



Reliable Finance for All

**2019** Sustainability Management Report



# WOORI FINANCIAL GROUP 2019 SUSTAINABILITY MANAGEMENT REPORT

## **About This Report**

This is the second sustainability report published of Woori Financial Group. We have intended to transparently disclose our sustainability management activities and performances of the year to stakeholders by publishing the annual sustainability management report from the previous year.

#### **Reporting Period and Target**

This report covers sustainability management activities and performances of Woori Financial Group from January 1 through December 31, 2019. As for critical information to the decision-makings of stakeholders, the period is extended to the first half of 2020. Our quantitative performances are presented in the form of three-year time-series analysis to ensure better comparability.

#### **Reporting Scope**

Reporting scope encompasses not only Woori Financial Group but also its 11 subsidiaries (Woori Bank, Woori Card, Woori Investment Bank, Woori FIS, Woori Finance Research Institute, Woori Credit Information, Woori Fund Services, Woori Asset Trust, Woori Asset Management, Woori Private Equity Asset Management, and Woori Global Asset Management). It also includes the head office and all branches. In case of different reporting scope, we separately stated it in the report.

#### **Reporting Principles and Standards**

The report was written in accordance with the GRI Standards Core Option requirements of the GRI (Global Reporting Initiative) which is a global reporting initiative. Financial information is based on consolidated statements in accordance with Korean International Financial Reporting Standards (K-IFRS).

#### **Third Party Assurance**

To ensure the reliability of reported information, we confirmed the accuracy of financial data from independent auditors. Non-financial information, such as environment and society, was verified by the Korea Management Registrar Inc., a third party assurance institution. The results can be found on page 83.

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More details are available at the website of Woori Financial Group and the report can be downloaded as a PDF file.

## Strategic Planning Division of Woori Financial Group

Address Strategic Planning Division, 21F, Woori Financial Group, 51 Sogong-ro, Jung-gu, Seoul Tel 82-2-2125-2035 Website www.woorifg.com

# Message from the CEO



## A Reliable Finance for All

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"A Reliable Finance for All" is the new mission of Woori Financial Group, reborn in January 2019 as a financial group beyond just a bank to write a new history, with the launch of Woori Financial Group. As we have been able to grow on the strength of love and support of the nation and people in over 120-year long history, Woori Financial Group is also committed to growing together with communities by fulfilling our responsibilities.

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In particular, Woori Financial Group was able to successfully take its first step toward becoming the No. 1 financial group thanks to interest and support from stakeholders including customers, shareholders, and employees. In return, we have intended to create stable operating performances, fulfill social responsibilities, and build a virtuous circle of co-prosperity with stakeholders.

Moreover, our financial consumer protection policy has been further strengthened to retake the status as the best trustworthy financial group and our organization and systems were also renovated to conduct customer-centered business. Through these efforts, Woori Financial Group will solidify customer trust and create opportunities for co-prosperity with customers.

On top of that, Woori Financial Group established a roadmap for five implementation areas linked with the UN SDGs to conduct sustainability management activities meeting the global standards, takin the initiative in fulfilling the social responsibility of finance.

The first is "Inclusive Finance." It pursues expanding supports for microfinance, small business owners, and SMEs, raising a job creation fund for banks, and increasing the scale of projects aimed at supporting youth such as investing in the D. Camp.

The second is "Fostering Future Generations." Woori Financial Group has already supported the future IT talent development project for the underprivileged children and youth, financial education for local childcare centers and schools. Educational supports for future generations will continue going forward.

The third is "Support for Vulnerable Groups." To this end, we will conduct a wide range of social contribution campaigns in which all employees at both home and abroad participate and promote diverse projects for co-prosperity with local communities every year by capitalizing on the Woori Love Fund.

The fourth is "Disseminating Mecenat Activities." Woori Financial Group has held the "Healing Concert for the Youth" and provided sport players with disabilities with wheelchairs as part of active supports for culture, arts, and sports. We will continue to make efforts for the dissemination of cultural value.

Lastly, we will pay more attention to activities for "Environment Protection." Diverse energy-saving campaigns aimed at responding to climate change and protecting environment as well as the "Woori Financial Group's Forest for Life" project will continue to leave better natural environment to the future generations.

We believe that financial responsibility is more important than ever to regain stability in our society which is suffering from the COVID-19 pandemic globally. Woori Financial Group has established the "COVID-19 Emergency Committee" in the early days of the outbreak of COVID-19 to prepare measures prioritizing the safety of customers and employees, and has been leading the support for vulnerable groups in economic difficulties such as small business owners. Our efforts for jointly overcoming the national disaster and co-prosperity with stakeholders will continue in many ways.

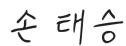
Our first sustainability report was published in 2019 to share our strong commitment and progress to lead the social responsibility of finance. Through the second sustainability report, we intended to look back on our sustainability management activities and performances in 2019 and collect valuable opinions from stakeholders. Based on the results, we will further fulfill our social responsibility in a wide range of areas going forward.

Woori Financial Group vows to make every effort to find new momentum through bold change and innovation and to give hope to companies and people in need due to the unprecedented COVID-19 pandemic. I look forward to your continued interest and encouragement.

Thank you.

Chairman of Woori Financial Group

Son Tae Seung



# 2019 Key Performance



# "A leap toward becoming a global leader with worldwide attention"

Woori Financial Group launched the holdings company in January 2019 and made a new leap toward becoming the "No.1 comprehensive financial group." Son Tae Seung, the CEO of Woori Financial Group, announced at the opening ceremony that "We will achieve Korea's No.1 comprehensive financial group through an active business portfolio restructuring and global strategy promotion, and make a leap forward to becoming a global leader with worldwide attention." Since the launch of the holdings company, Woori Financial Group will implement its own CIB (Commercial Investment Bank) model by utilizing its business financial capabilities and the largest overseas network in Korea with its strength, and provide customized asset management services that improve customers' financial benefits through product and service innovation.







#### 120 years of history with customers, Woori future with customers

Woori Bank, which was found as the first bank established by native capital in 1899, celebrated its 120th anniversary in 2019. We held the 120th anniversary celebration ceremony in January with the theme of '120 years of history with customers, Woori future with customers' by inviting representatives of customers who have used Woori Bank for a long time and customers of sales branches that have been opened for over 100 years. At the anniversary celebration ceremony, Kim Yoon-Taek, who joined The Commercial Bank of Korea in the Japanese occupation period, the predecessor of Woori Bank, and served as the Myeong-dong branch manager, and is currently a customer of Woori Bank after his resignation, was awarded the Certificate of Appreciation. At the ceremony, CEO Son Tae Seung said that "our 120year history has been made with our customers" and emphasized that "we will make a bank that continuously considers and practices the social role of finance".

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# 'Woori Leaders Conference 2019' ahead of Moment of Impact

In July 2019, Woori Financial Group held the 'Woori Leaders Conference 2019' attended by over 380 employees from positions of senior director or higher in the group. It was an event to show appreciation of the hard work of our employees to settle the group system since the launch of Woori Financial Group and to encourage employees to welcome the "Moment of Impact", a leap to surpass its competitors in the second half of the year. CEO Son Tae Seung called on employees to speed up the five business strategies of Woori Financial Group in 2019: establishing the stable group system, expanding the business portfolio, strengthening the 4 major drivers of growth (Asset Management, Global, CIB, Digital), enhancing risk management and strengthening the internal control system, and generating group management synergy. In the event, the awards were granted to the employees who best achieved the core values of the group and a small event was held to donate a food truck to the Korean Red Cross for prompt meal service in emergency situations, adding meaning to the event.



# Signed UNEP FI's Principles for Responsible Banking

Woori Financial Group signed up to the UNEP FI's Principles for Responsible Banking, an international financial agreement, in September 2019. The Principles for Responsible Banking is an international agreement that defines the roles and responsibilities to spread the positive roles in society and environment and mitigate the negative factors in order to implement the Paris Climate Change Accord and the United Nations Sustainable Development Goals (SDGs). Woori Financial Group held a signing ceremony to join the UNEP FI's Principles for Responsible Banking at the business strategy conference that also held the 1<sup>st</sup> anniversary of Woori Financial Group establishment in January 2020.

# Profile of Woori Financial Group

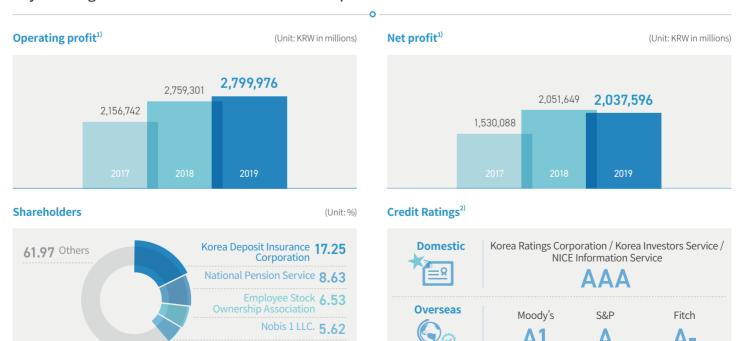
Woori Financial Group is based on Daehancheonil Bank established by state capital in 1899 and has led Korea's finances by becoming the first listed company in Korea with a century-long history and establishing the first overseas branch. Woori Financial Group currently has the largest global network in Korea with a network of around 900 domestic branches and provides the best financial services customized to the requirements of individuals, companies and institutions with different interests based on its leading digital competitiveness.

In particular, in 2019, Woori Financial Group was newly launched as a group system that goes beyond the existing bank system to move toward becoming a global leading financial group in Asia. To this end, we will do our best to become a role model showing that we grow together with society while fulfilling social responsibilities in the finance sector.

#### Overview



#### Major Management Status of Woori Financial Group



<sup>1)</sup> Figures in 2017 and 2018 refer to consolidated financial results of Woori Bank

<sup>2)</sup> Woori Bank's credit ratings

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#### Launching of Woori Financial Group

On January 11, 2019, Woori Financial Group was established based on the comprehensive transfer in which new shares are assigned after the existing shares issued were transferred to a financial holding company jointly by six group subsidiaries, Woori Bank, Woori FIS, Woori Finance Research Institute, Woori Credit Information, Woori Fund Services and Woori Private Equity Asset Management. Woori Card and Woori Investment Bank were incorporated into a subsidiary of Woori Financial Group to stabilize the holding system.

Woori Financial Group, newly born as a financial holding company, acquired two asset management companies and one real estate investment trust company in 2019 to diversify its existing business structure heavily based on banking to establish its position as a comprehensive financial group. In addition, we will do our best to leap toward a global financial group that leads the domestic and foreign financial market by innovating our products and services and leading the transformation of the market. Furthermore, we will continue our efforts to achieve social values in the financial sector.

#### Management Philosophy and Vision System



#### **Korea's No.1 Financial Group Leading Global Finance**

We will go beyond the No.1 comprehensive financial group leading Korea's financial industry to become a leading global financial group representing Asia.



#### **Business Portfolio of Woori Financial Group**



#### **Subsidiaries of Woori Financial Group**

Woori Financial Group has eleven subsidiaries to provide the best financial services. In addition to Woori Bank in charge of the credit, depository and banking businesses, the group is engaged in the credit card business (Woori Card), comprehensive financial business (Woori Investment Bank), system development and supply (Woori FIS), business consulting (Woori Finance Research Institute), credit information and collection agency (Woori Credit Information), collective investment and general administrative services (Woori Fund Services), real estate investment trust business (Woori Asset Trust), asset management (Woori Asset Management, Woori Global Asset Management), and private equity investment and professional private equity collective investment (Woori Private Equity Asset Management). Woori Financial Group will invest its utmost efforts to provide the best financial services with trustworthy finance supporting the nation, corporations, and people.



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#### Woori Financial Group Network

Woori Financial Group is leading the global financial market based on a network covering 477 footholds across the globe as of April 2020.









Woori America Bank: 26 Woori Bank Brazil: 2 Woori Bank Russia: 3 Woori Bank Europe Gmbh: 1 Woori Bank China: 21 Bank Woori Saudara: 157 Woori Bank Vietnam: 14 WB Finance (Cambodia): 136

Woori Finance Myanmar: 40 Wealth Development Bank (Philippines): 25 Woori Global Markets Asia (Hong Kong): 1

Tutu Finance (Myanmar): 24

#### Branch: 22 footbold

New York

LA

London

Tokyo

Hong Kong

Singapore

Bahrain Dubai

Chennai

Mumbai

Gurgaon

Dhaka (including 8 subbranches)

Sydney Gaeseong

#### Office: 5 footholds

Kuala Lumpur

Yangon

Poland

Ho Chi Minh (Woori Asset Management)

#### Activation of Innovative Finance

Recently, our economy is showing signs of stagnation and low growth structure as the vitality of our economy has deteriorated due to contraction of investment and weakening of the competitiveness in the key industries. For this reason, demand is increasing for the social role of the financial sector which plays a key role in the overall economy. Woori Financial Group is promoting 'innovative finance' which shifts economic momentum from household finance and real estate security to future growth and capital markets in order to secure sustainability

# Low Growth and Weakening Vitality of National Economy

Supporting vitality in the finance sector Increasing added value and job creation Intensively supporting new growth engines such as FinTech



#### Promotion of "Innovative Finance"

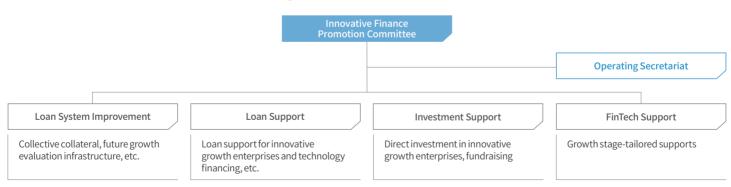
Building a new sustainable growth model that fulfills social responsibility in response to national policy

Discovering and promoting company-wide innovative finance tasks

#### Woori Financial Group's promotion system for innovative finance

Woori Financial Group believes that the pursuit of innovative finance is not only a social role of a financial company in line with the trend of the times but also a goal that should be achieved to realize the group's mission, 'Reliable finance group caring about customers'. In May 2019, Woori Financial Group launched the 'Innovative Finance Promotion Committee' chaired by the group chairman and with the participation of all CEOs of group subsidiaries. The group is also promoting innovative finance with company-wide support at the group level facing the second year of implementation.

#### Innovative Finance Promotion Committee and Steering Group



#### Installation of a Control Tower at the Holding Company



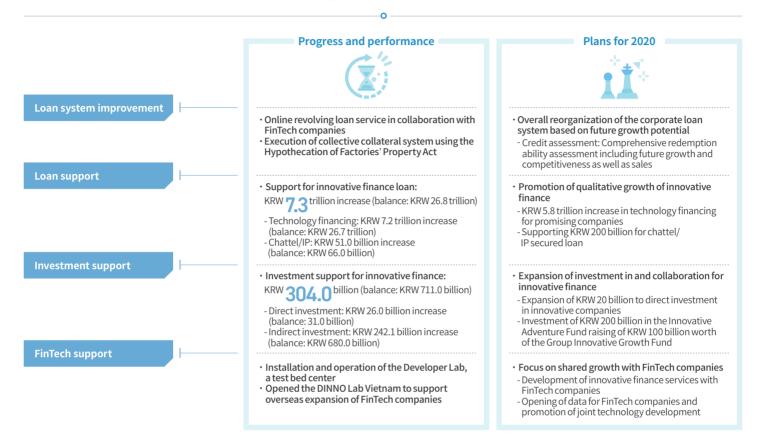
- Establishing innovative finance strategy and operation plan
- Generally managing innovative finance support projects in the Group
- Fostering strategic businesses including entering new businesses
- Building and promoting growth strategies of subsidiaries



- Generally managing FinTech innovation and ecosystem
- Finding out promising companies and enhancing supports
- Promoting projects supported by the government
- Generally managing the Group's digital services and building a digital reinforcement strategy

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#### Innovative Finance Performance in 2019 and Plans for 2020



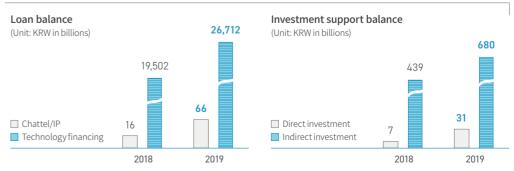
#### Implementation of direct investment in innovative growth companies for the first time in the banking sector

Woori Financial Group has made a direct investment in innovative growth companies through public offerings for the first time in the banking sector. We have invested approximately KRW 34 billion in 36 companies by screening a total of 687 innovative growth companies biannually since June 2018. In 2020, we plan to execute KRW 20 billion of investments in 20 companies under which the public offering process is ongoing.

#### The highest record of technology finance performance of the four major banks

Woori Financial Group provided a total of KRW 7.5 trillion in new funds regarding innovative finance, which is the largest amount of the four major banks last year. In particular, we increased our support in the technology finance sector by KRW 3 trillion compared to the previous year so that promising Korean companies with technological capacity could continue to grow without financial difficulties.

#### Innovative Finance Performance in 2019



# Response to the COVID-19

Woori Financial Group established the COVID-19 Response Committee, which dealt with measures to prevent infections in the early stage of the outbreak around the world, and it has been upgraded to a 'COVID-19 Emergency Committee', a group-level disaster control tower under the judgement that COVID-19 goes beyond just an infectious disease into a social and economic crisis. We have established COVID-19 Response Team, Management Risk Response Team, Civil Financial Assistance Team under the committee to prepare various measures prioritizing the safety of customers and employees.

Meanwhile, we have conducted activities such as checking scenarios in response to extreme crisis situations in the future, adjusting and managing business goals, and seeking various customer support plans. In particular, in order to prepare for a growth plan to transform crisis into opportunity to meet the end of the COVID-19 pandemic, we have created a 'Blue Team' of young talents in the group so that they can suggest innovative ideas throughout overall operations.

# Financial support of KRW 12.5 trillion

for companies affected by COVID-19



Woori Financial Group is providing financial support for companies affected by COVID-19 by mobilizing the capabilities of its subsidiaries performing financial management for major customers such as Woori Card, Woori Investment Bank as well as Woori Bank, the main subsidiary. We are providing a total of KRW 12.5 trillion financial support (as of June 30, 2020) through credit support and fee exemption, especially for an interest subsidy scheme for small and micro enterprises, Woori Bank promptly financed KRW 450 billion, which is the largest amount of the commercial banks.

In addition, we provided KRW 300 billion in support of guarantee loans based on special contribution from the Korea Federation of Credit Guarantee Foundations to assist small businesses directly affected by COVID-19, such as dining, lodging, and tourism industries. For companies who are suffering from COVID-19, we have implemented emergency small business financial support worth KRW 400 billion by extending the maturity of the debt and giving favorable rates of 1.3%p and financing KRW 100 billion for small businesses to maintain and stabilize its business. Moreover, we entered into an agreement with the Korea Credit Guarantee Fund to provide KRW 460 billion of financial support for companies affected by coronavirus, companies leading innovative growth, and export-oriented SMEs.

Furthermore, Woori Bank took the lead in various financial support activities by establishing a counselling desk for financial difficulties due to COVID-19 at all branches and dispatching 150 SME loan experts to Credit Guarantee Foundations nationwide to provide prompt credit support to the companies suffering from COVID-19.

# Handmade lunchbox delivery for medical staff

dedicated to COVID-19 treatment in Daegu



Woori Financial Group provided meal boxes to dedicated medical staff in Daegu, which was worst affected by COVID-19. We financed KRW 200 million to the Korean Red Cross Daegu branch to deliver handmade meal boxes to 400 medical staff members suffering from long-term night-shift work at Daegu Medical Center and Daegu Dongsan Hospital every day for about 2 months until the spread of corona virus had eased.

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Prevention of COVID-19 for vulnerable groups and donation of essential goods

In order to prevent the spread of COVID-19, Woori Financial Group delivered KRW 100 million worth of prevention kits to welfare facilities affiliated with the Green Umbrella Child Fund Korea and Korea Association of Senior Welfare Centers to help children and the elderly who are vulnerable to infections. The kit consists of a mask, hand sanitizer, and a thermometer to help users to prevent infections through thorough hygiene in daily life.

## 'Good Consumption'

campaign to revitalize traditional markets with regional gift certificates

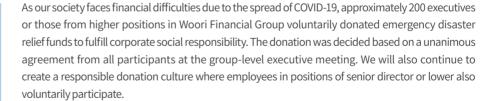


Woori Financial Group conducted a 'Good Consumption' campaign that provides traditional market gift cards to employees and encourages them to use the cards to help small enterprises suffering from COVID-19. We pre-executed the budget for salary-type welfare benefits that had been paid out quarterly to motivate employees and support sports and cultural activities to purchase gift cards for local markets. Employees will contribute to the revitalization of local commercial districts by using the gift cards at traditional markets and small stores in their residential areas.

In addition, we participated in the 'Good Consumption' campaign in April by pre-purchasing meals from nearby restaurants. We are doing our best to help small businesses struggling with a sharp decline in sales, and boost domestic demand, through pre-payment to 100 restaurants near Woori Financial Group, Woori Bank, Woori Investment Bank located in headquarters and Woori Financial Namsan Tower.

# Joining voluntary donation

of emergency disaster relief funds



# Donating 5,000 sets of protective clothing

to Indonesia, lacking protective equipment



Woori Bank donated 5,000 sets of protective clothing to be used by local medical staff to protect Indonesia from the spread of COVID-19. In Indonesia, the number of confirmed cases has been steadily increasing especially in large cities, but they lack protective equipment such as protective clothing and masks for medical staff. In response, our executives from Bank Woori Saudara visited the Indonesian National Board for Disaster Management located in Jakarta to donate 5,000 sets of protective clothing.

