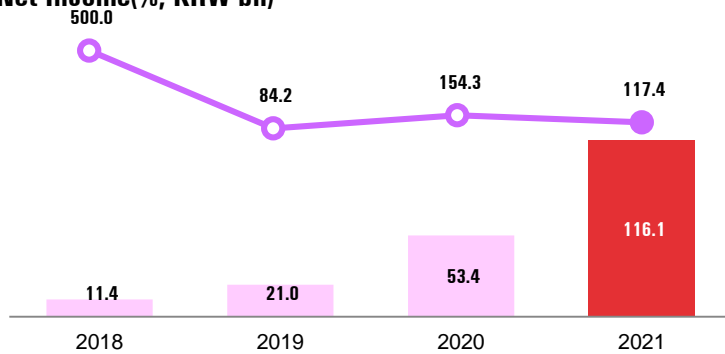


(KRW bn, %, Balance)	2021	2020	YoY	21.4Q	21.3Q	QoQ
Net Interest Income	324.8	243.9	33.2	87.7	86.6	1.3
Fee Income	44.4	39.1	13.6	3.1	12.7	-75.6
Others	65.2	42.7	52.7	13.8	29.3	-52.9
SG&A(-)	91.6	86.1	6.4	28.0	21.9	27.9
Provision Expense(-)	172.6	145.8	18.4	49.3	55.5	-11.2
Non-Operating Income	7.2	0.9	700.0	2.6	2.3	13.0
Earnings Before Income Tax	177.4	94.7	87.3	29.9	53.5	-44.1
Income Tax Expenses(-)	44.2	22.8	93.9	7.5	14.1	-46.8
Net Income	133.2	71.9	85.3	22.4	39.4	-43.1

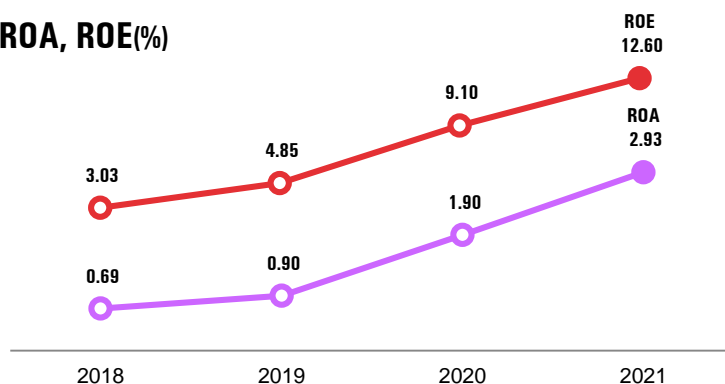
(KRW bn, %, Balance)	21.4Q	20.4Q	YTD	21.3Q	QoQ
Assets	8,444.5	6,763.4	24.9	8,331.9	1.4
Cash and Dues	316.5	85.6	269.7	63.7	396.9
Securities	287.4	187.3	53.4	324.2	-11.4
Loans	5,336.7	4,237.6	25.9	5,543.1	-3.7
Venture Capital Business	5.8	2.8	107.1	6.0	-3.3
Durables Installment Financing Assets	348.8	277.9	25.5	328.0	6.3
Leased Assets	1,894.3	1,838.9	3.0	1,904.3	-0.5
Fixed Assets	14.5	12.9	12.4	14.3	1.4
Other Assets	240.5	120.4	99.8	148.3	62.2
Liability & Shareholder's Equity	8,444.5	6,763.4	24.9	8,331.9	1.4
Borrowings	6,993.7	5,610.2	24.7	6,927.0	1.0
Other Liabilities	469.8	390.2	20.4	446.8	5.1
Shareholder's Equity	981.0	763.0	28.6	958.1	2.4