# Fact Book





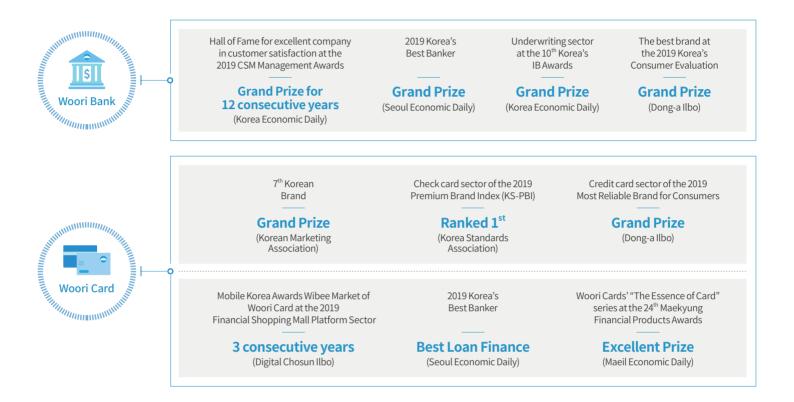
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## Customer-centered Management



#### Customer Satisfaction

#### Spreading Customer Satisfaction (CS) Culture

In order to meet the increasing demands of customers that are growing to different levels each day, global financial companies are proactively identifying and predicting customer needs and providing various products and services that reflect those demands in the market. Woori Financial Group is also striving to establish CS culture that practices customer satisfaction to meet various customer needs by listening carefully to the voices of customers and reflecting this in products and services. In addition, we intend to fulfill true CS management by expanding financial accessibility to financially vulnerable groups who are isolated from services. These efforts are not limited to the domestic market. We also manage service levels provided to global customers by creating Woori CS Manual (Eng. ver.) and distributing it to overseas sales branches to standardize our overseas branch service.

As a result of these efforts, Woori Bank was awarded the customer satisfaction company in the '2019 Customer Satisfaction Management Award' by Korea Economics Daily for 12 consecutive years and dedicated to 'Hall of Fame'. Woori Card received the Financial Supervisory Service director's award, the grand prize in the credit finance sector at the 8<sup>th</sup> 'Financial Consumer Protection Awards' hosted by the Korea Economic Daily. In particular, Woori Card 'the Paragon Card' is gaining popularity with a record exceeding 4 million cards in the shortest period. This success was possible by actively reflecting customer-oriented minds at all stages such as product planning, service composition and design, and focusing on actual benefits that customers can directly experience.

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#### Strengthening CS competency

Woori Financial Group believes that corporate competitiveness can be enhanced through customer satisfaction (CS) and is striving to establish customer-oriented culture and strengthen CS capacity. Woori Bank has a Consumer Brand Group under direct CEO control and operates the Financial Consumer Protection Center, which consists of the General Consumer Protection Team (consumer protection planning, CS planning, CS education, CS research), the Complaints Response Team, and the Financial Fraud Response Team to achieve the protection of consumers' rights and customer satisfaction. The Chief Consumer Officer (CCO), the executive in charge of consumer protection, is committed to prevent complaints by strengthening CS competencies of sales branches and departments at headquarters and establish consumer protection culture in the company. In addition, we are strengthening CS response capability on business sites by establishing the 'Consumer Protection Forum', a voluntary meeting for CS managers in each sales division as well as positioning a CS manager in each branch of Woori Bank. We also promote the spread of CS culture by rewarding outstanding sales branches and employees.

Woori Card runs the Council of Financial Consumer Protection led by the Chief Consumer Officer (CCO) on a monthly basis and the Committee on Financial Consumer Protection led by CEO on a quarterly basis to regularly examine whether there are any problems in the on-site commitment to consumer protection.

#### **Improving Customer Satisfaction**

In order to improve customer satisfaction, we need to actively listen and evaluate the continuously changing 'Voice of the Customer (VoC)' and promptly reflect it in our practices. To this end, Woori Bank conducts a W-CSI (Woori Customer Satisfaction Index) survey, which is its own assessment tool to identify the overall customer satisfaction level, customer retention and recommendation intention. In 2019, Woori Bank transformed the satisfaction evaluation questionnaire based on employees' response into practical customer satisfaction evaluation based on customer needs such as the overall customer satisfaction level, customer retention and recommendation intention. Collected data is classified by age, gender, visit time and customer rating, and provided to sales branches for prompt utilization at the forefront of sales field. The W-CSI score in 2019 was 91.43.



\* Woori Financial Group changed the method of customer satisfaction evaluation from existing R-CSI to W-CSI in 2019 for the purpose of elevating the level of customer satisfaction, which resulted in decreasing points.

#### **Enhancing CS education**

Woori Financial Group is strengthening employee education to spread CS culture. In order to strengthen CS competency of sales branches, Woori Bank promoted 'Friendly WOORI' customer response education in 2019 and improved the level of customer satisfaction in all banks through CS training programs for all employees through internal broadcasting, service mindset training programs for entrance managers, and competency reinforcement education programs for CS managers in sales branches. We have also conducted field training in 19 sales branches by implementing the 'Field Visiting CS education', which provides customized mentoring to improve vulnerable items of W-CSI for branches with difficulties in responding to complaints. In addition, we conducted a total of 53 sessions basic training for customer response to acquaint new recruits with dress codes, greetings, and manners and CS reminders for existing employees.

#### Woori Bank's CS Boom-up event

Woori Bank is preparing various events to improve satisfaction of customers who visit Woori Bank's sales branches. We have furnished each different CS themed goods at sales branches quarterly to distribute them to customers in 2019. In particular, the Post-It Memo with girl group idol 'Black Pink', the Woori Bank exclusive model, on the cover and specially-made 'Mallang Cow' candy containing Woori Bank CI (corporate image) and customer message gained positive response from customers.

# Customer-centered Management

Expansion of Financial Accessibility

Financial accessibility does not only imply physical distance. It not only enables the financially underprivileged groups who are unable to use financial services due to lack of financial knowledge or physical disabilities to use equal financial services with the help of experts or technology, but also helps those who have difficulties in using the bank's financial services due to credit issues caused by unexpected accidents to knock on the bank's door again. Woori Financial Group will continue to improve financial accessibility of the socially vulnerable groups in line with the group mission of 'Reliable Financial Group'.

#### Expanding Base Branch for Low-Income Earners' Finance and Linked Services

Woori Financial Group has established and operates the 'Woori Hope Financial Plaza', which serves as a base branch for low-income earners' finance of Woori Bank to improve accessibility of financially neglected social class to financial services. The 'Woori Hope Financial Plaza' has 66 branches nationwide and not only plays the role of consulting and sales of financial products to low-income earners but also connects vulnerable customers to secondary financial institutions or the Korea Inclusive Finance Agency.



#### Improving convenience to use by socially vulnerable class

Woori Financial Group provides an easily accessible system for the socially vulnerable such as the disabled or senior citizens. Also, Woori Bank set up guidelines to prevent discrimination and runs a check list to establish a system for frequent inspection to prevent the violation of human rights against socially vulnerable classes from business services in branches. In addition, we have introduced Braille and voice conversion code (Voice Eye) for people with visual and hearing disabilities, telebanking, sign language consulting service, and voice recognition AI banking service to enhance access to financial products for those with disabilities. Woori Card provides various services such as direct connection service to consultants for the elderly, slow-talking service, sign language counseling for people with hearing disabilities, visible ARS, chatbot service, Braille card and notice for the visually impaired, and talking ARS.

In addition, we are striving to ensure that the socially marginalized can use financial services without difficulties due to physical barriers by introducing a screen for people with impaired vision and installing door ramps and wheelchair accessible ATMs that are installed in sales branches in consideration of consumers with physical disabilities or vision impairments.

#### Asset building support for people with severe disabilities

Woori Financial Group is engaging in the development of financial products to help young people with severe disabilities who struggle for their work and livelihood to alleviate their economic problems and provide minimum cost of living to be independent. Woori Bank has signed an agreement with the Seoul Welfare Foundation and sold 'Irum Bank for people with severe disabilities.' With the instrument, Woori Bank provides a high interest rate of 2.6% per annum to customers selected by Seoul Welfare Foundation, and Seoul Metropolitan Government helps people with severe disabilities to build their assets by providing the amount of money matching the amount customers have saved every month [a product whereby the Seoul Metropolitan Government saves KRW 150,000 per month if customers save between KRW 100,000 to 200,000 each month (KRW 100,000, KRW 150,000 or KRW 200,000)

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#### Protecting Customer Information

Under the belief that protection of customer information is equal to keeping the customers' trust, Woori Financial Group not only strengthens relevant infrastructure for customer information protection but takes preventive measures to avoid security incidents by actively introducing the newest technologies. As a result, we recorded zero information leakage incidents during 2019. In addition, we have secured the capabilities to solve problems immediately in the event of an unexpected crisis by establishing a system against cyberattacks and monitoring information security.

#### Strengthening information protection infrastructure

With the recent acceleration of digitization in the financial industry, online and non-face-to-face transactions are on the increase. In the case of online financial transactions, preventive action is very important since customer information leakage may cause extensive damage. Regarding this issue, Woori Financial Group strictly controls data to prevent any leakage or abuse of customer information by strengthening the infrastructure of information protection and securing a systematic security system.

In particular, Woori Bank is continuously operating the information protection management system in accordance with the international information protection certificate, ISO 27001, to maintain global-level security. In 2017, Woori Bank acquired the certificate of domestic information security management system (ISMS) from the Financial Supervisory Service through the verification of information security related policies, manpower, equipment, and facility. In addition, we constantly check whether there are any inadequacies related to information protection through regular monitoring of relevant legislations such as the 'Personal Information Protection Act', 'Credit Information Protection Act', and 'Electronic Financial Transaction Act'.

#### Enhancing AI-FDS operation and building non-face-to-face transaction log analysis system

Woori Financial Group strives to protect the safety of customers by introducing the latest security technologies in response to increasingly sophisticated crimes related to electronic finance. Woori Bank further refined the Al-based fraud access and abnormal transaction detection system (Al-FDS) to quickly respond to controversial security threat cases, such as 'credential stuffing' (a scheme of extracting personal information by attempting random access of other sites using user information leaked from a specific account) to quickly respond to controversial security threat cases. In addition, we have built a non-face-to-face transaction log analysis system to prepare for new security threats by precisely analyzing the access and transaction records of all electronic financial services that have been made through Internet banking and smart banking.

#### Introduction of accredited certificate cloud storage service and Digital OTP

Woori Bank has introduced an authentication method that not only enhances security and but also increases customer convenience by using the latest technologies. With frequent theft of accredited certificates stored on customers' PCs, we have introduced a cloud storage service for accredited certificates with further enhanced security to prevent related electronic financial incidents. In addition, we have adopted the digital OTP, which automatically generates and authenticates a one-time password for electronic financial transactions when stored on the customer's smartphone by incorporating the feedback that the existing OTP (one-time password) causes frequent failures and battery problems.

#### **Information Protection Education**

Woori Financial Group is strengthening information protection training for employees. In 2019, a total of 15,016 employees, a 12.5% increase from the previous year, participated in information protection training. The total training time also increased to 91,523 hours by 13.2%. We also provide training for external/partner companies in addition to employees at headquarters. In 2019, we conducted a total of 169 hours of information security training for 338 relevant officials outside the company.

## Corporate Governance

Corporate Governance Policy To promote long-term growth and protect the benefits of stakeholders including shareholders and financial consumers, Woori Financial Group strives to establish and maintain a stable, efficient, and transparent governance structure. Stable governance structure can be ensured through checks and balance based on the independence of the BOD (Board of Directors). Efficiency and transparency are achieved through the BOD's professionalism and faithful operation and disclosure on business operation and results, respectively.

#### Independence of the BOD

Woori Financial Group complies with relevant laws such as the "Act on Corporate Governance of Financial Companies" and adopts major items to internal regulations to ensure stable and healthy operation of the BOD and subcommittees. Especially, we strive to maintain the independence of the BOD for stricter supervision on the management. Non-executive directors hold a majority of the BOD according to the Article 35 of the Articles of Association and a non-executive director chairs the BOD according to the Article 44. Since the establishment of the Group in 2019, the BOD has been chaired by a non-executive director. In March 2020, No Sungtae was appointed as the chairman with unanimous approval (Non-executives held 67% of the BOD as of the end of March 2020.)

According to the internal regulation, the Executive Candidate Nomination Committee, Audit Committee, Risk Management Committee, Compensation Committee, and Internal Control Committee are chaired by non-executive directors and they hold a majority of those subcommittees. Especially, as for the Executive Director Candidate Nomination Committee that nominates the CEO, non-executive director, and Audit Committee member candidates and the Audit Committee that supervises the management's duties, non-executive directors make up more than two-thirds. As of the end of March 2020, the two committees are composed of only non-executive directors.

Moreover, we run a non-executive director service term policy to prevent collusive ties between non-executive directors and the management and ensure sequential changes of non-executive directors. Their service term cannot be exceeded 6 years in total and 9 years including services at subsidiaries.

#### Diversity and Professionalism of the BOD

The BOD consists of non-executive directors with experiences and expertise in diverse fields (1 director in economics, 3 directors in finance, 1 director in management, and 1 director in accounting as of the end of March 2020). They have served as professor, researcher, and the CEO of financial company, which enables complementary effect. We strive to appoint non-executive directors with combined professionalism in various sectors. In reality, our non-executive directors have expertise in at least two fields.

Particularly, considering our business feature that creates over 10% of net profit overseas, the BOD consists of non-executive directors with many different nationalities (4 Koreans, 1 Chinese, and 1 Taiwanese as of the end of March 2020).

#### Faithful Operation of the BOD

Efficient BOD operation is ensured when non-executive directors faithfully attend the BOD and subcommittees. To this end, faithfulness as well as professionalism is a critical criterion for appointing non-executive directors and significantly considered when evaluating their activities. In 2019, the BOD meeting was held 14 times and directors' attendance rate was 94%.

#### **Transparent Governance Structure**

To secure transparency in business standards, procedures, and results, we disclose major activities such as the revisions of internal corporate governance regulation through our website. Annual corporate governance reports, which contains the Articles of Association, BOD regulation and BOD activities, is uploaded to the websites of the Group and Bankers Association.

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# Composition of the BOD

As of the end of March 2020, the BOD of Woori Financial Group consists of 9 directors (6 non-executive, 1 non-standing, and 2 executive directors). Six subcommittees including the Audit Committee are running under the BOD. Especially, Woori Financial Group became the first Korean financial company to establish and operate the Internal Control Committee in March 2020. This committee inspects the internal control of the Group and finds improvements based on the inspection results, contributing to raising the efficiency of internal control.

#### **BOD Members of Woori Financial Group**

Classification	Name	Role	Expertise	Career	Service term	
Non- executive Director	Noh Sung-tae	BOD Chairman     Executive Director Candidate Nomination Committee     Audit Committee     Compensation Committee     Subsidiary CEO Candidate Nomination Committee	Economic finance	President, Korea Economic Research Institute     President, Hanwha Economic Research Institute     Current) Chairman, Samsung Dream Scholarship Foundation	From Jan. 11, 2019 to the general shareholders' meeting for fiscal year 2020 (Mar. 2021)	
	Park Sang- yong	Chairman of the Risk Management Committee     Chairman of the Internal Control Committee     Executive Director Candidate Nomination     Committee     Compensation Committee     Subsidiary CEO Candidate Nomination     Committee	Manage- ment finance	Dean, School of Business, Yonsei University     Civilian Chair, Public Fund Oversight     Committee     Non-executive Director, NH Investment &     Securities (Chairman of the Audit Committee)     Current) Honorary Professor, Business     Administration, Yonsei University		
	Jung Chan- hyeong	Chairman of the Audit Committee     Chairman of the Compensation Committee     Executive Director Candidate Nomination     Committee     Subsidiary CEO Candidate Nomination     Committee	Finance manage- ment	CEO and President, Korea Investment Management     Vice Chairman, Korea Investment Management     CEO, POSCO Capital		
	Dennis Chan	Executive Director Candidate Nomination Committee     Risk Management Committee     Compensation Committee     Subsidiary CEO Candidate Nomination Committee	Finance manage- ment	Vice Chairman, Fubon Bank (China) Chief Executive Officer, Fubon Bank (China) Senior Vice President, Strategic Planning, Fubon Financial Holdings	From Mar. 25, 2020 to the general shareholders' meeting for fiscal year 2021 (Mar. 2022)	
	Jeon Ji- pyeong	Executive Director Candidate Nomination Committee     Risk Management Committee     Compensation Committee     Subsidiary CEO Candidate Nomination Committee	Finance manage- ment	Vice President, ICBC Branch of Sichuan Province     Vice President, Industrial and Commercial Bank of China (ICBC) Middle East Limited & ICBC London Limited     Current) Vice President, Beijing FUPU DAOHE Investment Management Ltd.	From Jan. 11, 2019 to the general shareholders' meeting for fiscal year 2020 (Mar. 2021)	
	Jang Dong- woo	Chairman of the Executive Director Candidate Nomination Committee     Audit Committee     Compensation Committee     Subsidiary CEO Candidate Nomination Committee	Account- ing finance	Younghwa Accounting Corp.     ABAS Leader-AKT, Samil Accounting Corp.     Representative Partner, IMM Investment Corp.     Current) CEO, IMM Investment Corp.		
Non- standing Director	Kim Hong- tae	Risk Management Committee     Compensation Committee     Internal Control Committee	Finance	Hana Bank     Deputy Head, Department of HR and Administration, KDIC     Current) Head, Office of Creative Management, KDIC	From Mar. 25, 2020 to the general shareholders' meeting for fiscal year 2021 (Mar. 2022)	
CEO (Chairman)	Son Tae- seung	Chairman of the Subsidiary CEO Candidate Nomination Committee     Internal Control Committee	-	Head, Global Business Unit, Woori Bank     President & CEO, Woori Bank     Current) Chairman & CEO, Woori Financial Group	From Jan. 11, 2019 to the general shareholders' meeting for fiscal year 2022 (Mar. 2023)	
Executive Director (Vice President)	Lee Won-duk	· Risk Management Committee	-	Managing Director, Future Strategy Division, Woori Bank     Executive Vice President, Management and Finance Planning Group, Woori Bank     Current) Deputy President, Strategy Planning Unit, Woori Financial Group	From Mar. 25, 2020 to the general shareholders' meeting for fiscal year 2020 (Mar. 2021)	

## Corporate Governance

#### **BOD Activities**

The BOD meeting was held 14 times (4 regular and 10 extraordinary meetings) in 2019. Major conclusions included the Group's management and governance related agendas such as establishing management plans and amendment of the governance regulations. The BOD also deliberated on M&As for business portfolio diversification including the submission of bid proposals to asset management companies. The rate of directors' attendance was 94% and all BOD members faithfully participated in decision-making procedures.

Besides, non-executive directors attended job trainings at least once a month and held ordinary meetings to receive reports on management status of the Group, striving to make the best decisions along with the management.

Non-executive Director Appointment Process and Criteria Non-executive directors are appointed at the general shareholders' meeting after being approved by the Director Candidate Nomination Committee and the BOD. They fulfill the independence required by relevant laws and have professionalism in finance. The Director Candidate Nomination Committee consists of only non-executive directors and receives candidate recommendations through diverse channels including shareholders and external advices. The Committee controls candidates in a fair and transparent manner and screens their professionalism and qualification for independence before nomination.

Woori Financial Group forms a pool of non-executive director candidates who are professionals in finance, economics, management, and laws and sets no limit on nationality. Considering gender diversity, female candidates hold at least 10% of the pool. In 2019, a total of 160 candidates were put on the longlist by the Committee. We intend to update the longlist every year to secure professional and diverse non-executive director candidates.

Going forward, Woori Financial Group plans to preferentially consider experts in laws and IT to further sharpen the professionalism of the BOD when appointing non-executive directors to ensure diversity. Our plan also includes an additional appointment of 1 or 2 female non-executive directors to ensure a better-balanced view as all BOD members are currently male.

#### BOD Remuneration

The limit of directors' and auditors' remuneration is set at the general shareholders' meeting and detailed guides are determined at the BOD (Remuneration Committee). Incentives for executive directors are paid based on the results of evaluating both financial and non-financial performances. Meanwhile, parts of the incentives are paid in a deferred way based on long-term financial results. In 2019, Woori Financial Group approved KRW 3.2 billion as the remuneration for directors and the Audit Committee members and paid KRW 1.04 billion in reality.

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# Tax Policy

#### Taxation Principles

Woori Financial Group's tax principle is that the company shall faithfully fulfill obligations to various taxes such as corporate tax, VAT, local taxes, and security transaction tax. It means that the company does not conduct tax avoidance in addition to reasonable tax saving. Overseas operations pay taxes in accordance with the local Tax Law of the according country and the Tax Treaty concluded with Korea. In addition, we fundamentally prevent tax-related risks by discussing important tax issues with tax authorities in advance and listening to independent experts' opinions.



- 1. The group shall faithfully fulfill tax obligations to various taxes such as corporate tax, VAT, local taxes, and security transaction tax.
- 2. The company shall not conduct tax avoidance other than reasonable tax saving based on the Tax Law.
- 3. The company shall comply with the national laws and tax regulations of the country where its businesses are located and shall actively cooperate in exchanging taxation and financial information between countries.
- 4. The company shall make decisions on important taxation issues in advance by considering opinions of external experts (including the procedure of prior inquiries to the taxation authority).
- 5. The company shall educate a person in charge of taxation for the risk management of tax process in the group.

# Ethical Management

Business Ethics System of Woori Financial Group With the establishment of the holging company on January 11, 2019, Woori Financial Group enacted and declared the 'Code of Ethics for Woori Financial Group' which is the highest code of ethics of the group. We set up consistent and proper ethical values to be observed by employees of the financial group by defining details of concrete judgment standards to comply with the 'Code of Ethics for Woori Financial Group' as 'Code of Conduct'.

Woori Financial Group has operated the 'Internal Control Committee' related with the operation of internal control policy, and newly established the 'Internal Control and Management Committee', which is a sub-committee under the board of directors, to increase the effectiveness of internal control of the group.

In addition, we have established a cooperative system for the task to monitor the compliance of the laws among all subsidiaries such as the holdings company to reinforce the function and activity of monitoring the group's legal compliance. In other words, we regularly operate a supervisor's committee for monitoring the law compliance of the group consisting of supervisors from subsidiaries and a working-level committee for monitoring the law compliance of the group consisting of department managers for monitoring the compliance of the laws to share and respond in time to major issues regarding the internal control within the group including ethical management. Woori Financial Group will continue to settle a responsible ethical management culture of the group by strictly complying with ethical management system based on the internal control system standards in the future.

#### Internal Control System

The law compliance supervisor of the holding company takes full management of the internal control system of Woori Financial Group. The law compliance support division supports duties of the supervisor to ensure efficient performance of internal control works. The law compliance support division of the holding company consists of an appropriate number of personnel with sufficient experience and ability.

In particular, in response to the trend of strengthening domestic and overseas internal control, we elevated the Anti-money Laundering Team under the Compliance Support Department to the Anti-Money Laundering Department with the reinforcement of AML experts on April 1, 2020 with the aim of enhancing internal control.

In addition, in order to manage overall internal control activities of each group subsidiary, we regularly and frequently receive report of the monitoring of law compliance and the status of group internal transactions and carry out feedback for internal control according to the results from review. We also request subsidiaries to perform improvement measures to insufficient areas in internal control through field inspection of law compliance by subsidiary companies, and report the results of group's internal control activities to the board of directors (including the audit committee).

#### Whistle Blowing System

As a part of ethical management, Woori Financial Group operates a whistle blowing system to prevent financial accidents in advance and to minimize loss. The whistle blowing system is exclusively operated by the law compliance support division directly affiliated under the law compliance supervisor to ensure the independence of works, and the targets of report are various unfair and unlawful acts of employees including breaches of the internal control standards.

Anyone may report via the unmanned automatic answering phone installed inside the Compliance Support Department, the whistle blowing corner in the portal website, or the email or mail exclusive for whistle blowing. This system will be extended to subsidiaries going forward. Whistle blowers are strictly protected and content is confidentially treated so that they can report with relief. When the details of the report are recognized to be effective in the prevention of potential loss of the company, we provide the incentives of reward and compensation to the informant. We will actively use and promote the whistle blowing system to further strengthen ethical management and internal control of Woori Financial Group.

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#### Anti-money Laundering

'Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT)<sup>1)</sup>' regulations have been strengthened worldwide and the demand for capabilities of financial companies have been also increased. Accordingly, Woori Financial Group performs a role of the company-wide control tower by establishing a 'One AML/CFT Policy' and operating a meeting body, and strives to comply with consistent laws throughout the group by monitoring the subsidiaries' performance of anti-money laundering system.

Woori Bank has enhanced a system for preventing money laundering and the financing of terrorists by expanding the anti-money laundering organization and introducing a triple defense system for internal control in the global financial company standard for the first time among local retail banks in Korea. In addition, we are strengthening the global internal control system by recruiting experts from 'Office of Foreign Assets Control (OFAC)<sup>2)</sup>, in overseas branches and setting up the global AML which is a dedicated overseas team.

In April 2019, Woori Card also expanded exclusive manpower and strengthened management system by setting up an anti-money laundering team for the first time among credit card companies. Also, the company is building competency in anti-money laundering business by rebuilding the risk-based (RBA)<sup>3)</sup> anti-money laundering system.

Woori Investment Bank established a money laundering risk assessment system that differentiates management levels according to risks like money laundering in 2019. In addition, we are reducing the possibility of money laundering and terrorism financing by identifying and mitigating risks through enterprise-wide money laundering risk assessment.

1) AML: Anti-Money Laundering, CFT: Combating the Financing of Terrorism 2) OFAC: Office of Foreign Assets Control (under the U.S. Department of the Treasury) 3) RBA: Risk Based Approach

#### Anti-Corruption Policy of Woori Financial Group

Woori Financial Group is currently establishing an anti-corruption compliance program in preparation for loss or sanctions due to violations of anti-corruption laws abroad. In 2020, we plan to establish standardized anti-corruption guidelines of the group that may be applied not only to domestic corporations, but also to overseas corporations and branches. In addition, we will establish a systematic process to prevent corruption by preparing work checklists and pledges for employees to follow when accounting and strengthen internal control through regular training and monitoring. We also comply with the 'Clean Contract System' to prevent demands for money or anything of value, and unfair transactions from suppliers.

Woori Bank is subject to the Banking Act, which prohibits the provision of property profits exceeding a normal level to users related to the anti-graft law for public officials and banking businesses. Accordingly, in the event of providing meals or items exceeding KRW 30,000 and monetary allowance for congratulations and condolences exceeding KRW 200,000, the expense should be reported to supervisors in advance. We are also reporting the status of profit on property and the results of adequacy assessment and evaluation to the board of directors every year.

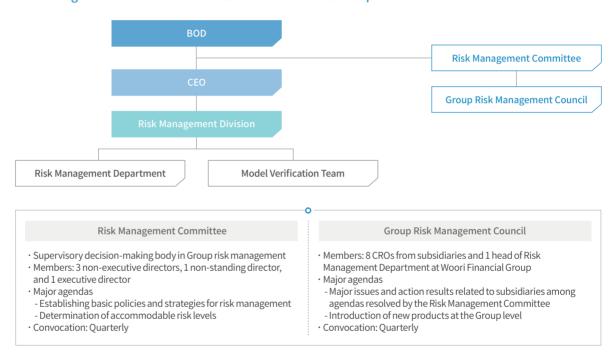
# Ethics education for employees

Woori Financial Group conducts group and online ethics education for each group subsidiary and operates the pledge of ethics. In Woori Bank, a total of 13,734 employees participated in ethics education last year. The hours of ethics education per person increased from an average of 14 hours in 2017 to an average of 16 hours last year. Woori Card provides ethics awareness training for all employees for each position, ranging from about 5 hours to up to 10 hours, including self-assessment of ethics compliance for all employees. Woori Investment Bank also conducted online ethics education for employees on average 8 hours last year.

# Risk Management

Companywide Risk Management System As of the end of March 2020, Woori Financial Group established the Risk Management Committee consisting of 3 outside directors, 1 non-executive director, 1 executive director, which is the highest decision-making body for effective company-wide risk management and held quarterly meetings. The risk-related policies voted on in the Committee serve as guidelines for risk management activities in each risk management department. In addition, we have established the Group Risk Management Council consisting of 9 officials including each group subsidiary's CROs (Chief Risk Officer) and managers of risk management in holding company (as of the end of March 2020) under the Risk Management Committee and also held quarterly meetings to check whether the matters voted on in the Risk Management Committee are properly implemented.

#### Risk Management Governance and Role of Woori Financial Group



Risk Management Process Woori Financial Group takes a strategy that maximizes returns on risk by preventing excessive risks in business activities and maintaining proper risk levels. In order to perform the process effectively, we operate the procedures of risk recognition, risk measurement and evaluation, control, and supervision/reporting. The risk management process has continuously improved through monitoring and reporting.



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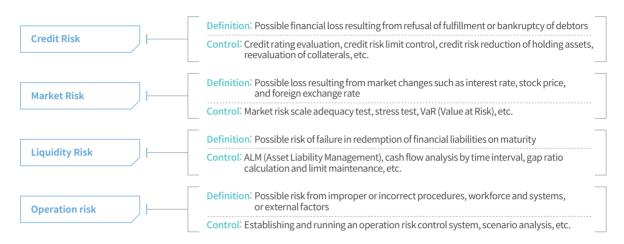
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#### **Key Risk**

The key point of risk management is to analyze the cause, measure the scale of the risk, and establish countermeasures to respond. In order to ensure a smooth process, strict control is more important for risk factors of high occurrence. To this end, Woori Financial Group classifies core risks that may occur frequently due to the nature of financial companies into four types: credit risk, market risk, liquidity risk and operational risk, and prepares and manages proper responses for each type.



#### **Emerging Risk**

In view of the present situation with the Coronavirus (COVID-19), the business environment surrounding a company may change rapidly due to unexpected factors. The rapid change in business environment creates new risks that are unprecedented in the company. Woori Financial Group defines and manages it as an emerging risk. The key point of emerging risk management is a preemptive response to changes in the business environment. To this end, Woori Financial Group selects and manages financial fraud in the credit sector and environmental changes in the IT infrastructure as major emerging risks.

Recently, the company has established 'Big-Eye', the first big data-based corporate assessment system in Korea. The system uses new big data technology to assess the possibility of insolvency in the future. It is expected to be used not only for corporate credit screening now, but also for fraud loans screening in the future. In addition, we are developing various risk management measures using IT, through methods including utilizing communication information or commerce information, in addition to the existing financial transaction information when evaluating customer credit.

Category	Risk Description	Business Impact	Risk Reduction  We are diagnosing signs of corporate insolvency based on 'Big Eye', a big databased corporate diagnostic system, and are developing a system to identify patterns based on case analysis of fraudulent loans and providing warnings at the time of handling loans.	
Responding to financial fraud in credit sector	In many cases, credit fraud is related to fraudulent loans. In the early stage, fraudulent loans in the credit sector were falsifications of employment or incomerelated documents of individuals (that are relatively small sums), but recently, we are witnessing cases of fraudulent loans worth tens of billions won by companies with forfeited financial statements.	Insolvency due to fraudulent loans leads to loss from uncollected loans and damages in asset soundness and BIS ratio. This may also lead to customer deviation due to declined customer confidence.		
Alternative Credit Scoring System using non-financial data	The existing credit rating was set via an analysis focused on borrower's financial transaction information, but the needs for more sophisticated evaluation of borrower's credit risk using various information is increasing.	Since credit risk, the most important risk for banks, can be managed more precisely, the asset quality will be improved. In addition, it is expected to expand support for underprivileged groups who are unable to use financial services, such as career newbies lacking financial transaction information.	This is an initial stage that evaluates the credit rating using communication information, commerce information, etc. in addition to the financial information of the borrower, and it will expand the scope of use through validation in the future.	

# Green Management

Green Management System of Woori Financial Group Woori Financial Group strives to practice eco-friendliness throughout its management activities through green management system which is based on the Woori Bank's 2012 Master Plan for Climate Change Response. Accordingly, Woori Financial Group is reducing unnecessary energy use that is harmful to the environment, by upgrading the greenhouse gas management system and appointing officials to take charge of energy in all branches. In the future, we will continue to take the lead in eco-friendly actions, such as reducing greenhouse gas emissions, by making employees save energy in daily life and increasing investment in the high-efficiency energy sector.

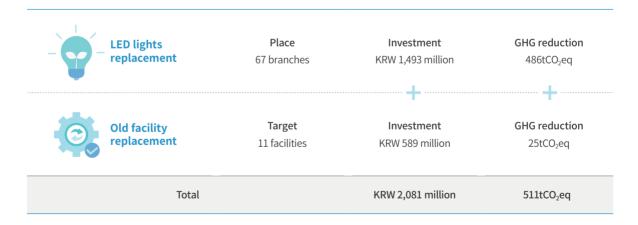
Operation of Greenhouse Gas/Energy Management System Woori Financial Group continues to seek ways to protect the environment and rationalize energy use by reducing greenhouse gases. For instance, Woori Bank operates the office of general affairs which performs a role of a control tower to reduce greenhouse gases. In particular, the company is finding the best ways to reduce greenhouse gas in around 900 business centers through an organic collaboration with an official in charge of energy in each sales branch, manpower in charge of building maintenance, and sales branch inspection teams (9 teams) to reduce GHG emissions and enhance energy efficiency.

In addition, Woori Bank established an environmental management system to systematically promote environmentally friendly management, and in June 2020, acquired the ISO14001 certification, an international standard for environmental management.

Major Green Management Activities of Woori Financial Group

#### **Transformation to High-efficiency Equipment**

Woori Bank invested about KRW 1.5 billion in 2019 to replace the old lighting of 67 branches with LED lighting. In addition, the company invested about KRW 600 million to replace 11 facilities such as old boilers and air handlers with eco-friendly products. In this way, it is expected to have a greenhouse gas reduction effect of  $511tCO_2$ eq per year.



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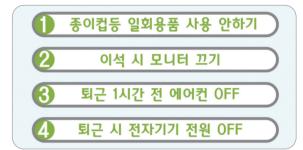
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#### **Energy Saving Campaign by Employees**

Woori Financial Group is conducting various educational and promotional activities to encourage employees to engage in energy-saving actions with a sense of environmental awareness. First of all, we conducted 13 sessions of 'Visiting Energy Saving' education for employees last year. In addition, we have produced and distributed newsletters and promotional materials containing examples of energy saving practices of employees and created and distributed 'Energy Traffic Lights' at each branch to display the appropriate level of energy consumption.

In addition, we aim to increase employee awareness of energy saving via 'Climate Change Quiz,' attended by more than 1,000 employees, as well as the 'Woori Protects the Earth' campaign in which every employee including CEO Son Tae Seung participated.





#### **Replacing Company Vehicles**

In September 2017, Woori Bank signed a 'Clean Woori campaign' agreement with the Seoul City and took action to reduce vehicle emissions. For example, all business vehicles that can be switched sequentially will be replaced with electric vehicles by 2025. The company has replaced a total of 16 electric vehicles by replacing 5 old business vehicles with electric vehicles in 2019, and also 11 electric vehicles during the first half of 2020 to replace a total of 16 vehicles into electric ones. In addition, we have secured a total of eight electric vehicle chargers to support the operation of electric vehicles, and we plan to speed up the replacement of business vehicles with electric vehicles by installing chargers continuously in the future.







Introduction of electric vehicles for business

#### **GHG** emission reduction performance

Woori Financial Group's efforts have borne fruit which is reflected in concrete figures. In 2018, Woori Bank emitted 81,240 tons of  $CO_2$ eq, a 20% decrease from 101,800 tons of  $CO_2$ eq in 2012. GHG emissions per area also decreased from 0.102 tons of  $CO_2$ eq/ $m^2$  to 0.081 tons of  $CO_2$ eq/ $m^2$  during the same period, and GHG emissions per person decreased from 6.59 tons of  $CO_2$ eq/won to 5.29 tons of  $CO_2$ eq/won, which was a 20% reduction respectively.

<sup>&</sup>quot;WOORI keeps the earth." campaign

# Human Rights Management

Human Rights Management Policy Woori Financial Group conducts management activities by considering the common principles of human rights proposed by the 'UN Universal Declaration of Human Rights' and the 'UN Guiding Principles on Business and Human Rights' of the UN Human Rights Commission. Also, we prohibit child and forced to labor, and comply with all labor principles and laws recommended by the International Labor Organization (ILO) and ratified by the country in relation to health, safety and working hours.

Human Rights Management Activities

#### **Grievance Settlement Process**

Woori Financial Group operates a grievance settlement process to hear and resolve difficulties of employees. Woori Bank conducts regular consultations twice a year for employees (dispatched/contract workers) to identify the grievance settlement of employees. We also operate a self-reporting system that is reflected in HR management by identifying changes in personal information such as transfer of residence or researching job satisfaction and desired job positions from all employees, once half-year.

In addition, we the 'Employee Grievance 119' is always available on the HR grievance consulting website, which is open to permanent employees as well as indirectly employed personnel including those in customer centers and security guards. We also prevent damage and protect employees through new establishment of regulations to prevent customer response employees from suffering from verbal abuse and violence.

#### **Strengthening Human Rights Education**

Woori Financial Group believes that all employees should be respected as equal personalities to create a healthy and competitive organizational culture. The issue of sexual harassment in the workplace, which has become a social issue, comes from an attitude that does not personally respect colleagues. In order to improve employees' awareness of sexual harassment, we publish the 'Educational Manuals for the Prevention of Sexual Harassment and Response in Workplace' on the intranet and conduct a regular education for the prevention of sexual harassment. In 2019, the education for the prevention of sexual harassment was held a total of 8 times for all employees including one online education and group education. With the aim of damage prevention and victim protection, the education was about how to respond to sexual harassment such as reporting and processing sexual harassment, laws on sexual harassment, grievance consulting to victims, and guidance on recovery procedure.

#### **Assurance of Nondiscrimination and Diversity**

Woori Financial Group ensures diversity of employees so that all members are not discriminated against based on external factors such as gender, disability, or religion. As of the end of 2019, 8,004 or 52.8% of all personnel of the Woori Bank were female employees who are not discriminated in employee performance evaluation and educational opportunity. Woori Financial Group complies with laws such as the Labor Standards Act and Gender Equality in Employment. In addition, in order to enhance rights of female employees, we are expanding to implement various welfare systems such as diversity of duties, expansion of training, and work-and-life balance

#### **Human Rights Protection of Emotional Laborer**

Woori Financial Group is making utmost efforts to protect human rights of counseling employees in frontline sales branches and customer centers who are exposed to intensive emotional labor, and constantly operates the 'protection system for the employees of customer response'. We help consultants who respond to emergencies by conducting psychological counseling and group education for the employees of customer response and distributing employee protection guidelines. In addition, we strive to establish a mature culture that considers emotional labor employees through customer promotion and campaigns.

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# HR Management

Human Resources Management System of Woori Financial Group Woori Financial Group is recruiting and fostering top talent. We believe that competitiveness of employees directly leads to the competitiveness of the corporation and that these competitive recruits will define the future of Woori Financial Group. To this end, Woori Financial Group operates a human resources system to raise the best financial experts based on a belief in customer happiness, future challenge, honesty and trust, and talented person in priority. Based on transparent principle of human resources and fair system of human resources, we will continue to reorganize the system of human resources management constantly so that we can go beyond the No. 1 comprehensive financial group leading Korea and become a global leading financial group representing Asia.



#### Recruitment

Woori Financial Group will strengthen the competitiveness of the company by recruiting new and experienced employees possessing global competency and expertise. We do not discriminate against applicants in the recruitment process by such reason as nationality, gender, religion or disability and operate open recruitment and regular recruitment.

In order to increase fairness and transparency in the recruitment process, the entire recruitment process has been outsourced and blinded, and during interview evaluation, interviewers were allowed to use the tablet PC to prevent sources of fraudulent actions. Woori Card is conducting a 'one-strike-out' system that cancels the nominee's performance and even dismisses the parties immediately after reporting to the HR Council in the event of fraudulent acts.

#### Fair performance evaluation and compensation

Woori Financial Group's HR evaluation system operates in two structures: a KPI-centered 'Human Resource Evaluation' and a '360-degree Quality Evaluation' where colleagues and subordinates participate in the evaluation. In accordance with these standards, we divide employees into 7 job groups, considering customer characteristics and job professionalism and conduct the evaluation of human resources twice a year based on job characteristics and competency system. In principle, the results of the evaluation are disclosed to the employee, and in the event of an objection, the parties can file an objection with the head of the HR department in writing within one week of the results being disclosed.

## HR Management

#### Expanding employment opportunities for the socially disadvantaged groups

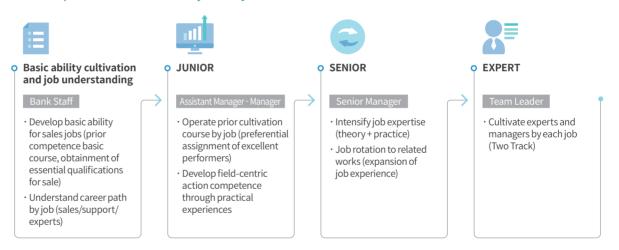
Woori Financial Group operates various systems to help socially disadvantaged groups get jobs. Woori Card operates an experience-based college student internship program to support youth job search activities and fulfill social enterprise roles. In 2019, we provided internship opportunities to 10 young job seekers. Woori Bank strove to provide re-employment opportunities for financial professionals who wish to restart after an honorary retirement. As a result, the bank recruited a total of 761 persons (465 in 2018 and 296 in 2019) by introducing a related system based on labor-management consultation in 2017. In addition, we finalized the transition of 180 outsourced and temporary workers into full-time employees by engaging in the government's temp-to-perm policy.

Development of Employees' Competency

#### CDP (Career Development Path) Management

In order to foster the best experts in each field, Woori Financial Group has divided the recruitment of new bank staff and proposed criteria of career path of duties. Since 2018, we have implemented a new CDP system to promote the reinforcement of employees' duty competency and proposed guidelines for competency and career management.

#### Job Competence Enhancement System by Position at Woori Bank



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#### **Training Programs for Cultivating Global Financial Talents**



# Cultivation of global financial talents with core values and job competence!

Woori Financial Group employees strive to learn professional knowledge and focus on self-development.

#### **Global Woori People**

#### MBA courses at home and abroad

To cultivate talents with global financial expertise, we support whole expenses for joining top-ranking MBA programs at home and abroad.

#### Global Leader Cultivation Program

We dispatch talents to overseas countries to help them learn local languages, cultures, and businesses. Upon the completion of this program, they play an active role as local experts.

#### Global Language Course

Our talents learn diverse languages including English, Chinese, Vietnamese, and Indonesian necessary for global business operation.

#### **Professional Woori People**

#### Prior Cultivation Course by Job

The Group provides a systematic CDP (Career Development Path) programs aimed at fostering competence in diverse jobs including PB, IB, RM, capital market, real estate, and ICT.

#### **Expert Dispatch Training**

We run a program to dispatch talents to excellent domestic training institutions in partnership with them to sharpen their job competence.

#### Internal Teaching System

We select employees with teaching competence to hold internal lectures and provide them with diverse benefits for their competence development.

#### **Self-Learning Woori People**

## Support for Expenses for Acquiring Certifications

We support expenses for acquiring 47 certifications in the fields of finance and ICT for employees' self-development.

#### Support for Tuition Fees

Tuition fees for domestic degrees (graduate school, cyber university, etc.) are offered to help employees cultivate job competence.

#### Woori HR System

Expenses for acquiring certifications are provided to encourage employees learn knowledge for their jobs.

#### Strengthening digital competency

Reverse Mentoring Woori Financial Group has conducted a 'Reverse Mentoring' where the working-level employees directly guide and explain the latest digital technologies to the group executive management to strengthen the digital competencies of the affiliates' executive management. In particular, the group executive management who participated in mentoring as a 'mentee' was able to expand their perspectives on digital technology by experiencing digital services operated by other departments or affiliates. Woori Financial Group will continue to strengthen its digital competency at the company-wide level by expanding participation targets to CEOs and executives of all affiliates and inviting external experts as digital mentors.

Reflect in Woori Card Digital Education KPI Woori Card provides various educational opportunities related to new digital technologies to strengthen the digital competencies of its employees, and 214 employees have completed related training courses over the past 3 years. In particular, in 2018, we opened an in-house digital campus to provide training on theories and applications of major new technologies related to Fintech. In addition, we will provide DT micro-learning content to all employees to encourage their interest in digital company-wide and reflect the learning rate and participation in digital education in KPIs to enhance their learning motivation this year.

# HR Management

#### Open Corporate Culture

By stimulating communication channels between employees, Woori Financial Group discusses important matters of company's management and issues related with the treatment and welfare of employees and reflect various opinions of employees into management activities. With the open organizational culture where members can freely share their opinions, a variety of action plans were presented to achieve work-life balance and applied to the field, creating a virtuous cycle in which the company and employees trust each other. Based on the opinions received from our employees, Woori Bank published the 'Right Work Culture Practice Manual' in June 2019 and distributed it to all branches.