4. BNK Securities

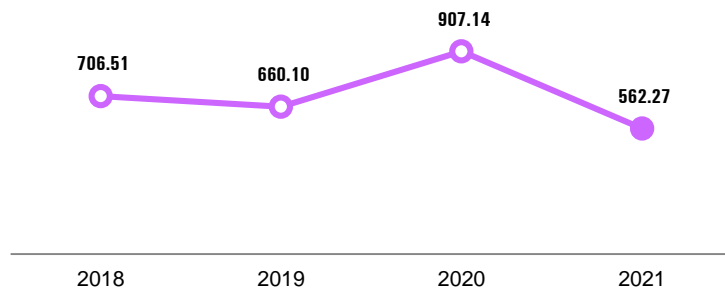
Net Income(% , KRW bn)



ROA, ROE(%)



NCR(%)



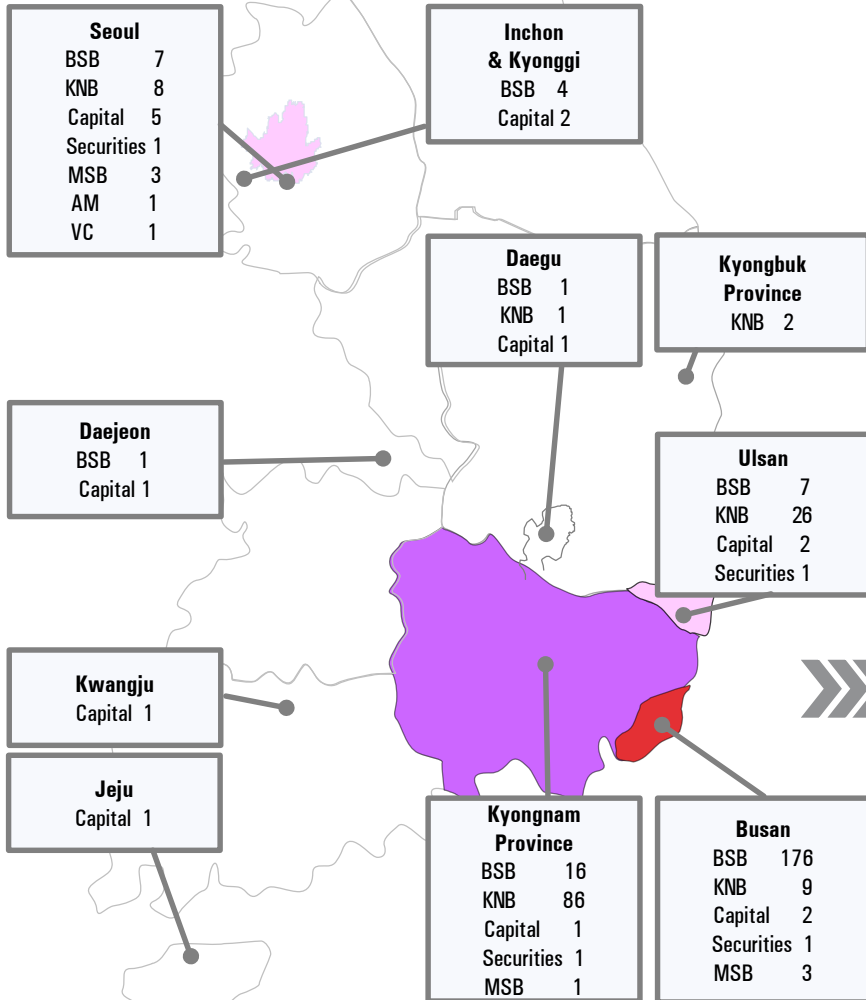
(KRW bn, %, Balance)	2021	2020	YoY	21.4Q	21.3Q	QoQ
Net Interest Income	49.8	23.4	112.8	13.8	13.9	-0.7
Fee Income	189.8	96.0	97.7	43.0	57.0	-24.6
Others	97.5	65.5	48.9	4.8	19.3	-75.1
SG&A(-)	186.2	109.7	69.7	40.3	48.1	-16.2
Provision Expense(-)	12.6	3.9	223.1	-0.9	5.6	-
Non-Operating Income	15.7	0.4	3,825.0	1.4	7.5	-81.3
Earnings Before Income Tax	154.0	71.7	114.8	23.6	44.0	-46.4
Income Tax Expenses(-)	37.9	18.3	107.1	5.6	10.9	-48.6
Net Income	116.1	53.4	117.4	18.0	33.1	-45.6