#### Realization of Work and Life Balance

Woori Financial Group is striving to settle a family-friendly corporate culture for employees to find the proper balance between work and home. In particular, according to the 52-hour work week system introduced preemptively for the first time in the banking industry in October 2018, we block PC use in addition to working hours to prevent unnecessary excessive and overtime work, and promote a 'Family Day,' which urges all employees leave the office every Wednesday before 6:30 PM, in order to help employees to make a stable balance between work and life. We have also introduced a flexible working system that enables employees to choose their commuting time so that they can cope with emergency situations in their homes. In addition, we are striving to ease the burden of raising children by establishing a workplace daycare center for parents of infants and toddlers and operating a special system for pregnant women.

#### **Campaign for Appropriate Corporate Culture**

Woori Financial Group conducted a 'Do & Don't Campaign' in 2019 to create an appropriate corporate culture. This is a campaign that practices what to do (Do) and what not to do (Don't) on different topics every month. The idea of the campaign came from a talk concert where employees at various positions participate and share opinions.

Moreover, we encouraged various cultural activities instead of drinking-oriented company dinners in May 2019, and promoted a desirable corporate culture that has not yet been attempted, such as increasing efficiency of work to stabilize the 52-hour work week system, and the boss taking initiative to stick to official work hours (first to arrive, first to leave), which organically spread among employees.

#### Care System for Expecting Mothers & Woori Bank Workplace Day Care Center

Woori Bank implements an 'Expecting Mother Care System' to encourage employees' birth rate and care for pregnant employees working in the company. To do so, we place a 'Kangaroo Doll' symbolizing maternal love, at the sales offices where pregnant women work. We display guidelines so customers and employees can be more considerate of those going through pregnancy. Through the system, a total of 151 pregnant women received care from those surrounding them in 2019. Also, 117 children received benefits in 2019 through a total of four workplace daycare centers for families with children.

#### Selected as Family-friendly Company

Woori Card was selected as the only '2019 Family-friendly Company' in the card industry. In January 2018, Woori Card established a separate employee satisfaction team in the HR team to improve employee welfare, and in November that year, proactively introduced the 52-hour work week system eight months before the legal enforcement date, which gained a lot of attention. We support employees' work and life balance through the introduction of 'Woori Together Vacation System' and 'PC-OFF System', which allows employees to use their annual leave consecutively. In addition, we are encouraging parenthood of employees through the voluntary parental leave policy, the parental leave for male employees, and female and pregnancy exclusive rest rooms.



Award ceremony for family-friendly company in 2019

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#### **Gender-balanced Inclusive Partnership**

Woori Financial Group signed a voluntary agreement on the 'Gender-balanced Inclusive Growth Partnership' with the Ministry of Gender Equality and Family in 2019. At the signing ceremony, the Minister of Gender Equality and Family, Jin Sun-Mi, attended to announce the purpose of the agreement, and there was a session in which Woori Bank's executive VP who is the representative female leader of the group shared her experiences on journey toward becoming the executive VP as a woman.



Ceremony for agreement on gender-equality and inclusive growth partnership

#### Employee Welfare

#### **Employees' Health Care Support**

Woori Financial Group operates various programs to care for health of employees. Recently, we expanded programs for employees' mental health care as well as physical health care and paid extra attention to protect employees in sales branches and customer center with a high frequency of emotional labor.

Basic Welfare System	Regular health checkup, subscription of group accident insurance, support for medical expenses
Mental Health Care	Residing professional psychological consultant, regular operation of the EAP (Employee Assistance Program)
Protection of Emotional Laborers and Response Programs	Trainings on how to control stress from emotional labor, prevent and manage musculoskeletal disease (Sales Div., Customer Center, BPR, Complaint Handling Department, etc.)
Others	Healthy workplace culture campaign "Mutually Respecting Woori People," conflict-zero campaign "Dignity of Workplace," fitness center operation, etc.

#### Assistance System of Employee's Ownership

Woori Financial Group assists employee's ownership by assisting part of wages when an employee acquires company equity through wage deduction. As of the end of March 2019, the equity ratio of employee's ownership union is 6.55%, which is higher than other financial groups. It raises the ownership mind of employees and creates a positive effect for them to have interest in overall group management.

#### Disabled children care subsidies in 2019

In accordance with the labor-management agreement, Woori Financial Group started offering of subsidies for handicapped children care in 2019. Monthly KRW 300 thousand to maximum KRW 500 thousand subsidies are provided to employees who are caring handicapped children under age 18 who were declared medically unfit according to the Welfare of Disabled Persons Act.



# Issue book





Issue 3\_
Financial Consumer
Protection

Issue 4\_
Digital
Transformation

Issue 5\_ Sustainable Finance

# Stakeholder Engagement

Woori Financial Group pursues sustainability through active communication with stakeholders. To manage needs of stakeholders in a more efficient manner, we define stakeholders in five groups and operate a variety of communication channels to listen to their needs.

#### Stakeholder Group at Woori Financial Group



#### Stakeholder Engagements in 2019

In 2019, especially, there has been a surging interest in ESG issues as well as sustainability management. In January 2019, Larry Fink, the CEO of Blackrock, the world's largest asset management company, sent an annual letter requiring companies to release information in the aspect of ESG based on SASB (Sustainability Accounting Standards Board) and TCFD (Task Force on Climate-related Financial Disclosures). In Korea, as National Pension Service established the "Guidelines on Responsible Activities of NPS Fund Trustee" in December 2019, response to ESG initiative became a critical issue to companies. To this end, Woori Financial Group has revamped stakeholder communication channels and introduced new programs.

#### Launch of a Customer Panel System "Woori Fan"

Woori Bank recruited the "1st Session of Woori Fan," a customer panel, in May 2020 with the aim of supporting customer-centric decision-making and enhancing financial consumer protection. They will participate in quarterly offline meetings to propose ideas about Woori Bank's products, services, and financial policies until December 2020. Woori Bank provides them with activity costs and excellent reporters with incentives.

#### Participation in the Sustainable Climate-related Finance Study

In June 2019, the Financial Supervisory Service held an event to launch the "sustainable climate-related finance study group" and discussed on the trend of global climate-related finance. Not only the government-run banks such as Korea Development Bank. Korea Eximbank, and IBK Industrial Bank but also five financial groups, insurance companies, researchers, and GCF (Global Climate Fund) officials participated in the first study session. Woori Financial Group shared its research results about the importance of ESG integration for long-term value-focused investment, global initiatives about trustee responsibility, and overseas roadmap cases based on the theme of "obligatory responsibility of trustee in consideration of ESG factors" with participants. Woori Financial Group endeavors to secure competence meeting the trend of global climate-related finance trend.

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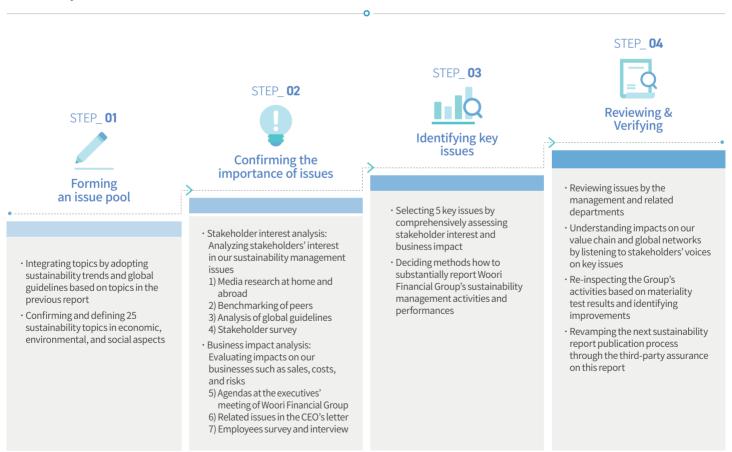
# **Materiality Test**

Woori Financial Group defines major sustainability management issues as the most significant factors for its businesses and stakeholders. Materiality test is a process that identifying economic, environmental, and social issues. Since the first publication of sustainability report in 2018, we have conducted materiality test on stakeholder interest and business impact to identify key issues every year, through which we enhance insight on future financial trends and sustainability risks and opportunities.

#### **Emphasis in 2019 Materiality Test**

We have conducted benchmarking of global leading banks and financial companies before organizing the issue pool. In addition, we joined the UN PRB (Principles for Responsible Banking) in 2019 and adopted major principles and detailed reporting cases of the UN PRB in order to respond to future sustainability issues. Media research for 2019 was implemented to understand various economic, environmental, and social issues surrounding Woori Financial Group.

#### **Materiality Test Process**

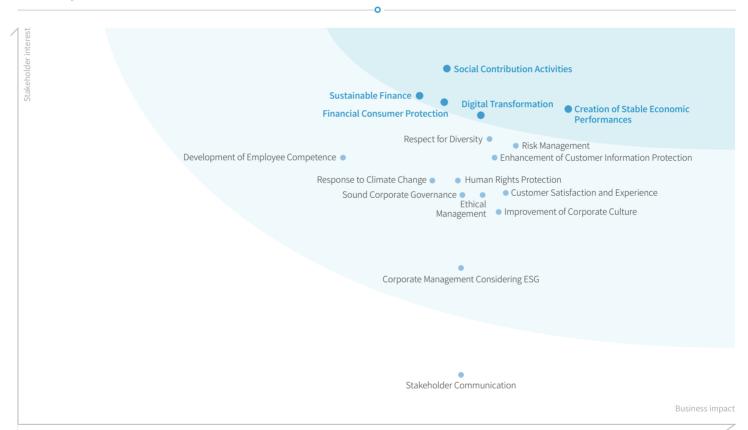


#### **Materiality Test Results**

The materiality test results in 2019 help stakeholders understand key issues of Woori Financial Group in a comprehensive manner. Key issues in 2019 were creation of stable economic performances, financial consumer protection, social contribution activities, digital transformation, and sustainable finance. We also enhanced the linkage between key issues and global initiatives such as GRI, UN SDGs, and UNEP Finance Initiative through the materiality test.

Based on key issues identified, we establish the direction of Woori Financial Group's sustainability management and short- to long-term goals for stakeholder value creation. Woori Financial Group communicates with stakeholders by reporting our awareness of and responses to key issues in detail through this report.

#### **Materiality Matrix**



Rank Key ESG Issue	Global Reporting Framework			Stakeholder Interest				Business Impact				
	GRI Standards	UN PRB	UN SDGs	Employees	Customers	Shareholders, Investors	Government	Local Community	Costs	Sales	Risks	
1	Creation of Stable Economic Performances	0		8 minus produces	•	•	•	•	•	•	•	•
2	Social Contribution Activities	0	0	4 BATT 10 BEREET 13 CHART \$\displays \displays \dinploys \dinploys \displays \displays \displays \displays \displays \displays \displays	•	•	•	•	•	•	•	•
3	Financial Consumer Protection	0	0	8 HILLS STATE COLUMN CO	•	•	•	•	•	•	•	•
4	Digital Transformation	0		8 minute production of the control o	•	•	•	•	•	•	•	•
5	Sustainable Finance	0	0	7 MARKET 9 MARKET 10 MARKET (\$\frac{1}{4}\$)	•	•	•	•	•	•	•	•

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#### Woori Financial Group's Response to Key Issues

#### **Key issue**

#### **Background of Selecting Issues**



# Creation of stable

performances

economic

Due to recently rapidly-changing and uncertain business environment at both home and abroad, it is not easy for financial companies to stably create profits for a long time. Despite tough and unfavorable conditions, Woori Financial Group endeavors to generate stable economic performances to fulfill its social responsibility as a financial group. By doing so, we will continue to create jobs and has a positive effect on all stakeholders and the national economy.

# Social contribution activities

Today, our society requires companies to satisfy diverse social needs as a corporate citizen beyond just creation profits. Therefore, social contribution activities give a chance to communicate stakeholders and pursue co-prosperity with local communities.

# Financial consumer protection

Companies are required to take a step forward beyond just creating profits and jobs. Especially, financial companies are required to further protect the interest and rights of financial consumers as well as to focus on customer asset growth. Moreover, there are increasing expectations on more active roles in considering and educating the financially vulnerable classes.

#### Digital transformation

The fast-improving digital technologies have been changing consumers' behaviors in a completely differently way, which requires companies to fundamentally transform themselves in line with the trend. Financial companies are also not exceptional as we are in the era when a smart phone substitutes the function of a branch. Therefore, digital competence will become a key competitiveness for corporate survival.

# Sustainable finance

There are increasing requirements that finance should be familiar to more people beyond specific classes and contribute to creating a fair economy. Also, in Korea, inclusive finance that ensures easy access of the financially vulnerable classes to finance and productive finance aimed at supporting innovative and ventures for economic vitalization and job creation have become a preoccupation. This trend requires financial companies to make more efforts for co-prosperity with communities and realization social economy.

#### Woori Financial Group's Response



Woori Financial Group make diverse efforts to flexibly respond to changes in external business environment to create stable economic performances. Recent efforts are focused on asset quality enhancement and business diversification as well as profitability. Especially, we are accelerating overseas expansion based on the largest global networks among Korean banks.

PAGE 8, 44~47

Our social contribution activities pursue creating social value and fulfillment of social responsibility of finance. We not only focus on cultivating future generations, supporting multicultural families, and global philanthropy but also develop new projects reflecting the features of finance business. We will contribute to improving the quality of people's lives by promoting valuable social contribution activities based on five strategic directions.

#### PAGE 14~15, 48~55

Woori Financial Group endeavors to manage sales process from customers' perspective and establish a culture of complete sales to protect customer assets. We are also proactive in providing customers with diverse and professional financial information and related trainings. As part of that, Woori Card operates the Customer Panel System to listen to diverse voices of customers and actively respond to their complaints. Through preemptive consumer protection activities, we will become a leading financial group trusted by customers.

#### PAGE 21, 56~61

With a recognition that digital innovation is prerequisite to securing new growth engines, Woori Financial Group has promoted "digital transformation" at the Group level. To reform the organization centered on digitalization, we have established a mid- and long-term plan for expanding related infrastructure and seriously considered the method how the digital-centric organization create profits independently.

#### PAGE 62~65

Woori Financial Group makes various efforts to fulfill its social responsibility and realize sustainable growth. We expand opportunities for the financially alienated groups who are suffering from high interest rate due to low credit ratings to use bank and keep a close watch on the changes in credit ratings of existing customers. We also intend to contribute to increasing the sustainability of environment by expanding investment in eco-friendly and renewable energy projects.

PAGE 12~13, 20, 66~71

#### **Major Performances in 2019**



- Founded Woori Financial Group
   Achieved KRW 2.04 trillion in net
- Improved asset quality of Woori
- Bank (NPL: 0.4%, Delinquency ratio: 0.3%)
- Number of global networks: 477 locations
- Participants in volunteer works: 42,636 persons
- Investment in social contribution: KRW 150 billion (Woori Financial Group, Woori Bank, Woori Card, and Woori Investment Bank)
- Beneficiaries of financial consumer training: 18,514 persons
- Prevention of voice phishing through monitoring: KRW 44.3 billion
- University student UCC contest to prevent voice phishing
- Cumulative number of "Woori Pay" users: 1.31 million persons
- Number of smart banking customers: 14.76 million persons
- Support for microfinance in 2019: KRW 1.17 trillion
- First issuance of sustainability bond: KRW 730 billion
- Issuance of Social Overseas ABS worth USD 200 million by Woori Card

#### 2019 Sustainability Management Report Issue Book





#### **MAJOR PERFORMANCES IN 2019**

**Net Profit** 



**Establishment of Woori Financial Group** 



KRW 2.038 trillion

Achieved 0.4% in NPL ratio and 0.3% in delinquency ratio





SIGNIFICANCE OF THE ISSUE

Woori Financial Group believes that continuous creation of stable economic performances is fundamental for fulfilling social responsibility as a financial company. Because it has direct and indirect effects on job creation, stakeholders, local communities, and national economy.



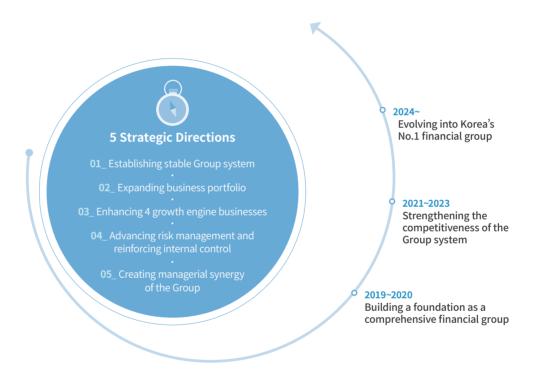
**OUR APPROACH** 

To create stable economic performances, Woori Financial Group makes every effort to flexibly respond to changes in external business environments. Recently, we focus on securing asset quality as well as profitability and diversifying business. Especially, we promote overseas expansion based on the largest global networks among the domestic banks.

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#### Management Strategy and Promotional Goals of Woori Financial Group

Woori Financial Group is based on Daehancheonil Bank established in 1899, and transformed into a group system along with the establishment of Woori Financial Group in January 2019, and is fulfilling social responsibilities in the financial sector based on the management mission of a 'reliable financial group caring about customers' to ensure that our society grows together. In particular, Woori Financial Group set five strategic directions based on the midto long-term management goal of 'accomplishing global standard comprehensive finance' with the launch of Woori Financial Group, and strives to generate stable and balanced profits through profit balance between bank and non-bank, and expansion of overseas sales profits.



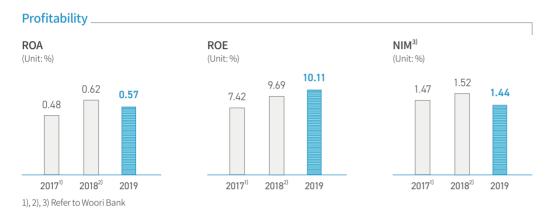
#### 2019 Business Performance of Woori Financial Group

In 2019, the global economy including banks and financial industries was unstable due to the global economic slowdown caused by a prolonged US-China trade dispute and the central banks from various nations including the United States attempting to cut interest rates. Under the circumstances, Woori Financial Group has secured a stable profit structure and increased core deposits through sales focused on high-quality corporate bonds, and continuously improved its asset quality to achieve superior business results.



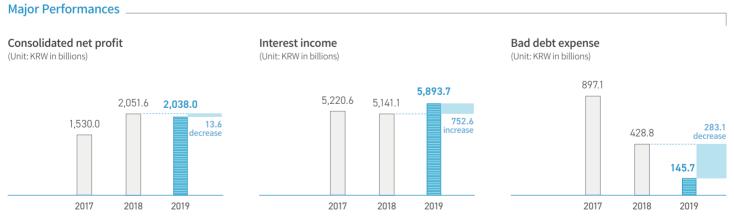
#### **Major Business Performance**

Woori Financial Group has been continuously striving to improve its financial performance. As a result, in 2019, despite the deteriorating external economic conditions caused by the US-China trade dispute and the two cuts in the standard interest rate, the company achieved a net income of KRW 2.38 trillion due to improved profit structure and return of bad debt expenses.



#### Expansion into Non-interest, Non-banking sector

Woori Financial Group has presented a '40-40-40' as a mid- to long-term vision aiming to increase the shares of non-interest, non-bank, and overseas profits up to 40% each in 2019 to respond to the rapidly changing financial environment. To this end, in 2019, Woori Financial Group acquired two asset management companies and one real estate investment trust company to expand the group's business portfolio.



<sup>\*</sup> Data in 2017 and 2018 are based on Woori Bank as Woori Financial Group was founded in 2019.

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#### Strengthening Financial Risk Management

Woori Financial Group constantly improves asset soundness and capital adequacy to manage financial risks. In this way, in 2019, the non-performing loan ratio of Woori Bank, the major subsidiary, recorded 0.40%, down 0.11% p from the previous year. The non-performing loan ratio means the ratio of credit with low profitability from credit held by the bank, the lower the ratio result, the better a company's financial health. In addition, Woori Financial Group's BIS capital ratio, which is another indicator of financial soundness, also recorded 11.89%, exceeding the regulatory standard of 10.5%, based on Basel III standards.

#### **Profitability**



#### Building the Largest Global Network among Korean Banks

Woori Bank operates 477 global networks, the largest among Korean banks, as of April 2020. In particular, we are accelerating overseas expansion in order to conduct M&As of not only local banks but also local financial firms in Southeast Asia with high growth potential. In addition, the Asian Credit Review Center in Singapore, established by Woori Bank in 2018, has shaped itself as the core of Asian corporate finance by winning business loans to Vietnam's No. 1 private airline.

#### CASE O

#### Woori Bank Dhaka Branch in Bangladesh

Woori Bank was able to build the largest global network in Korea thanks to the hidden efforts of employees for localization. In the case of Woori Bank Dhaka Branch in Bangladesh, it was only a branch office for domestic companies that first entered the market, but we've made excruciating efforts to secure local customers due to the departure of major trading companies. As a result, the percentage of local individual and corporate customers now exceeds 80%, and in 2018, the company's operating profit exceeded KRW 30 billion, becoming a major financial company in the area.

#### CASE 0

#### Introduction of AI credit evaluation in Vietnan

Woori Financial Group is expanding local customers by using the latest IT technologies in foreign countries. In 2019, Woori Bank introduced an AI credit evaluation model using big data in Vietnam to use it for local retail sales such as credit loans and credit card issuance. In this way, we have been able to significantly expand the number of credit loan customers that was treated mainly by employees of large-sized local companies. Woori Bank plans to use Vietnam's AI credit evaluation model in other countries such as Indonesia in the future.

#### 2019 Sustainability Management Report Issue Book





#### **MAJOR PERFORMANCES IN 2019**

Participants in volunteer works



Expenditure in social contribution activities



Woori Bank, Woori Card, and Woori Investment Bank 2019 Job Awards hosted by Herald Business



Best New Business Job Award

(Minister Prize of Trade, Industry and Energy) 2019 Job Awards hosted by the Presidential Committee on Jobs



Merit for Job Creation (Private sector)



SIGNIFICANCE OF THE ISSUE

Current society requires companies to meet diverse social needs as a corporate citizen beyond just creating profits. Therefore, corporate social contribution activities create opportunities for communication and co-prosperity with stakeholders.



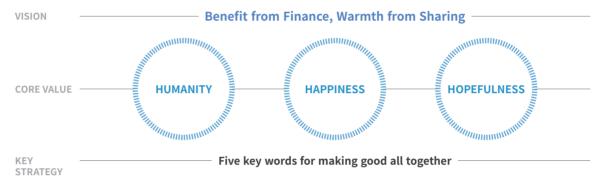
**OUR APPROACH** 

Woori Financial Group's social contribution activities pursue creating social value and fulfilling its social responsibility. To this end, we not only focus on solving social issues such as cultivation of future talents, global volunteering works, and support for multicultural households but also develop new social contribution activities reflecting the feature of financial business. Going forward, we will contribute to improving the quality of social members' life by conducting social contribution activities based on five strategic directions.

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#### **CSR Implementation Strategy of Woori Financial Group**

Woori Financial Group is conducting various social contribution activities that can directly help the community under the vision of achieving our value of 'Benefit with Finance, Warmth with Sharing'. With the goal of achieving three core values of love for humanity, pursuing happiness, and realizing hope, we help underprivileged groups and young children not to give up hope for the future or miss the meaning of life due to economic difficulties. Woori Financial Group will continue to make efforts to build a brighter future for our society through continuous social contribution activities.



Woori Financial Group emphasizes social values and joins the international community's efforts for sustainable development by applying the Sustainable Development Goals (UN SDGs) based on the 5 areas of social contribution and independently establishing Sustainable Development Goals (SDGs) taking the nature of the financial industry into account



#### Social Contribution Organization and Representative Volunteer Group

Woori Financial Group established a cooperative system for the group's social contribution activities through the 'Group Social Contribution Council', which is a consultative body between holding and group companies. The council has its members, including holdings CEO and subsidiaries CEO, and regularly operates the 'Group Social Contribution Working Council' to improve the group's ability to execute philanthropic work.

In addition, the Woori Financial Group's representative volunteer group, 'Woori Together Volunteer Group,' takes the lead in social responsibility by conducting group-level social contribution activities, such as providing emergency relief service to disaster victims in the event of a national disaster or disaster. The volunteer group consists of the employees of each subsidiary group's headquarters, with 103 people as of 2020.



#### **Inclusive Finance**

#### Financial Support for the Financially Disadvantaged

We can achieve the social value of finance by easing the burden of unnecessary financial costs for the financially disadvantaged. To this end, Woori Financial Group is preparing various financial support measures for low-income earners to offer aid. The 'New Hope Spore Loans,' which is a representative financial product for low income makers, executed a new loan amount of KRW 615.6 billion, as of the end of 2019, by opening a non-face-to-face channel from April 2019 to increase support for financially underprivileged groups who are unable to visit the bank. In order to engage in the government's support policy for low-income people's finance, through 'Sunshine Loan 17', launched in September 2019, we attracted low-credit people who were unable to knock on the bank's door due to low credit ratings.

In addition, Woori Bank contributed approximately KRW 1.3 billion last year as a guarantee fund for the 'Woori University Student & Youth Sunshine Loans,' which transforms high-interest rate loans to low-interest rate loans for university students and youth groups. In addition, we have selected branches in areas with high demand for financial products for low-income people as 'Woori Hope Financial Plaza' to help people restructure their debt and manage their assets. Woori Financial Group will continue its efforts to care for financially vulnerable groups in 2020.

#### Financial Support for Small Enterprises and SMEs

Woori Financial Group has supported SMEs and small enterprises with the aim to 'practice an innovative and inclusive SME finance', and achieved No. 1 ranking in net increase in technology finance and policy fund loans by focusing on innovation finance and policy fund loans for companies with excellent technology. In addition, we support SMEs and small enterprises in need of financing by providing special contribution of KRW 47 billion to credit guarantee institutions including Credit Guarantee Foundation, and supporting SMEs and small enterprises by establishing a support plan with a total of up to 3 trillion by 2020 for SMEs and small enterprises struggling with Japanese export regulations.

#### **Job Creation Fund**

Woori Financial Group is engaging in the job creation fund, a joint social contribution project in the banking industry. This project aims to achieve a social investment by creating a fund by returning some of the profits earned by the bank, and then using it for start-ups or excellent technology companies that are expected to create more jobs. Woori Financial Group has contributed approximately 12.4 billion and approximately 24.1 billion in 2018 and 2019 respectively.

#### Social Finance Revitalization Projects

Woori Financial Group is joining social finance revitalization projects in the pursuit of social value realization along with financial benefits. To this end, we have contributed KRW 25 billion in funding with the members of the Korea Federation of Banks, and these funds will be used for various projects to revitalize social finance, such as supplying 'patient capital' required for early startups and fostering social financial intermediaries.

#### Youth Entrepreneurship Foundation Support Projects

Woori Financial Group engaged in the establishment of the Youth Entrepreneurship Foundation in 2012 with members of the Bankers Association to support companies in early startups with excellent technology. Since then, we have contributed approximately KRW 54.1 billion to the foundation so far, including the contribution of approximately KRW 5.6 billion last year. The amount of contribution is used to create a Growth Ladder Fund to support the development of excellent venture companies.

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#### Fostering Future Generation

#### Invitation to Seoul for Children in Isolated Regions

Woori Bank supports various programs to foster future generation so that children who are the leaders of the future can grow bigger dreams through various experiences. Through the Seoul Invitation Project for Children in Isolated Regions, we invited children in farming and fishing villages that are culturally isolated and gave opportunities to experience various cultures for 36 years since 1984. In addition, a total of 200 elementary school students and teachers from isolated farming and fishing villages participated in the Seoul Invitation Project for Children in Isolated Region and experienced in enjoyable and diverse programs of visiting Woori Bank's broadcasting station, Museum of Bank History and Cheongwadae.

#### Woori Financial Group Dream Tree Scholarship Program

Woori Financial Group has selected excellent scholarship students each year among children from local child centers under sisterhood relationship since 2011 to support the 'Woori Dream Tree Scholarship'. In 2019, we provided a total of KRW 35 million in scholarships to 74 children of 74 local children child centers, and the cumulative number of beneficiaries reached 1,892. Woori Bank will continue its scholarship project and give generous support to children in difficult family circumstances so that they can continue studying without losing their dreams.



#### **Financial Education Project**



#### **Financial Education of Community Child Care Centers**

The Museum of Bank History of Woori Bank, which opened in 2004, has provided financial education including the history of Korea's finance, to children and youth. In particular, in 2019, we invited children from the community childcare centers to provide financial and economic education to 667 local children a total of 40 sessions so that more children could benefit from education. The company will expand the education targets to further strengthen the role of social contribution as a financial education institution in the future.



#### **One Company, One School Financial Education**

Woori Financial Group has been engaging in the 'One Company, One School Financial Education' that is being promoted by the Financial Supervisory Service since 2015. Woori Bank's nationwide branches has formed partnerships with local elementary, middle and high schools to provide financial education in accordance with regional and school characteristics, aiming not only to help children better understand finance but also improve their awareness of finance. Woori Bank branches have built partnerships with 489 schools and provided financial education to 7,464 students over 112 sessions last year.

Woori Bank's Promising
Scholarship Students event



#### **Future IT Talent Development Project**

Woori FIS, a comprehensive financial ICT (Information and Communications Technology) service company of Woori Financial Group, provides programming language education for vulnerable children and youth. We help children grow into IT talent of the future by teaching them how to solve difficult and complicated programming languages in the form of games. In addition, we select 70 vulnerable students attending specialized high schools are selected to provide scholarships, and IT experts in the company help students interested in IT to develop their expertise and explore their careers.





 Digital talents cultivation project for vocational school students

#### **Support for Underprivileged Groups**

#### **Operation of Woori Love Sharing Centers**

Woori Financial Group operates a 'Woori Love Sharing Centers,' where employees from each branch nationwide have established sisterhood relationships with community welfare facilities and community children's centers, and regularly volunteering at these institutions. We have established sisterhood relationships with 230 facilities and centers in 2019. In particular, through the awards for excellent volunteers for each half year, we encourage employees to voluntarily participate in volunteer work with interest in underprivileged groups.

#### Employees' Social Contribution Campaign of Woori Financial Group

In February 2019, Woori Financial Group has conducted a company-wide social contribution campaigned for the theme of 'Good Together, Better Together' through the participation in employees in domestic branches and overseas corporations from 22 countries. More than 300 employees from overseas corporations such as the United States, China, India, and Brazil participated in social contribution activities to support underprivileged groups according to local conditions. Also, in Korea, 700 employees from 64 branches participated in social contribution activities while collecting donations worth about KRW 120 million to local social welfare facilities.



Global volunteer works

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In October last year, 1,100 employees from 97 branches of home and abroad participated in social contribution activities such as visiting the vulnerable groups relying on community social welfare facilities and spending time together to support daily necessities. In the process, approximately KRW 150 million was being donated to community welfare facilities. Woori Financial Group plans to implement a variety of support projects to promote win-win cooperation with the community by engaging more employees in 2020.

#### **Woori Love Fund Contest Projects**

We have been operating the 'Woori Love Fund' system that employees voluntarily donate a certain amount of their salaries every month for social contribution activities since 2003. In 2019, monthly average 5,760 employees participated in the Woori Love Fund and KRW 395 million was raised. This fund was used for the 'Woori Love Fund Contest' project that supports non-profit corporations and organizations semiannually with the matching grant by Woori Bank.

Woori Love Fund Contest project supports excellent social welfare programs aimed at discovering welfare blind zones in local areas, assisting self-reliance of the socially marginalized, and helping cultural activities of culturally alienated groups. Woori Financial Group will continue to develop excellent social welfare programs to pursue mutual prosperity with local communities and reduce inequality.

#### Woori Financial Group's Woori Hope Box (Seollal, Chuseok)

Woori Financial Group spares no interest and support to underprivileged groups, who feel a great sense of alienation on holidays. Last January, Woori Bank's headquarters had a meaningful time to produce 2,300 Woori Hope Boxes consisting of foods for New Year by 196 new employees and provide them to 2,300 households such as the elderly who live alone and low-income families in Seoul. In addition, in Chuseok, we provided Woori Hope Boxes worth KRW 100 million, consisting of meat and seasonal fruits, etc. to protection facilities so that marginalized groups living in community protection facilities can spend a rich holiday to support underprivileged groups in the blind spots of welfare benefits.

#### Woori Financial Group's Blood Donation Campaign

Since entering a blood donation agreement with the Red Cross Korea in 2008, we conduct a blood donation campaign for all employees of groups in the summer, when donated blood is in especially short supply. In 2019, during the campaign period, employees of Woori Financial Group visited a nearby blood donation center to donate blood and delivered 1,078 certificates collected through donations to underprivileged people with rare incurable diseases such as leukemia and childhood cancer. The blood donation campaign will not only make employees interested in sick neighbors but also will continue as a movement to help patients live a healthy life in the future.

Woori Box of Hope (Woori Financial Group)
Blood donation campaign (Woori Financial Group)







#### **Spreading Mecenat Activity**

#### **Healing Concert for Youth**

Since 2018, Woori Financial Group has been supporting the 'Healing Concert for Youth' projects where symphony orchestras visit schools and play classical music. It is a project that helps students who are unable to experience classical music to feel familiar with the music and to solve cultural needs. In particular, we are aiming to overcome the prejudice about disabilities that young people can have by performing concerts with disabled players at every performance. Last year, 7,000 students visited 12 schools and had a 'healing' time with a classical performance.

#### Wheelchair Support for disabled people

Woori Bank provided a customized sports wheelchair and training support funds to Yoo Soo-young, badminton prospect with physical disability and with training support funds to celebrate the Day of People with Physical Disability, in November last year. By doing so, we have conducted a wheelchair support project for disabled people by repairing broken wheelchairs while traveling to welfare centers nationwide. Woori Bank will continue to provide various support projects, including wheelchair support, so that the disabled people's uncomfortable body will not become an obstacle in the future.



Support for cultivating promising sportsmen with disabilities

#### Woori Warm Voice

A warm voice can be a guide to lead children who cannot see to a wider world. With the 'Woori, Warm Voice' project, Woori Financial Group is producing and supporting voice books for children with visual disabilities. We produced 340 audio books from the voices of a professional voice actor on CD, distributed them to schools for the blind and electronic libraries nationwide, and donated 120 players to play the audio books.

#### Woori Card's Mecenat Support

Woori Card supports children with excellent academic performance or talents in the arts and physical education to prevent their talents from blooming just for economic reasons. We selected 16 children based on their experience in winning domestic and overseas competitions in recent two years, targeting children of small business owners (elementary, middle and high school students) who are in difficult situations in 2019, and provided a total of KRW 130 million, in the form of school and education materials, contest participation fees, and lesson fees.

#### **Environmental Protection**

#### 'Woori Financial Group's Forest for Life' Creation Project

Inhung Elementary School in Goseong, Gangwon-do, was directly damaged by massive forest fires that occurred in the area in April 2019, causing damage to the surrounding forests and burning school sheds and caring classes. Woori Financial Group launched the 'Woori Financial Group's Forest for Life' project to rebuild the burnt school forest by donating KRW 200 million to Inhung Elementary School shortly after the forest fire. During the six-month period that started from June last year, we planted about 3,500 trees around native tree species and other species that can reduce another wildfire damage in this area of 7 million square meters. The forest, recreated with human touch, has been reborn as a 'Forest for Life' where children and local residents can play and relax.

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"Woori Keeps the Earth" campaign



#### Environmental Campaign, 'WOORI Saves the Earth'

Woori Financial Group conducted the 2019 company-wide environmental protection campaign 'WOORI saves the Earth' to establish an eco-friendly culture and green management in the bank. Approximately 12,893 employees of Woori Bank participated in the pledge of eco-friendly practices and saved the use of 110,000 paper cups compared to the previous year through the related campaign, and practiced energy saving by shutting off the power of office devices when leaving work. In addition, we have taken the lead in protecting the environment through various eco-friendly living actions to be taken in daily life, for example, employees collected 342 eco-bags and donated them to conventional markets to reduce the use of disposable plastic bags, and installed an AI resource circulation recovery robot in the bank's main office building to spread the resource recycling culture.

### Woori Multicultural Scholarship Foundation

In 2012, subsidiaries of Woori Financial Group including Woori Bank established the Woori Multicultural Scholarship Foundation by contributing KRW 20 billion. 'Woori Multicultural Scholarship Foundation', the first multicultural scholarship foundation in the financial sector, is actively taking the lead in fulfilling honest, professional and social responsibilities by supporting healthy growth of children of multicultural families and stable settlement of migrant women and multicultural families.

#### Multicultural Children Scholarship Program

In 2019, the Woori Multicultural Scholarship Foundation selected total 400 students and supported KRW 6.26 million scholarships. We are striving to create educational environments for students to concentrate on studies without financial burden; and supporting scholarships in special fields used for education & training, acquisition of certifications, and competition cost so that multicultural students with special talents in special fields such as sport, art and languages can improve their talents further. Foundation scholarship students are organizing regular monthly meetings by forming 'Woori Nuri' supporters. We provide various activities to develop their capabilities as global talents, such as team projects and volunteer activities that create a personalized song, novel book, and video comparing various foods and cultures to improve multicultural awareness, and participation in various lectures and discussions.

#### Cultural & Welfare Programs for Multicultural Families

The Woori Multicultural Scholarship Foundation supports joint weddings for multicultural couples who could not hold a wedding ceremony due to financial difficulties. In 2019, we supported wedding expenses including the wedding receptions and honeymoons to 10 couples to help multicultural families to become healthy members of our society. During the summer vacation, our cultural experience group of multicultural children consisting of middle and high school multicultural children and college scholarship students of the foundation visited Singapore, a representative multicultural and multi-ethnic country, to explore their history, culture and ecology, and toured Woori Bank Singapore Branch and National University of Singapore, and conducted cultural exchange activities with local students. In addition, we are implementing various cultural and welfare support programs to help stable settlement and happy life of multicultural families by improving study rooms of multicultural children and supporting cultural and leisure life of multicultural families.

#### **Financial Consumer Protection**

Classification	Targets	Supports  More than 50 multicultural children gather twice a week to receive chorus education and prepare contests.				
Woori Multicultural Children's Choir	Multicultural preschoolers and elementary school students					
"Woori School" for multicultural youth  Cultural Class for Multicultural Families "Woori Academy"  Multicultural middle and high school students  Married immigrants		K-pop dance and vocal training programs are offered to around 20 multicultural youths to help them grow their dreams and cultivate talents.				
		Over 80 married immigrants participate in diverse programs such as illustration, make-up, and leather crafting, which contributes to enjoying leisure time and better adapting to Korean society.				
Economic and financial training for multicultural families	Married immigrants, multicultural children	Tailored trainings are provided to share economic and financial information and support rights economic activities.				

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#### **MAJOR PERFORMANCES IN 2019**

Beneficiaries of financial consumer training



**18,514** persons

Prevention of voice phishing through monitoring



KRW 44.3 billion

2019 Awards by Korea Economic Daily



Grand Prize in Customer Satisfaction

(12 consecutive years in the bank sector)

8<sup>th</sup> Financial Consumer Protection Awards



**Best Prize** 



SIGNIFICANCE OF THE ISSUE

Recently, our society requires companies to take a step forward beyond just creating profits. For example, financial companies are required to further protect the rights of financial consumers to ensure their asset growth. Other needs include considering and training financially marginalized so that they are not alienated from financial benefits.



**OUR APPROACH** 

Woori Financial Group makes a concerted effort to manage sales process from customers' perspective and establish the culture of perfect sales for the purpose of protecting customer assets. Moreover, we provide customers with diverse and professional financial information and financial education to help them acquire financial knowledge. Woori Card operates the "Customer Panel" system to listen to the voice of customers and handle customer inconvenience of existing products. Like this, we are proactive in protecting financial consumers in advance to become a financial company trusted by customers.

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## KPI of Key Issues

Classification		Indicator	Distributi	on (2020)	Distributio	Remarks	
		muicator	Minimum	Maximum	Minimum	Maximum	Remarks
Customerasset		Customers' rate of return	-	50	-	20	30 points↑
management	Customer care (After-sales	Monitoring of incomplete sales (Happy Call)	22	30			New
management)		Mystery shopping	16	20			New

#### Promoting system improvement to prevent incomplete sales of high-risk products

Woori Financial Group decided to look into the existing system from the customer's point of view and change the bank's internal control standards and system accordingly to prevent similar events in the future in relation to the "Derivative-linked Fund (DLF) disaster". As a result, Woori Bank established an asset management innovation TFT in September 2019 and selected '17 tasks in three sectors' to promote specific system improvement.

First, we promoted 'Sales System Innovation' to improve the objectivity in the product selection stage. We upgraded the chairman of the Asset Management Products Committee to vice-president position and invited external experts to participate in the meeting. We also separated the product organization from the marketing organization and strengthened internal qualification standards so that only qualified employees can sell highrisk investment products. In addition, we established a 'Customer Care Center' under the head of the asset management group as an organization dedicated to preventing incomplete sales. In order to achieve 'Infrastructure Innovation', we decided to distribute the Code of Ethics for Asset Management which puts customer profit as the first value and re-establish the asset management system that supports customer return and risk management.

Moreover, we have reorganized our system to focus on customer in employee evaluation, including a significant increase in customer return to KPIs for branch offices and PB/FA (Financial Advisors) for 'business culture innovation'. For group executive management, we introduced a financial consumer protection management evaluation that reflects financial consumer protection items in executive evaluations to innovate the entire business culture.

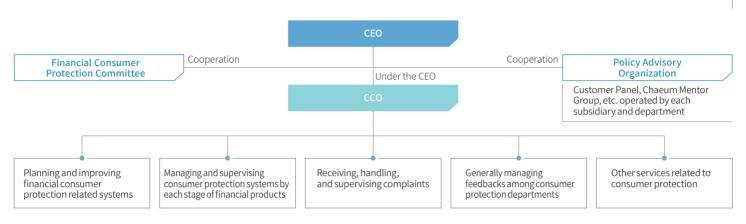
#### Enhancing Group's Financial Consumer Protection System

Woori Financial Group strives to protect the financial consumers' rights at a company-wide level. We appointed the Chief Consumer Officer (CCO) under the direct control of the CEO for each subsidiary to ensure that they manage and supervise the overall consumer protection business in its independent position. Going one step further, Woori Financial Group established a financial consumer protection organization to serve as a control tower for consumer protection in 2020. In addition, Woori Bank divided the existing consumer brand group into a financial consumer protection group and a PR brand group. The reorganized financial consumer protection group is actively performing customer protection service, as an independent organization directly under the head of the bank. In addition, we have newly established and changed KPIs to prevent incomplete sales at branches, thereby encouraging employees to pay more attention to customer protection. We also introduced the customer-oriented performance management system by raising the customer return item from 20 points up to 50 points and creating incomplete sales monitoring and mystery shopping results as new evaluation items.

In addition to the Financial Consumer Protection Council under the supervision of the Chief Consumer Officer (CCO), Woori Card has operated the 'Financial Consumer Protection Committee' under the supervision of the CEO separately to strengthen so that the CEO is able to engage in the company's financial consumer protection policy direction and various issues, and has reflected 30 points of the consumer protection fidelity (KPI) evaluation item in the performance evaluation system of sales division to prevent conflicts of interest between sales staff and consumers.



#### Woori Bank's Organization Dedicated to Financial Consumer Protection



#### Activities to Protect Financial Consumers

Woori Financial Group approaches financial consumer protection activities by dividing them into prior prevention and follow-up management to increase its effectiveness. Prior prevention fundamentally blocks damage to consumers by improving consumer-oriented financial practices and services and reducing information asymmetry of consumers who lack information through the reinforcement of public disclosure.

#### **Preventive Stage**

To proactively protect financial consumers, Woori Financial Group reviews whether there are any disadvantages from the customer's point of view through pre-inspections and compliances at each stage when developing financial products and establishing marketing policies.

#### **Product Development and Sales Stage**

In the product development stage, Woori Financial Group take preemptive measures to protect financial consumers by listening to consumer opinions through various channels and going through prior consulting procedures. In other words, we ensure that the customer satisfaction survey, past complaints, external expert opinions, etc. are reflected before developing a new product or introducing a new system and go through the process of monitoring whether there are any missing comments before final release. In particular, for the product risk management in 2019, Woori Bank upgraded the 'Product Selection Committee' under the head of the department to the 'Asset Management Product Committee' chaired by the head of the Asset Management Group, which includes two external persons as advisors in addition to internal members to strength transparency and fairness.