(KRW bn, %, Balance)	2021	2020	YoY	21.4Q	21.3Q	QoQ
Fee Income	189.8	96.0	97.7	43.0	57.0	-24.6
Fee Revenue	217.7	110.4	97.2	48.6	66.9	-27.4
Underwriting	32.0	16.5	93.9	7.9	9.3	-15.1
Advisory	136.2	50.1	171.9	30.1	44.9	-33.0
Brokerage	46.8	42.6	9.9	10.6	10.8	-1.9
Others	2.7	1.2	125.0	0.0	1.9	-100.0
Fee Expense	27.9	14.4	93.8	5.6	9.9	-43.4

4. Group Networks & Major Industries

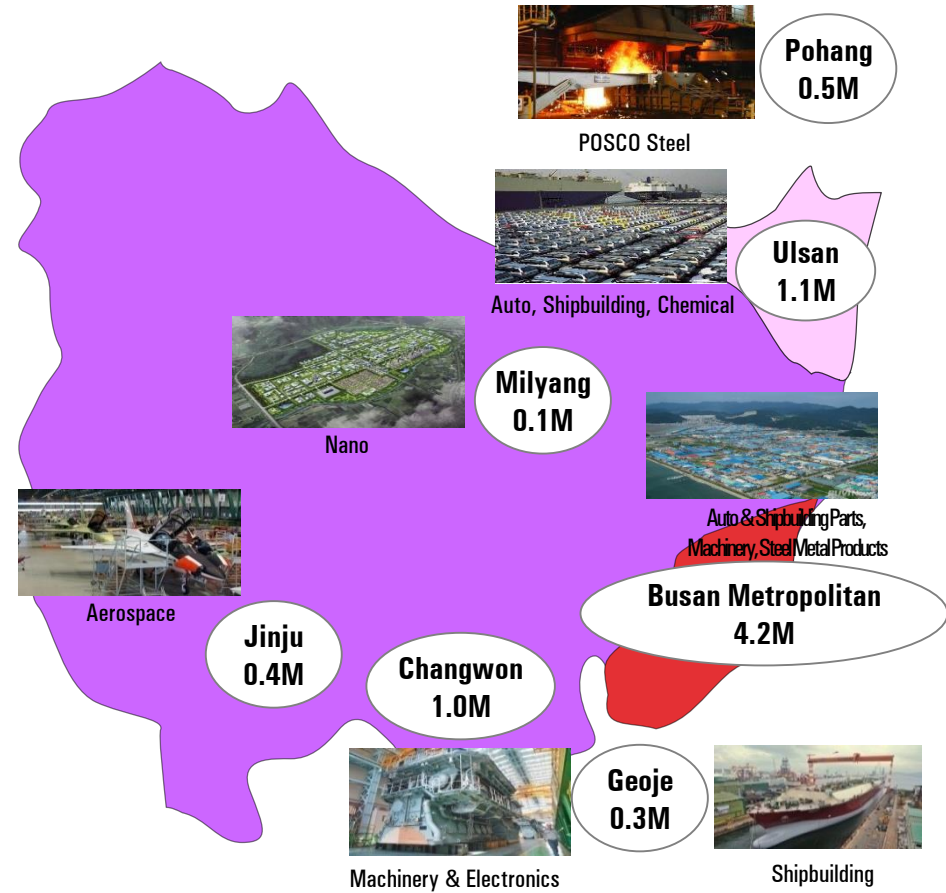
Networks (as of Dec. 2021) : 383 Locations

- BSB 218(Qingdao/Nanjing/Ho Chi Minh Branch, Yangon/Mumbai/Hanoi Office incl.), KNB 133(Tashkent Office), Capital 19(incl. Myanmar, Cambodia, Laos, Kazakhstan), Securities 4, MSB 7, AM 1, Venture Capital 1



Population & Major Industries

- Southeastern Conurbation (7.8 Mn, 15.1% of Total Population), 14.1% of GRDP(2020)
- Exports : 130.4 USD bn(2021)
- Imports : 77.7 USD bn(2021)



* Southeastern region includes Busan, Ulsan, and Kyongnam