In the product sales process, we systematize the sales process of each product group according to strict internal regulations and manage it to ensure complete sales. In addition, we are improving services so that financially vulnerable groups can see services more easily and comfortably and providing services for each type of disability.

Woori Card also goes through the process of collecting opinions on the development of new products through the 'Product Council' prior to the launch of new products, and regularly monitors customer opinions after launch.



Prior consultations by Woori Bank

1,170 cases

Up 787 cases from 2018

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#### Follow-up Management Stage

After products are sold, Woori Financial Group first checks whether the sales process has been properly implemented and conducts Happy Call and self-monitoring to assess whether any incomplete sales occurred. In the case of damage to customers from incomplete sales, we find a way to minimize the damage through the system to relieve damage on financial consumer. The follow-up management process is reflected by the sales personnel and the organizational KPI, and the results are submitted to the Financial Consumer Protection Committee.

- · Streamlining KPI in 2020 and introducing an annual evaluation system
- $\cdot \, \text{Enhancing evaluation on ``rate of return to customers''} \, to \, \text{encourage practical customer asset management} \,$
- Maximum 50 points (Rate of return from new accounts + Portfolio + Follow-up management of customers) (up 30 points)
- $\cdot \, Launching \, the \, \text{``Customer Care'' index for stronger financial consumer protection'}$
- Monitoring of incomplete sales: 30 points, mystery shopping: 20 points

#### **Complaints Process**

Woori Financial Group also focus on follow-up management to protect financial consumers, with the idea that the sale of financial products is not the end of sales activities. We strive to prevent the repetition of similar types of complaints by reviewing the entire civil complaint handling process frequently to find improvements, and detecting patterns of consumer complaints that are not revealed through statistical analysis using big data.

#### **Complaints Handling Process of Woori Financial Group** 05 01 Preventing Receiving · Improving accessibility by operating Improving product policy and system complaints complaints diverse channels such as phone, internet, · Employee training and complaint postcard, and smart phone prevention education Preventing reoccurrence of similar Sharing information in real time among complaints by providing efficient related branches by registering and Handling Analyzing complaint response manuals notifying complaints on the system complaints data Registering results and statistical information 02 0403 Providing quality services by designating exclusive Accumulating data for detailed Diversifying data analysis: Branch causing investigators and systematic classification and complaints, types, causes, and places of analysis of complaints complaints · Improving professionalism and objectivity in complaints handling through external advices and Managing entire complaint Providing customized materials and inspections if necessary handling process through the statistical information by user complaint control system



#### **Financial Consumer Protection Education**

Woori Financial Group is actively practicing financial education to protect financial consumers, in the belief that the most fundamental solution to protect customers from incomplete sales is to prevent damage from happening by cultivating customers' financial knowledge through customer education.

#### **Consumer Financial Education**

Woori Financial Group operates various educational programs such as 'One Company, One School' financial education, 'children's experience class', and 'financial musical' for children and youths who are the leaders of the future economy. Also, to prevent damage on seniors and foreigners who are vulnerable to financial frauds, we conduct financial fraud prevention education in association with schools and local groups. We conducted training for 11,952 customers and training for 6,562 employees (344 hours) in 2019.





Training for enhancing the competence of Consumer Protection Forum leaders

#### Prevention of Financial Fraud

Woori Financial Group operates a preemptive monitoring system to prevent voice phishing damage of customers, and in particular, we have strengthened the window payment process to filter out suspicious behaviors when giving money to customers at the window, and make efforts to prevent the hacking of mobile phones in advance by introducing a 'remote control detection engine'.

In addition, we are actively conducting promotional activities for customers to spread social interest in voice phishing, such as the UCC video production contest for preventing voice phishing and eradicate fake deposit accounts. It encourages college students to take part in the contest to raise their awareness about voice phishing targeting the rapidly growing 2030 generation. Also, a total of 49 teams (147 people) participated in the UCC contest held last year and competed in good faith, giving the opportunity to spread the risk of voice phishing.



 Awards to the winners of the UCC contest for university students

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#### **Woori Bank Voice Phishing Prevention Services**

#### One-Touch Safe Transfer Service, Transfer-Delaying Service

Recently, we have introduced various services to more fundamentally block voice phishing scams. We provide the 'One-Touch Safe Transfer Service', which makes transfer impossible other than the designated account even if customer information such as an account password is leaked, and the 'Transfer-Delaying Service that allows actual transfer only after a certain period of time (at least 3 hours) after transfer. These services are provided through prior application and are expected to be helpful to seniors who do not have many financial transactions.



#### **Woori Card Voice Phishing Prevention Services**

#### A 2.5-hour delay when depositing cash

In order to recognize voice phishing scams, we conduct a Happy Call to verify a voice phishing for highrisk groups who are subject to credit card loan lending and check whether they are not applying for a loan by fraud.



#### Financial fraud prevention education for the elderly

Woori Bank conduct financial fraud prevention education for the elderly, who are a major target of voice phishing crimes, working with the Financial Security Institute. The smartphone security education for senior citizens held at the Community Senior Welfare Center in Seoul last year, experts introduced helpful information in daily life, such as how to install a security program, and cases of inducing malicious app installation disguised as a loan, which received positive response.

#### **Educations on Finance Fraud Prevention**

#### Prevention by operating the voice phishing monitoring system

(Unit: KRW in billions, cases)



#### Damage prevention at branches

Amount prevented	KRW 10.3 billion
Accounts prevented	792 accounts
Criminals arrested	523 persons
Letter of appreciation	165 persons

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#### **MAJOR PERFORMANCES IN 2019**

2019 Awards hosted by the Korea Management Association Consulting



(Digital management sector)

Cumulative number of "Woori Pay" users



million persons

Total number of smart banking customers



14.76 million persons

2019 Awards hosted by the FinTech Center Korea



Appreciation Plaque (support for overseas expansion of Korean FinTech companies)



SIGNIFICANCE OF THE ISSUE

The rapid progress of digital technologies changing consumer behaviors drastically requires most companies to fundamentally transform itself. Especially, financial business is facing intense environmental changes as the traditional function of branches is substituted by smart phone. Therefore, digital competence is becoming a core competitiveness that can determine the survival of financial companies.



**OUR APPROACH** 

With the awareness that digital innovation is prerequisite to securing new growth engines, Woori Financial Group has promoted digital transformation at the Group level. To reform the organization centered on digitalization, we have established a mid- and long-term plan for expanding related infrastructure and seriously considered the method how the digital-centric organization create profits independently.

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# KPI of Key Issues

Relevant indicators		Plans for 2020		
Relevant indicators	2018	2019	Goals for 2019	Platis 101 2020
Net increase in new untact customers	10,000 persons	73,000 persons	Attained the goal of 50,000 persons	Setting goals based on profitability
Number of customers with untact products	275,000 persons	364,000 persons	Attained the goal of 350,000 persons	instead of simple increase of accounts
Net increase in new untact product accounts	1,956,000 accounts	2,530,000 accounts	Attained the goal of 2,133,000 accounts	

#### Group's Digital Finance Innovation Strategy and Direction

Woori Financial Group has established a group digital vision of 'Digital for Better Life' and a slogan of 'Digital First, Change Everything' at a group level to make all employees sympathize and empower them on digital finance. In addition, we will set three goals: 'strengthening the platform, leading new businesses, and upgrading internal capabilities' and focus all our capabilities on the group's digital innovation to achieve this vision.

Woori Bank plans to promote all kinds of projects in 2020 so that digital finance can play a leading role in 'strengthening competitiveness as a bank's main business.' The company will create substantial digital-based financial results, promote digital business throughout the financial sector business, and promote digitalization in the bank's unique sector, especially corporate finance, which is difficult for Fintech companies to easily emulate. In addition, through preemptive risk management and strengthened internal control due to the expansion of the scope of new digital business, we will help build a solid business structure when promoting business.

Woori Card will promote business for Mobile First, Data First, and Digital First. For Mobile First, we plan to rebuild the digital channel, innovate MX (Mobile Experience), and activate the platform. For Data First, we will promote my data business, build big data infrastructure, and open API. And for Digital First, we plan to develop a blockchain-based authentication service, upgrade chatbots, discover new investment destinations, and develop services.

#### Customer-oriented Digital Channel Renewal

#### **Opened Woori WON Banking**

In August 2019, Woori Bank completed the renewal of the existing mobile banking service, 'One Touch Personal Banking' to 'Woori WON Banking'. The 'WON', a portmanteau of Woori and Online, was developed based on three core concepts: Clear, Fit, and Lead. The easy and simple screen configuration, customized announcements, and natural transaction linkage enable customers to be guided to new financial products suitable for them. In the future, Woori Bank plans to continue to establish its position as a marketing platform representing Woori Financial Group by upgrading WON Banking to meet the needs of customers.

#### Transformation of Mobile First, Digital Channel

Woori Card is reorganizing the existing digital channels to build a 'Mobile First' environment to perform all tasks in the mobile app and analyze customers' behavioral patterns to perform optimized marketing for individuals. The new digital channel, which is scheduled to open in the second half of 2020, enables customers to have a consistent customer experience even if they contact Woori Card through different non-face-to-face channels such as the Internet, mobile, and call centers, and to receive various services of Woori Financial Group from Woori Card App.



#### **Customer-based Digital Marketing**

#### Strengthening Digital Marketing to Secure Customer Base

Woori Bank is making multilateral efforts to respond to the financial environment where the number of customers visiting the branch has been continuously decreasing and mobile financial transactions has been increasing, and to expand the customer base. We are encouraging new customers to experience Woori Bank's convenient financial services through various channels, by promoting joint marketing with external platform companies with a rich customer base and launching exclusive products in partnership with simple payment companies.

#### **Establishment of Digital Communication Team**

Woori Bank intends to provide an optimal User Interface (UI)/User Experience (UX) by establishing a 'Digital Communication Team' under the direct control of the Digital Financial Group, through which customers can intuitively understand our non-face-to-face products and services as well as maintain a consistent customer experience.

#### Stimulating non-face-to-face marketing using PUSH system

In order to promote non-face-to-face channel marketing, Woori Card is strengthening its PUSH marketing activities using content such as various images for card company's products and services marketing by rebuilding the smart app PUSH system in January 2019.

#### **Expanding the Digital Finance Ecosystem**

# 'Dinno Lab', a Fintech cooperation program that discovers, collaborates, and strengthens competitiveness of innovative startups

Dinno Lab is a Fintech Lab which discovers innovative startups and collaborates with them to lead the future digital business. It is made of the 'WiBee Fin Tech Lab' for early startups, and the 'Developer Lab' for scaling up Fin Tech companies based on technology cooperation, the 'Dinno Lab Vietnam' for supporting domestic startups to enter into Southeast Asia. Since launching in 2016, we have discovered and fostered startups including 24 Wibee Fin Tech Labs, 10 Developer Labs, and 5 Dinno Lab Vietnam, and encouraged the growth of fostering companies, including cumulative sales of KRW 24.7 billion, employment increase of 166 people, and investment attraction of KRW 12 billion. In addition, we are creating shared growth with Fintech companies and Woori Financial Group by introducing 9 projects in the group and direct investment of KRW 1.5 billion. In 2020, we plan to consolidate WiBee Fintech Lab and Developer Lab into one center and expand the framework of a global innovation hub centered in Vietnam to lead open innovation that extends beyond Korea into the world.

#### Enhancing digital synergy through group in-house ventures

Woori Financial Group introduced 'ADVenture', the group's in-house venture system, in October 2019, and we intend to build a creative organizational culture and strengthen our internal innovation capabilities that can sustainably grow. In February 2020, we recruited in-house venture teams targeted for the group's employees and selected two teams in April. The selected team will shape a business plan for one year. Woori Financial Group will provide commercialization support and accelerator programs to the selected team and strengthen innovation synergy by moving into a space to with Dinno Lab, a startup cooperation program, to experience the liveliness and realism of startups.

#### Expanding digital ecosystem based on Open Banking

In 2019, Woori Bank promoted differentiated digital marketing and omni-directional collaborative projects with outside parties with the aim of strengthening the capabilities of Open Finance-based Development and Marketing in 2019. We have strengthened a digital direct marketing to promote collaboration with external platform companies and domestic and foreign payment companies that have secured a large number of customer bases to cope with the decrease in customers in the bank, and continue to promote joint partnership products/service development with leading Fintech companies. In addition, we are striving to establish a digital ecosystem where small and large financial companies can coexist by creating an innovative growth fund worth KRW3 trillion and investing in promising startups.

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#### Expanding partnerships with its easy payment platform 'Woori Pay'

As of the end of December 2019, 'Woori Pay', the representative easy payment platform of Woori Card, has recorded the cumulative number of 1.31 million customers. Starting in June 2019, offline payments using QR payment are also available in China and Southeast Asia, and as of January this year, the number of offline merchants in Korea has been expanded to about 100,000 locations. In the future, we plan to expand partnerships with large online companies such as portals and open markets and grow into a group integrated payment platform in connection with Woori Bank.

#### **Expanding Innovative Services and Technologies**

#### Expansion of new business using AI and block chain

Woori Bank has been making efforts to secure competitiveness in new technology-based products and services through early commercialization of innovative technologies while enhancing work efficiency and maximizing sales power by using innovative technologies.

In the case of artificial intelligence (AI), we apply it for all areas of banking services such as customer service, risk management, and business efficiency, and we are continuing to internalize the technology taking into account the improvement in completeness and usability as artificial intelligence accumulates and learns data.

In the case of block chain, we participated in the national block chain project hosted by the Ministry of Science and ICT and developed a pilot service that issues customer ratings in the form of mobile electronic certificates in April 2019, and we signed a 'mobile electronic certification business agreement' with three telecommunication companies and formed a consortium called 'Initial Association' to continue to discover commercialization services. In the future, we will issue block chain-based VIP-level electronic certificates to PB customers of Woori Bank so that they can enjoy the benefits of VIP customers of affiliates.

#### 24-hour Consultation System through Chatbots

Woori Card introduced a 24 hour chatbot system that responds to customer inquiries and requests via chat in February 2019. This is how AI learns customer's structured/unstructured data through machine learning, and the probability of finding the answer for the customer is increasing over time. In particular, as the scope of use of chatbots has extended to various customer services including screening beyond simple customer response, not only improving service speed, but also reducing cost through unmanned automation.

#### **FIDO System Construction**

Woori Card established the FIDO system in step with the current digital trends that demand diverse methods of authentication. Now, it is possible to authenticate a user through fingerprints or irises. Woori Card will promptly introduce any bio-authentication methods such as facial recognition that become commercialized for the convenience of our customers.

#### Crowd Funding Platform 'WiBee Crowd'

The 'Wibee Crowd', a crowd funding platform of Woori Financial Group, has been acting as an intermediary for startups that have not been able to raise funds since 2016 to raise business funds from the general crowd. Wibee Crowd has successfully served as an intermediary of approximately KRW 1.1 billion for 33 startups and venture companies.



#### 2019 Sustainability Management Report **Issue Book**



Support for micro finance







Issuance of USD 200 million



SIGNIFICANCE OF THE ISSUE

Globally, there has been an increasing requirement for finance to be more inclusive and contribute to realizing a fair economy. In Korea, inclusive finance and productive finance are also becoming critical topics. The former pursues increasing the financial accessibility of the financially alienated groups and considering them, while the latter aims to revitalize economy and expand jobs by supporting innovative companies and ventures instead of non-productive sectors such as real estate. This trend shows that finance should grow together with the society.



**OUR APPROACH** 

Woori Financial Group makes various efforts to fulfill its social responsibility and realize sustainable growth. We expand opportunities for the financially alienated groups who are suffering from high interest rate due to low credit ratings to use bank and keep a close watch on the changes in credit ratings of existing customers. We also intend to contribute to increasing the sustainability of environment by expanding investment in eco-friendly and renewable energy projects.

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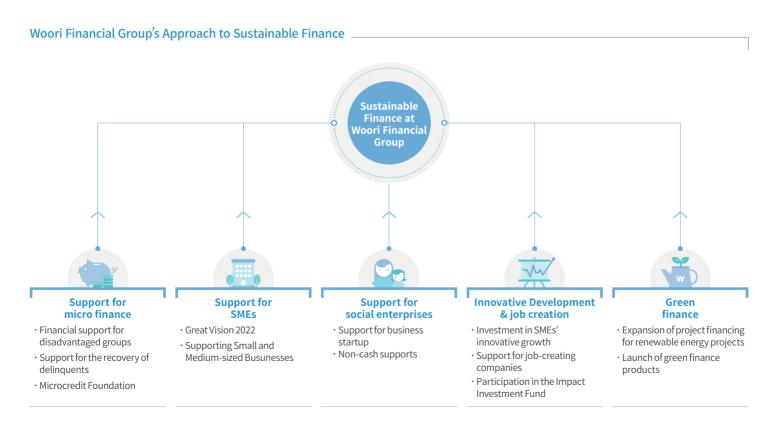
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# KPI of Key Issues

Relevant indicators		2019	Future goals		
Relevant indicators	Goal	Performance	Achievement rate	2020	Accumulated by 2022
(Innovative finance promotion - 1) Loan support for innovative, startup, and social enterprises	KRW 4.4 trillion	KRW 7.1 trillion	135%	KRW 6.0 trillion	KRW 18.6 trillion
(Innovative finance promotion - 2) Indirect investment in innovative growth companies, investment support by raising funds	KRW 220 billion	KRW 304 billion	138%	KRW 320 billion	KRW 1.3 trillion

#### Sustainable Financial Access System of Woori Financial Group

In 2019, financial authorities promoted various policies aimed at supporting sustainable microfinance that low-income families can directly experience. The most active policy was to enhance supports for low-credit groups who were excluded from the market. In line with the government's financial policy, Woori Financial Group launched Woori Sunshine Loan 17 in September 2019. In addition, we introduced a system that automatically uses surplus exceeding 6% of contracted interest rate for principal redemption when financially vulnerable customers need to extend the term of their loans, practicing inclusive finance.





#### Issuance of Sustainable Bonds and Asset-Backed Security

Woori Bank issued 'Sustainable Bonds' twice in 2019 by using the funds issued for eco-friendly businesses. Along with the sustainable bonds of KRW 200 billion in February 2019, we issued sustainable bonds in foreign currency valued at USD 450 million (approximately KRW 536.8 billion). The funds secured through the issuance of bonds are used for business loans related to renewable energy, pollution prevention and management, and eco-friendly building construction.

In addition, following the issuance of Social Bond worth KRW 100 billion in April 2019 for the first time in domestic credit industry, Woori Card has successfully issued social overseas ABS worth USD 200 million for the first time in the private sector in November 2019, which is used for card payments for small and medium-sized merchants.

#### **Micro Finance**

#### Financial support for disadvantaged groups

In order to expand financial services for financially disadvantaged groups, Woori Financial Group has invested approximately KRW 710 billion in financial products for disadvantaged groups in 2019, such as the 'New Hope Spore Loans' to support stable living fund for low credit/income customers, the 'Woori Switch-Over Dream Loan' to support middle/low credit customers, the 'Changing Dream Loans' to transform the interest rate to low-range interest rate, and 'Woori Sunshine Loan' to support the financially vulnerable groups with very low credit ratings.

In particular, some products have been not only providing low interest rates, but also encouraging lenders' willingness to make repayments. Also, the 'New Hope Spore Loans' was designed to see relatively higher prime rates (0.25-0.5%) when customers with low internal credit ratings diligently repay the loan. Meanwhile, since April 2019, we have opened a non-face-to-face channel of the 'New Hope Spore Loans', offering the benefits of low interest rate loans to more customers.

In September last year, we introduced the 'Woori Sunshine Loan' project, a low-interest product targeting people with the lowest credit ratings and launched the 'Woori Sunshine Loan'. In addition, in order to supply more financial products for the common people while maintaining the soundness of the bank, we have strengthened customer distinction by introducing a separate model exclusively for low income people's finance, which is applied to the loan assessment for people with low income.

In addition, Woori Bank provided 451.2 billion won last year by conducting a 'Credit Loan 119 program' to extend the maturity of existing loans and extend the repayment period of existing loans through counseling two months before maturity for customers that are feared to be delayed due to a sudden drop in credit rating.

#### Supporting a new start for delinquent debtors

For the first time among local retail banks in Korea, Woori Bank has been supporting the recovery of delinquent debtors by lowering the delinquency rate of household loans of 7-8% to around 3-5%. In the fourth quarter of 2019, we have reduced the delinquent debtors interest within a range of up to 50% according to the customer's application if the customer had overdue payments with loans exceeding KRW 30 million. In addition, we have engaged in the government's debt adjustment program, the 'Credit Loan 119' to help customers reduce the overdue interest if they transform the existing loans into a long-term amortizing mortgage or provide reduction of interest in case they pay interest on a regular basis.

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#### Supporting Customers affected by Typhoon, Heavy Rains and Fires

Woori Financial Group provided up to KRW 20 million per person to individual customers affected by typhoons and heavy rains for their immediate recovery during 2019. We also reduced the loan interest rate by as low as to 1% of the existing interest rate, and for customers with the existing loans, we extended the repayment under the same conditions as the existing contract. If the customer affected by a typhoon wanted to terminate the installment deposit or savings in the middle of the period, we paid the original interest without charge and also reduced the counter transfer fees and ATM fees.

#### **Woori Smile Microcredit Foundation**

In order to promote the micro credit business, Woori Bank established the 'Woori Smile Microcredit Foundation' in 2009 for the first time in financial sector. We currently provide financial support to those who struggle with receiving loans by launching 10 branches and offices nationwide. In addition, we actively perform various support projects for financially underprivileged groups who are unable to use banks due to low credit ratings through the Visiting Smile Finance Services in which employees visit traditional markets to provide emergency operating funds or livelihood funds to small enterprises.

#### Support for SMEs

Woori Bank is striving to create a favorable financial environment for SMEs by providing KRW 5.5 trillion in loans to SMEs in 2019 alone so that SME customers can achieve sustainable growth in the era of low growth and low interest rates.

In particular, we have provided a special contribution of KRW 46.9 billion to financial policy institutions to support micro and small enterprises and SMEs in financial blind spots so that these customers could receive KRW 1.3 trillion through secured loans. In addition, by extending the support for regulatory funds in connection with the government, we achieved the result of providing the largest amount of regulatory funds among local retail banks in Korea.

In order to cultivate leading companies and ventures in the 4<sup>th</sup> industry with insufficient capital but high growth potential, we play a leading role in innovative finance by stimulating use of technology finance and real estate/IP (intellectual property) collateral loans and we increase direct, indirect and combined investment as well as loan and investment support for these companies. In addition, we help companies which are concerned about insolvency to recover them through proactive support. In other words, we are actively supporting so that companies can continue their sustainable growth despite difficult circumstances by providing benefits such as suspension of loan repayment and interest reduction, etc. through the 'Fast-Track Program (FTP)' and the 'Individual Business Loan 119'.

Woori Bank has also expanded its financial support based on a 'Growth Ladder' so that middle market enterprises, which play a key role in the local economy, can grow into global companies due to their excellent job-creating ability. Also, the company has focused on supporting middle market enterprises by establishing a 'Mid-Market Business Strategy Sales Division' dedicated to middle market companies utilizing the nature of Woori Bank, which is traditionally strong in corporate finance, and as a result the company ranked first in the mid-market enterprise financial support among local retail banks. In addition, we are helping these companies to grow into global companies by providing a fast financial support to high-quality mid-market enterprises seeking overseas expansion through linkages with Woori Bank's overseas sales channels and policy financial institutions.



#### **Social Company Supports**

Woori Financial Group supports social enterprises that provide jobs or services to the vulnerable groups to fulfill its social responsibilities. We provide customized support for each situation, such as providing commercialization funds, investing funds, supporting sales channels and material goods support and so that micro-sized social enterprises can operate with ease. In particular, in April 2013 and July 2018, Woori Bank entered an 'MOU to support ecosystem of social enterprises' with the Ministry of Employment and Labor and has constantly provided long-term financial support and the business consultation to social enterprises. In recognition of this achievement, the company received the Presidential Certificate for Fostering Social Enterprises' for the first time in the financial industry in June 2017.

Woori Financial Group will continue to expand its support for social enterprises to fulfill its social responsibilities as a financial company, and further contribute to revitalizing the social economy that prioritizes both economic benefits and social values.

# Innovative Growth/Job Creation Activities

Woori Financial Group is investing in an innovation fund in the form of indirect investment by raising KRW 100 billion in an innovation growth fund led by the group in 2019.

In addition, we actively engaged in the 'Growth Ladder' fund and the parent fund investment projects to discover and support promising small-sized and venture companies and invested KRW 100 billion won in 10 funds.

In particular, Woori Bank started investing directly in innovative growth companies for the first time in the financial industry in 2018 and selected 20 innovative SMEs with high growth potential through a public offering to invest a total of KRW 19 billion in 2019.

Woori Financial Group is actively investing in small but strong promising SMEs with excellent technology, thereby ultimately contributing to creating more jobs in our economy.

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#### **Green Finance**

#### **Green Investment**

Last year, Woori Financial Group invested project financing (PF) of KRW 287.6 billion in the environment-friendly renewable energy sector, which the government is actively fostering. For instance, the 'Wind Power Project in southwestern sea' is a representative project where an offshore wind power plant with the scale of 60MW was built and operated by Korea Offshore Wind Power in which Korea Electric Power Corporation is the major shareholder, in Buan and Gochang-gun, Jeollabuk-do. Woori Financial Group supplied the project financing (PF) of KRW 70 billion (29%) to the project worth KRW 244.5 billion. From December 2018 to December 2036, the investment will be retrieved through a partial repayment method for 18 years.

Another eco-friendly project, the 'Wind Power Project in Noraesan, Cheongsong' is a project where a wind power plant with the scale of 19.6MW has been built and operated by Cheongsong Noraesan Wind Power in which Korea Hydro & Nuclear power is the major shareholder, in Cheongsong-gun, Gyeongsangbuk-do. Woori Financial Group supplied the project financing (PF) of KRW 10 billion (23%) of the total project cost of KRW 43.1 billion. The investment will be retrieved through a partial repayment method for 16 years from April 2019 to April 2035.

Woori Financial Group will continue to pay more attention to eco-friendly renewable energy sources such as photovoltaic, hydro, and wind power for new investment opportunities in the future.

#### **Green Financial Products**

Woori Financial Group loaned a total of KRW 129.6 billion in 2019 to support working funds or facility funds to small enterprises and related SMEs in the eco-friendly green industry.

In the case of products such as the 'Agreement guarantee for new energy industry' and the 'win-win guarantee fund for renewable energy' in connection with the Korea Credit Guarantee Fund, we provide the reduction of guarantee fees and premium benefits to renewable energy companies such as solar power. In addition, the 'Energy use rationalization fund,' launched with the Korea Energy Agency, provides a long-term, low-interest loan to projects that replace the existing lights with LED lights or install solar panels in buildings. There are also products that apply prime interest rates (Seoul Climate Change Fund loans) when implementing energy efficiency projects in Seoul or when building solar power facilities with a capacity of less than 100KW.

In addition, we have implemented various green fund financial funds such as the 'Environmental industry development fund loans' which supports environmental pollution prevention facilities, the 'Recycling industry development fund loans' which supports facility funds or technology development funds in the recycling industry, and the 'Natural gas supply facility installation funds' which benefits when installing natural gas supply facilities in automobiles, and the 'Green remodeling project' which reduces loan interest with government support if energy performance is improved by installing insulation work in houses.



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# Sustainability Performance Data



#### **Summarize Financial Position**

Classification	Unit	2017	2018	2019
Total assets	KRW in billions	316,295	340,447	361,981
Total liabilities	KRW in billions	295,730	318,494	336,488
Total equity	KRW in billions	20,564	21,953	25,492

#### **Creation of Economic Value**

Classification		Unit	2017	2018	2019
Operating profit		KRW in billions	2,157	2,759	2,799
Net profit		KRW in billions	1,512	2,033	2,037
Credit ratings (Woori Bank)	Moody's		A2	A1	A1
(Woori Bank)	S&P		A	A	А
	Fitch		A-	A-	A-

#### **Distribution of Economic Value**

Classification		Unit	2017	2018	2019
Shareholders & inves-	Dividend	KRW in billions	404	438	437
tors	Interest	KRW in billions	3,330	4,034	4,683
Employees	Wage <sup>1)</sup>	KRW in billions	1,105	1,229	1,584
	Welfare benefit expenses	KRW in billions	511	411	475
Government	Corporate tax	KRW in billions	419	753	685
Local communities	Social contribution expenses	KRW in billions	107	107	150
Suppliers	Purchasing and serving	KRW in billions	199	223	235
Total		KRW in billions	6,075	7,194	3,330

<sup>1)</sup> Short-term employee salary

#### **BOD Operation (2019)**

Classification	Unit	2019
Regular BOD meetings	Times	4
Extraordinary BOD meetings	Times	10
Total BOD meetings held	Times	14
Agendas deliberated	Cases	39
Attendance rate of non-executive directors	%	94

#### Payment of Corporate Tax by Region (Woori Bank)

Classification		Unit	2017	2018	2019
Domestic		KRW in billions	385.2	714.8	616.6
Overseas Indonesia U.S.		KRW in billions	12.4	15.9	14.4
		KRW in billions	8.9	8.4	9.4
	Cambodia	KRW in billions	7.8	6.4	5.2
	China	KRW in billions	1.8	2.1	4.6
	Others	KRW in billions	3.2	5.6	8.3
Total		KRW in billions	419.4	753.3	41.8

#### **Creation of Profits by Region**

	Classification	Unit	2017	2018	2019
Overseas	Indonesia: Operating profit	KRW in billions	50.8	56.1	56.7
	Indonesia: Net profit	KRW in billions	38.5	40.4	42.3
	U.S.: Operating profit	KRW in billions	23.1	30.3	29.5
	U.S: Net profit	KRW in billions	13.8	21.9	19.8
	Cambodia: Operating profit	KRW in billions	21.7	27.8	24.3
	Cambodia: Net profit	KRW in billions	11.9	20.5	19.3
	Vietnam: Operating profit	KRW in billions	6.1	13.0	16.4
	Vietnam: Net profit	KRW in billions	4.7	10.7	14.0
	Others: Operating profit	KRW in billions	12.5	16.4	31.0
	Others: Net profit	KRW in billions	9.3	11.6	19.9

#### Valid Tax Rate (Woori Bank)

Classification	Unit	2017	2018	2019
Profit before tax	KRW in millions	1,949,506	2,804,872	2,723,049
Nominal tax	KRW in millions	471,318	760,978	738,476
Tax adjustment	KRW in millions	(51,900)	(7,755)	(53,023)
Valid tax rate	%	21.5	26.90	25.20
Tax payment	KRW in millions	471,669	432,645	612,680
Tax rate paid	%	24.2	27.50	27.50

#### **Reserve of Retirement Pension**

Classification	Unit	2017	2018	2019
Current value of defined benefit obligation	KRW in billions	990	1,176	1,442
Fair value of externally reserved assets	KRW in billions	(976)	(1,039)	(1,352)
Recognized liabilities from defined benefit system	KRW in billions	14	137	89

#### Anti-corruption · Competition

Classification	Unit	2017	2018	2019
Penalty on anti-competitive practices	KRW 100 million	0	0	0
Corruption or bribe	Cases	0	0	0

#### **Payment of Association Membership Fees**

Classification	Unit	2017	2018	2019
National Bank Federation	KRW in millions	2,930	3,342	3,129
Korea Chamber of Commerce and Industry	KRW in millions	283	266	263
Credit Finance Association	KRW in millions	651	734	533
Korea Financial Investment Association	KRW in millions	252	269	259
Korea Housing Builders Association	KRW in millions	1.5	1.5	1.5
Total	KRW in millions	4,117	4,612	4,186

<sup>\*</sup>Sum of data from subsidiaries (Woori Bank, Woori Card, Woori Asset Management, Woori Private Equity Asset Management, Woori Global Asset Management, and Woori Asset Trust)

\*\*According to the Article 3 of Political Funds Act, Woori Financial Group does not provide any form of pollical or lobbying funds. Meanwhile, we realize the public goal through support for politically neutral associations.

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# Social Performances

Employees<sup>1)</sup>...

1) Sum of quantitative data from Woori Bank and Woori Card. Employment rate of disabled employees refers to the average of both companies.

#### **Number of Employees**

	Classification	Linia	20	)17	20	18	2019		Damanla
	Classification	Unit	Male	Female	Male	Female	Male	Female	Remark
Total number	of employees	Persons	7,233	7,846	7,853	8,125	7,701	8,461	
Position	Executives	Persons	60	1	58	2	63	2	
	Employees	Persons	7,173	7,845	7,795	8,123	7,638	8,459	Including Div. heads
Job type	Regular position	Persons	6,802	7,547	6,986	7,879	6,768	8,213	
	Contract position	Persons	431	299	867	246	933	248	Including executives and Div. heads
Age	Under 30	Persons	560	1,394	678	1,613	903	1,953	
	30~39	Persons	2,133	3,419	2,177	3,212	1,992	2,821	
	40~49	Persons	2,497	2,649	2,352	2,829	2,199	3,163	
	Over 50	Persons	2,043	384	2,646	471	2,607	524	
Turnover and	retirement	Persons	1,187	471	224	244	598	195	Based on regular position
Rate of absen	teeism	%	0.	.02	0.	08	0.	.21	Compared with the number of all employees

#### **Number of New Recruits**

	Classification	Unit	2017	2018	2019	Remark
Male		Persons	195	369	332	Based on regular position
Female		Persons	191	453	488	

#### **Female Leadership**

Classification	Unit	2017	2018	2019	Remark
Female executives (two stages under the CEO)	Persons	1	2	2	
Ratio (compared with administrative executives)	%	1.07	2.08	2.17	Average of data from Woori Bank, Woori Card, and Woori Investment Bank
Female managers	Persons	2,629	2,726	2,884	Manager and upper positions excluding executives and Div. heads
Ratio	%	44	40	36	Compared with total female employees

#### Diversity and Prohibition of Discrimination<sup>2)</sup>

Classification	Unit	2017	2018	2019	Remark
Veterans	Persons	17	766	792	Based on job appointment
Foreigners	Persons	33	46	1	
Disabled	Persons	142	137	147	
Employment rate of disabled employees	%	1.10	1.30	1.40	

<sup>2)</sup> Sum of quantitative data from Woori Bank and Woori Card. Employment rate of disabled employees is the average of two companies.

#### **Enhancement of Employee Competence**

Classification		Unit	2017	2018	2019
Employee training (total)	oloyee training (total) Time		1,161,861	1,208,535	1,144,195
	Expense	KRW in millions	11,737	11,215	9,424
Training per employee	Time	Hours	77	76	71
	Expense	KRW in millions	0.8	0.7	0.6

#### **Childcare Leave**

Classification	Unit	2017		2018		2019	
		Male	Female	Male	Female	Male	Female
Employees who used childcare leave	Persons	9	387	18	348	12	313
Employees who returned to work after childcare leave	Persons	4	441	8	354	12	312
Employees who worked over 12 months after returning to work in the previous year	Persons	-	328	4	433	8	341
Ratio of employees who returned to work after childcare leave in the previous year	%	0	60	100	92	88	99

#### Collective Agreement

Classification	Unit	2017	2018	2019
Employees eligible to joining the labor union	Persons	10,286	10,380	10,737
Labor union members	Persons	10,256	10,291	10,701
Labor union membership ratio	%	99.7	99.1	99.7

#### Welfare Benefits and Safety & Health

Classification	Contents
Children's educational expenses	Preschoolers (monthly KRW 150 thousand for 36 months), middle & high school students (school fee and tuition fee), university students (entrance fee and tuition fee)
Family event expenses	Wedding of employees (KRW 1 million), 60th, 70th, and 80th birthday of parents of employee and spouse (KRW 0.5 million), death of parents of employee and spouse (KRW 3 million)
Medical subsidies	Employee, spouse, and children (KRW 10 million a year per disease), parents of employee and spouse (KRW 2 million a year per employee), infertility treatment (KRW 3 million a year)
Birthday and wedding day gift card	Birthday: KRW 100 thousand, wedding: KRW 50 thousand
Group accident insurance	Coverage of death, injury, diagnosis of two major disease (myocardial infarction, cerebral hemorrhage), specific cancers, hospitalization fee, 3 non-covered items by national health insurance (spinal manipulation, injection, MRI/MRA)
Health checkup	Employee and spouse (annual), unmarried employee and one parent of in-house coupe (every other year), blood test for employee under the age of 30
Recreation center	Operation of recreation centers for 2 or 3 nights (25 locations including the Grand Hyatt Hotel)
Condominium	Corporate memberships of Daemyung Resort and 10 more (available for employees)
ESOP	Bank supports up to KRW 150,000 when each employee acquires company's equity through wage deduction
Employee satisfaction programs	Special lectures, family picnics, watching musical, etc. (30 times a year)
Support for buying books	Pres-schoolers (KRW 200 thousand), elementary, middle, and high school students (KRW 100 thousand), university students (KRW 500 thousand)

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#### **Customer Satisfaction**

#### **Customer Satisfaction (Woori Bank)**

	Classification	Unit	2017	2018	2019	Remark
Internal	Satisfaction level: Self-survey	Points	94.71	94.58	91.43	Adopted stricter criteria in Jan. 2019 (reduced optional items and launched short-answer questions)
External	NCSI: Korea Productivity Center	Points	75.00	76.00	74.00	
	KS-SQI: Korea Standards Association	Points	74.70	75.10	74.90	
	KCSI: Korea Management Association Consulting	Points	75.00	72.20	74.30	
	KSQI: Korea Management Association Consulting	Points	92.00	92.00	94.00	

#### Complaints Handling (Woori Bank)

Classification	Unit	2017	2018	2019	Remark
Total complaints proposed	Cases	374	1,215	625	Including 295 cases in terms of derivative- linked securities and PEF in 2019
Ratio of completion	%	100.0	100.0	100.0	

<sup>\*</sup> Complaint areas: Deposit, loan, foreign exchange, credit card, product, price, service, follow-up management, sale, bond, consulting, IT, etc.

#### **Complaints Handling (Woori Card)**

Classification	Unit	2017	2018	2019	Remark
Total complaints proposed	Cases	475	426	387	
Ratio of completion	%	100.0	100.0	100.0	

<sup>\*</sup>Complaint areas: Deposit, loan, foreign exchange, credit card, product, price, service, follow-up management, sale, bond, consulting, IT, etc.

#### Complaints Handling (Woori Investment Bank)

Classification	Unit	2017	2018	2019	Remark
Total complaints proposed	Cases	2	3	5	<ul><li>Complaints through the FSS</li><li>Excluding repeated cases</li></ul>
Ratio of completion	%	100.0	100.0	100.0	

## Ethics Training

#### **Woori Bank**

(	Classification	Unit	2017	2018	2019	Remark
Participants in	Online education	Persons	13,605	13,618	13,734	Six self-check a year
ethics trainings	Sign on the pledge for ethics compliance	Persons	13,552	13,471	13,631	CHECK & CLEAN DAY (six times a year)
Time spent on ethics training	Online/collective training (per employee)	Hours	14	15	16	Self-check: 10 min × 6 times = 60 min     CHECK & CLEAN DAY (10 min × 6 times = 60 min)     Training for compliance officer at branch: 30 min × 12 times = 360 min)     (Collective) Training for compliance officer at branch: 480 min (once)

#### **Woori Card**

Classification	Details	Target	Training hour	Remark
Self-check on ethical compliance	<ul> <li>Self-check list according to the code of conduct</li> <li>Fair job practice, privacy protection, healthy financial order, compliance with anti-graft laws, observation of duties among employees, prevention of unfair trades and sextual harassment</li> </ul>	All employees (891 persons)	1 hour (10 min × 6 times)	Included in the code of conduct
Mandatory pledge of suppliers	<ul> <li>Suppliers' agreement on ethics compliance through self-check list</li> <li>Offering of equal opportunities, prohibition of illegal activities such as graft and bribes</li> </ul>	Team leader and upper levels (149 persons)	0.5 hour (15 min × twice)	Included in the code of conduct
Compliance Letter and Compliance Check Training Day	<ul> <li>Training on compliance with laws in terms of ethical management, internal control, and anti-money laundering</li> <li>Compliance Letter (twice a quarter), Compliance Training Day (once a quarter)</li> </ul>	All employees (891 persons)	4 hours (20 min × 12 times)	Included in the code of conduct
Compliance Test	Evaluation on ethical management, internal control, and anti-money laundering	All employees (774 persons)	0.5 hour	-
Collective training for compliance officers and audit managers	Major internal control issues and check results, etc.	Compliance officers and audit managers (50 persons)	4 hours (1 hour × 4 times)	-
Total training hours			10 hours	

<sup>\*</sup>Number of those who conducted self-check and pledge refers to all participants in 2019. Number of the compliance test targets refers to participants as of December 2019.

#### **Woori Investment Bank**

(	Classification	Unit	2017	2018	2019	Remark
Participants in	Online education	Persons	111	132	156	
ethics trainings	Sign on the pledge for ethics compliance	Persons	120	144	176	
Time spent on ethics training	Online training (per employee)	Hours	8	4	8	Cyber training for all employees

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#### Information Protection

#### **Leakage of Customer Information**

Classification	Unit	2017	2018 <sup>2)</sup>	2019
Leakage of customer information <sup>1)</sup>	Cases	0	1	0

<sup>1)</sup> Based on Woori Bank

#### **Training on Information Protection**

Classification		Unit	2017	2018	2019
Employees	Training hours	Hours	95,622	80,872	91,523
	Participants	Persons	14,040	13,345	15,016
Suppliers	Training hours	Hours	204.5	125	169
	Participants	Persons	409	250	338

<sup>\*</sup>Sum of quantitative data from Woori Bank and Woori Card. Employment rate of disabled employees is the average of two companies.

#### Social Contribution Activities

#### **Investment in Social Contribution**

Classification	Unit	2017	2018	2019
Local communities and public interest	KRW 100 million	140	147.3	205.1
Microfinance	KRW 100 million	680	646.0	920.0
Academy and education	KRW 100 million	146	176.0	234.6
Mecenat and sports	KRW 100 million	95	120.0	117.6
Environment	KRW 100 million	1	6	9
Global	KRW 100 million	13	15	14
Total	KRW 100 million	1,075	1,110	1,500

<sup>\*</sup> Summed up quantitative data of Woori Bank, Woori Care, and Woori Investment Bank

#### **Volunteer Works**

Classification	Unit	2017	2018	2019
Time spent on volunteer works	Hours	4,449	4,855	51,807
Participants in volunteer works	Persons	48,846	43,887	42,636

<sup>2)</sup> The information was leaked through other websites. Random attack was caused but there were no secondary damages.

<sup>\*</sup>Sum of quantitative data of Woori Bank, Woori Card, and Woori Investment Bank
\*\*Time spent on volunteer works in 2019 was calculated by multiplying volunteer hours by participants.

# Environmental Performance



\* Based on Woori Bank

#### **GHG Emissions**

Classification		Unit	2017	2018	2019	Remark			
Scope 1		tCO₂eq	14,693	13,361	12,759				
Scope 2		tCO₂eq	73,851	72,376	68,927				
GHG dens	GHG density <sup>1)</sup> (Scope 1 + Scope 2)		88,090	85,280	81,240				
Scope 3	Purchased products & services	tCO₂eq	-	-	18,890.18				
	Capital goods		-	-	431.71				
	Business trip					-	-	982.56	
	Commuting		-	-	32,574.60				
	Total		-	-	52,879.05				

<sup>1)</sup> Trimmed data below decimal point according to the criteria for calculating corporate GHG emissions (difference between Scope 1 and Scope 2). Subject to change due to changes in external emission factors

#### **Energy Consumption**

Classification	Unit	2017	2018	2019	Remark
Electricity	TJ	1,423	1,397	1,329	
City gas Gasoline	TJ	96	87	83	
Gasoline	TJ	134	121	116	
Diesel	TJ	8	7	7	
Total energy density	TJ/인원	0.124	0.113	0.108	

#### **Water Consumption**

Classification	Unit	2017	2018	2019	Remark
Water supply	m³	135,214	130,837	122,971	Headquarters/Woori Financial Sang-am Center

#### **Waste Emissions**

Classification		Unit	2017	2018	2019	Remark
Water supply		ton	445.8	541.2	511.4	Headquarters/Woori Financial
Recyclable waste	Paper	ton	5.3	7.0	7.5	Sang-am Center
-	Styrofoam	ton	7.6	15.2	8.5	
	Glass ton 18.1 20.2	20.2	16.6			
	Can	ton	7.4	13.2	9.5	
	Plastic	ton	9.8	34.6	23.2	
	Others	ton	9.8	184.3	182.9	
	Total	ton	216.0	274.5	248	

#### **Raw Materials Consumption**

Classification	Unit	2017	2018	2019	Remark
Consumption of paper	ton	1,051	1,218	1,068	Purchasing of copying paper annually

#### **Environmental Investment**

Classification	Unit	2017	2018	2019	Remark
Eco-friendly IT products	KRW in millions	0	0	-	
Purchasing of LED lights	KRW in millions	606	938	1,493	
Replacement of old facilities	KRW in millions	842	815	589	
Eco-friendly vehicles for business	KRW in millions	0	0	23	
Total amount	KRW in millions	1,448	1,753	2,105	

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# Sustainable Finance

#### **ESG Bonds**

Classification		Unit	Scale (based on new issuance) KRW in billions	Remark
Woori Bank	Sustainability bond	KRW in billions	200.0	Renewable energy, CSR, microfinance
	Sustainability bond	KRW in billions	536.8	Renewable energy, eco-friendly, microfinance
Woori Card	Social ABS	KRW in billions	233.8	Woori Card 2019-1 ABS
	Social bond	KRW in billions	100.0	Woori Card 149 (private)
Total amount of ESC	G bonds issued	KRW in billions	1,070.6	
Total amount of entire bonds issued		%	9,497.0	
Proportion of ESG bo	onds	%	11.30	

<sup>\*</sup> All subsidiaries including the holding company

#### **ESG Project Financing**

Cla	Classification		Scale (based on balance) KRW in billions	Remark
ESG (PF theme)	Renewable energy	KRW in billions	252.3	17 projects including wind power plant in Daegi-ri
Green infrastruct		KRW in billions	133.1	6 projects including sewage treatment facilities in Nong-so, Ulsan
Total amount of ESG	Total amount of ESG PF		385.4	
Total amount of entire PF		%	1796.5	
Proportion of ESG PF		%	21.5	

#### **ESG Investment**

Classi	Classification		Scale (based on balance) KRW in billions	Remark
ESG (investment theme)	Technology financing (investment)	KRW in billions	89.8	8 cases including Heungkuk Woori Tech Corporate Investment Private Investment Trust
	Renewable energy	KRW in billions	22.9	6 cases including waste energy recovery project in Pohang
	Green infrastructure	KRW in billions	123.5	12 cases Kiwoom Water Love Private Equity Investment Trust
Total amount of ESG investments		KRW in billions	236.2	
Total amount of entire investments		%	3,825.2	
Proportion of ESG investm	nents	%	6.2	

#### **ESG** Asset Management

Classification		Unit	Scale (based on balance)	Remark
Classii	iication	Offic	2019	Reiliaik
Woori PE	Renewable energy	KRW in billions	17.0	Woori Solar Power Investment Private Special Investment Trust #1
	Renewable energy	KRW in billions	19.4	Woori Solar Power Investment Private Special Investment Trust #2
Woori Asset Management Responsible investr		KRW in billions	11.8	Woori Sustainability ESG
Woori Global Asset	Social responsibility	KRW in billions	8.2	Woori G Active SRI Fund
Management	Eco-friendly	KRW in billions	4.6	Woori G Allianz Global Eco Tech
Total amount of ESG AUM		KRW in billions	61.0	
Total amount of entire AUM KR		KRW in billions	28,476.2	
Proportion of ESG AUM		%	0.21	

<sup>\*</sup>As Woori Asset Management and Woori Global Asset Management were incorporated as subsidiary in 2019, total amount and proportion were not marked.

#### **ESG Finance**

Class	ssification	Unit	Scale (based on balance)	Remark
Clas	ssification	Unit	2019	кетагк
Retail (ESG loans)	Microfinance	KRW in billions	99.4	New Hope Spore
	Microfinance	KRW in billions	11.0	Saitdol Mid-Interest Rate
	Microfinance	KRW in billions	2.3	Sunshine Loan 17
Total amount of ESG re	tail loans	KRW in billions	112.7	
Total amount of entire	retail loans	%	25,935.3	
Proportion of ESG retail	Proportion of ESG retail loans		0.43	
	Social responsibility	KRW in billions	7,310.0	Loans guaranteed by the Credit Guarantee Fund and Korea Technology Credit Guarantee Fund
			83.6	Support for social economic enterprises
	Small business owners	KRW in billions	2,583.8	Loans guaranteed by credit guarantee foundations
Eco-friendly green finance		KRW in billions	367.5	7 cases including Energy Utilization and Rationalization Fund, Fund For Rationalization of Energy Utilization
Total amount of ESG co	Total amount of ESG corporate loans (SMEs)		10,344.9	
Total amount of entire	Total amount of entire corporate loans (SMEs)		87,506.3	
Proportion of ESG corpo	orate loans (SMEs)	%	11.8	

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## The Third Party Assurance

#### **Foreword**

Korea Management Registrar Inc. (hereinafter "KMR") has been requested by of Woori Financial Group to verify the contents of its Woori Financial Group 2019 Sustainability Management Report (Hereby referred to as "the Report"). Woori Financial Group is responsible for the collection and presentation of information included in the Report. KMR's responsibility is to carry out assurance engagement on specific data and information in the assurance scope stipulated below.

#### Scope and standard

Woori Financial Group describes its efforts and achievements of the corporate social responsibility activities in the Report. KMR performed a type2, moderate level of assurance using AA1000AS (2008) and SRV1000 from KMR Global Sustainability Committee as assurance standards. KMR's assurance team(hereinafter "the team") evaluated the adherence to Principles of Inclusivity, Materiality and Responsiveness, and the reliability of the selected GRI Standards indices as below, where professional judgment of the team was exercised as materiality criteria.

The team checked whether the Report has been prepared in accordance with the 'Core Option' of GRI Standards which covers the followings.

- · GRI Standards Reporting Principles
- · Universal Standards
- · Topic Specific Standards
  - Management approach of Topic Specific Standards
  - Economic Performance: 201-1, 201-2, 201-3, 201-4
  - Indirect Economic Impacts: 203-1, 203-2
  - Anti-Corruption: 205-2, 205-3
  - Anti-Competitive Behavior: 206-1
  - Materials: 301-1, 301-2
  - Energy: 302-1, 302-3, 302-4
  - -Water: 303-1
  - Emissions: 305-1, 305-2, 305-3, 305-4, 305-5
  - Effluents and Waste: 306-2
  - Employment: 401-1, 401-2, 401-3

- Occupational Health and Safety: 403-6
- Training and Education: 404-1, 404-2, 404-3
- Diversity and Equal Opportunity: 405-1, 405-2
- Security Practices: 410-1
- Human Rights Assessment : 412-1, 412-2, 412-3
- Local Communities: 413-1
- Supplier Social Assessment: 414-2
- Public Policy: 415-1
- Customer Privacy: 418-1
- Socioeconomic Compliance : 419-1

This Report excludes data and information of joint corporate, contractor etc. which is outside of the organization, i.e. Woori Financial Group, among report boundaries.

#### Our approach

In order to verify the contents of the Report within an agreed scope of assurance in accordance with the assurance standard, the team has carried out an assurance engagement as follows:

- · Reviewed overall report
- · Reviewed materiality test process and methodology
- · Reviewed sustainability management strategies and targets
- · Reviewed stakeholder engagement activities
- · Interviewed people in charge of preparing the Report

#### **Our conclusion**

Based on the results we have obtained from material reviews and interviews, we had several discussions with Woori Financial Group on the revision of the Report. We reviewed the Report's final version in order to confirm that our recommendations for improvement and our revisions have been reflected. When reviewing the results of the assurance, the assurance team could not find any inappropriate contents in the Report to the compliance with the principles stipulated below. Nothing has come to our attention that causes us to believe that the data included in the verification scope are not presented appropriately.

#### Inclusivity

Inclusivity is the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability

• Woori Financial Group is developing and maintaining stakeholder communication channels in various forms and levels in order to make a commitment to be responsible for the stakeholders. The assurance team could not find any critical stakeholder Woori Financial Group left out during this procedure.

#### Materiality

Materiality is determining the relevance and significance of an issue to an organization and its stakeholders. A material issue is an issue that will influence the decisions, actions, and performance of an organization or its stakeholders.

• Woori Financial Group is determining the materiality of issues found out through stakeholder communication channels through its own materiality evaluation process, and the assurance team could not find any critical issues left out in this process.

#### Responsiveness

Responsiveness is an organization's response to stakeholder issues that affect its sustainability performance and is realized through decisions, actions, and performance, as well as communication with stakeholders.

• The assurance team could not find any evidence that Woori Financial Group's counter measures to critical stakeholder issues were inappropriately recorded in the Report. We could not find any evidence the Report was not prepared in accordance with the 'Core Option' of GRI standards.

#### **Recommendation for improvement**

We hope the Report is actively used as a communication tool with stakeholders and we recommend the following for continuous improvements.

· Woori Financial Group categorized material issues and covered them in two parts – Issue Book and Fact Book. The Issue Book provides a systematic description of key achievements, significance and approach of each topic in the context of sustainability. We recommend that Woori Financial Group use more tables and graphs to ensure stakeholders' easy understanding and present both qualitative and quantitative performance in a balanced way for clarity.

#### **Our independence**

With the exception of providing third party assurance services, KMR is not involved in any other Woori Financial Group's business operations that are aimed at making profit in order to avoid any conflicts of interest and to maintain independence.







July, 16<sup>th</sup>, 2020

CEO Hwang Eun Joo

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#### **GHG** Emissions Assurance

No.: PRJN-179412-2020-AST-KOR

#### Introduction

DNV GL Business Assurance Korea Ltd. ("DNV GL") was commissioned by WOORI BANK to verify the WOORI BANK's Greenhouse Gas Inventory Report for the calendar year 2019 ("the report") based upon a reasonable level of assurance. WOORI BANK is responsible for the preparation of the GHG emissions and Energy consumption data on the basis set out within the guidelines on the operation of greenhouse gas and energy target management scheme (Notification No. 2016-255, Korean Ministry of Environment). Our responsibility in performing this work is to the management of WOORI BANK only and in accordance with terms of reference agreed with them. DNV GL expressly disclaims any liability or responsibility for any decisions, whether investment or otherwise, based upon this assurance statement.

#### **Scope of Assurance**

The GHG emissions and energy consumption data covered by our examination comprise Direct emissions (Scope 1 emissions), Energy indirect emissions (Scope 2 emissions) and Fuel, Electricity, Steam Energy consumption;

- · GHG emissions under verification: GHG emissions & energy consumption from 2019
- · Organizational boundary for reporting: WOORI BANK (in Korea)

#### **Verification Approach**

The verification has been conducted by DNV GL from February through April 2020 and performed in accordance with the verification principles and tasks outlined in the guidelines on the operation of GHG and energy target management scheme (Notification No. 2016-255, Ministry of Environment) and the verification guideline for GHG and energy target management scheme (Notification No. 2016-104, Ministry of Environment). We planned and performed our work to obtain all the information and explanations deemed necessary to provide us with sufficient evidence to provide a reasonable verification opinion with 5% materiality level, concerning the completeness of the emission inventory as well as the reported emission figures in ton  $CO_2$  equivalent. As part of the verification process;

- · We have reviewed and verified the WOORI BANK's GHG emissions and energy consumption report for the calendar year 2019
- · We have reviewed and verified the process to generate, aggregate and report the emissions and energy data

#### **Conclusions**

As a result of the work described above, in our opinion nothing has come to our attention that would cause us to believe that the GHG emissions and energy consumption set out in WOORI BANK's report are not fairly stated. The GHG emissions and energy consumption of WOORI BANK for the year 2019 were confirmed as below;

#### Greenhouse Gas Emissions and Energy Consumption of WOORI BANK from Yr 2019

WOODI BANK	GHG Emissions (ton-CO <sub>2</sub> equivalent)			Energy Consumption (Terajoule, TJ)		
WOORI BANK	Scope1	Scope2	Total	Scope1	Scope2	Total
Year 2019	12,759	68,927	81,240	210	1,453	1,207

<sup>\*</sup>Total emissions and consumption might be different from the sum of direct and indirect emissions by applying the rule that emissions should be summed after truncating decimal places at the business site level.

\*\* Total emissions = Direct emissions(Scope 1) + Energy indirect emissions(Scope 2)

DNV·GL DNV GL Business Assurance Korea 22<sup>nd</sup> April 2020 Seoul, Korea Jang-Sub Lee
Country Manager

This Assurance Statement is valid as of the date of the issuance. Please note that this Assurance statement would be revised if any material discrepancy which may impact on the Greenhouse Gas Emissions of WOORI BANK is subsequently brought to our attention. In the event of ambiguity or contradiction in this statement between English version and Korean version, Korean shall be given precedent.



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# **GRI** Index

#### Universal Standards (GRI 100)

Topic	Disclosure	Indicator	ISO 26000	Page
Profile	102-1	Name of the organization	6.3.10, 6.4.1, 6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	8~11
	102-2	Activities, brands, products, and services		10
- - - - -	102-3	Location of headquarters		8
	102-4	Location of operations		11
	102-5	Ownership and legal form		10
	102-6	Markets served		-
	102-7	Scale of the organization		8
	102-8	Information on employees and other workers		_
	102-11	Precautionary Principle or approach		90
	102-12	External initiatives		_
	102-13	Membership of associations		91
Strategy	102-14	Statement from senior decision-maker	4.7, 6.2, 7.4.2	4~5
	102-15	Key impacts, risks, and opportunities	6.2	_
Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior	7.7.5, 4.4, 6.6.3	26,32
	102-17	Mechanisms for advice and concerns about ethics		32
iovernance	102-18	Governance structure	6.2, 7.4.3	22~24
	102-19	Delegating authority		=
	102-20	Executive-level responsibility for economic, environmental, and social topics		_
	102-21	Consulting stakeholders on economic, environmental, and social topics	6.2	-
	102-22	Composition of the highest governance body and its committees	_	
	102-23	Chair of the highest governance body		
	102-24	Nominating and selecting the highest governance body	=	
	102-25	Conflicts of interest	_	
	102-31	Review of economic, environmental, and social topics	_	28
	102-34	Nature and total number of critical concerns		42~43
	102-35	Remuneration policies	6.2	24
Shareholder	102-40	List of stakeholder groups	5.3, 6.2	40
ngagement	102-41	Collective bargaining agreements		76
	102-42	Identifying and selecting stakeholders	6.2, 6.7	40
	102-43	Approach to stakeholder engagement	_	
	102-44	Key topics and concerns raised	_	41~43

Topic	Disclosure	Indicator	ISO 26000	Page
Report Profile	102-45	Entities included in the consolidated financial statements	7.5.3, 7.6.2	10
	102-46	Defining report content and topic Boundaries		41~43,83~84
	102-47	List of material topics		41~43
	102-48	Restatements of information		N/A
	102-49	Changes in reporting		About this report
	102-50	Reporting period	-	_
	102-51	Date of most recent report		_
	102-52	Reporting cycle		_
	102-53	Contact point for questions regarding the report		
	102-54	Claims of reporting in accordance with the GRI Standards		-
	102-55	GRI content index	-	83~84
	102-56	External assurance	7.5.3	87~89
Management	103-1	Explanation of the material topic and its Boundary	6.2.3, 6.3.7, 6.3.10, 6.4.3, 6.4.3,	41~43
Approach	103-2	The management approach and its components	6.5.4, 6.5.5, 6.4.6	Issue Book
	103-3	Evaluation of the management approach	-	

### **Topic-specific Standards**

#### Economic Performance (GRI 200)

Торіс	Disclosure	Indicator	ISO 26000	Page
Economic	201-1	Direct economic value generated and distributed	6.8.1, 6.8.2, 6.8.3, 6.8.7, 6.8.9	73
Performance	201-3	Defined benefit plan obligations and other retirement plans		74
Indirect Economic Effect	203-1	Infrastructure investments and services supported	6.3.9, 6.8.1-6.8.2, 6.8.7, 6.8.9	48~55
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	6.6.1-6.6.3, 6.6.6	27,78
	205-3	Confirmed incidents of corruption and actions taken	6.6.1-6.6.3	74

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#### Environmental Performance (GRI 300)

Topic	Disclosure	Indicator	ISO 26000	Page
Raw Materials	301-1	Materials used by weight or volume	6.5.4	80
Energy	302-1	Energy consumption within the organization	•	
	302-3	Energy intensity	•	
	302-4	Reduction of energy consumption	6.5.4-5	
Water	303-1	Water withdrawal by source	6.5.4	
Emissions	305-1	Direct (Scope 1) GHG emissions	6.5.5	
	305-2	Energy indirect (Scope 2) GHG emissions	•	
	305-3	Other indirect (Scope 3) GHG emissions	•	
	305-4	GHG emissions intensity		
	305-5	Reduction of GHG emissions		30
Effluents and Waste	306-2	Waste by type and disposal method	6.5.3	80

#### Social Performance (GRI 400)

Торіс	Disclosure	Indicator	ISO 26000	Page
Employment	401-1	New employee hires and employee turnover	6.4.3	75
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	6.4.4,6.8.7	36,76
	401-3	Parental leave	6.4.4	76
Occupational Safety and Health	403-6	Promotion of worker health	6.4.6	_
Trainign and	404-1	Average hours of training per year per employee	6.2.3, 6.3.7, 6.3.10, 6.4.3, 6.4.7	
Education	404-2	Programs for upgrading employee skills and transition assistance programs	6.3.6, 6.3.7, 6.3.10, 6.4.3, 6.4.4, 6.4.7, 6.8.5	34~35
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	6.2.3, 6.3.7, 6.3.10, 6.4.3	75
Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	6.3.3-6.3.6	20,32
	412-2	Employee training on human rights policies or procedures		32
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	6.3.9, 6.5.1-6.5.3, 6.8	48
Public Policy	415-1	Political contributions	6.6.1-6.6.2, 6.6.4	74
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	6.7.1-6.7.2, 6.7.7	79
Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	4.6, 6.7.1-6.7.2, 6.7.6	Page 514 & 515 of WFG 2019 Business Report

#### Global initiative

#### **UN Global Compact**

In 2006, Woori Financial Group declared its willingness to comply with the 10 principles in 4 areas - human rights, labor, environment, and anti-corruption - by joining the UN Global Compact (UNGC) for the first time in Korea's financial sector. We will continue our efforts to faithfully fulfill corporate social responsibilities by conducting sustainability management activities according to UNGC principles.



Classification	Principles	Activities of Woori Financial Group	Reference
Human Rights	01. We shall support and respect internationally declared human rights.     02. We shall not engage in the violation of human rights.	<ul> <li>Compliance with labor principles and laws</li> <li>Operation of grievance handling process</li> <li>Human rights education and practices</li> </ul>	page.32~37
Labor	03. We shall recognize freedom of association and group bargaining rights.     04. We shall abolish all forms of forced labor.     05. We shall effectively abolish child labor.     06. We shall abolish discrimination in employment and business services	Compliance with the Labor Standards Law     Operation and membership status of labor union     Operation of a fair recruitment process     Operation of a fair performance compensation system     Operation of guidelines for employees' competency/career development & career path	page.33~37
Environment	O7. We shall support preventive approach to environmental issues.  O8. We shall take the lead in taking greater responsibility to the environment.  O9. We shall support development and distribution of eco-friendly technologies.	Building an integrated management system for greenhouse gas/energy     Investment to improve energy efficiency and reduce greenhouse gas     Settlement of eco-friendly culture     Introduction of eco-friendly facilities and equipment	page.30~31
Anti-corruption	10. We shall strive to eradicate all forms of corruption including unfair gains and bribes.	Group's code of ethics and employees' code of conduct     Internal control committee     Whistle blowing system     Ethics education program	page.26~27,79

#### **United Nations Principles for Responsible Banking**

Woori Financial Group became a signatory of the Principles for Responsible Banking (PRB), an international agreement for financial business of the UNEP FI (UN Environmental Plan Financial Initiative), in September 209. The PRB aims to transform the banking industry to enable it to play a leading role in achieving society's goals as expressed in the Sustainable Development goals and the Paris Climate Agreement, in which more than 170 banks and financial firms across the globe participated as signatories. Woori Financial Group will be proactive in reporting its business impacts, PRB implementation status, goals, and 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.

# 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.

# 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.

# Principle 4

**Stakeholders** 

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



Governance &

Principle 5

Culture

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

# Principle 6 Transparency & Accountabilit

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.









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# Awards and Memberships

#### **Major Awards**

Date	Awards
Dec. 2019	2019 Order of Merit for Job Creation in the private sector (Korea Jobs Committee)
	The best prize in the new business job creation sector at the 2019 Herald Job Awards (Minister Prize of Trade, Industry and Energy)
	Digital management sector of the 2019 Korea Management Award (Korea Management Association Consulting)
Nov. 2019	Grand prize in the corporate sector at the 12 <sup>th</sup> Korea Social Media Awards
Sep. 2019	7 <sup>th</sup> Korea Brand Awards ("Standard of Card" of Woori Card)
	2019 Order of Merit for Civil Defense (best company, Ministry of Public Administration and Security)
	The best prize at the 4 <sup>th</sup> Lifetime Asset Management Awards (banking product sector)
Mar. 2019	Excellent prize at the 24 <sup>th</sup> Maekyung Financial Product Awards ("Standard of Card" of Woori Card)
	2019 Korean Best Banker Awards
Feb. 2019	10 <sup>th</sup> Korean IB Awards (underwriting sector)
Jan. 2019	2019 Best Brand Awards for Korean Consumer Evaluation
	2019 Customer Satisfaction Management Awards

#### Memberships

Association							
International Finance Center	Korea Credit Information Institute	Seoul Foreign Exchange Market Management Association	Housing Urban Guarantee Council				
Korea Institute of Finance	Korea FP Association	UN Global Compact Korea Association	Korea Financial Investment Association				
National Bank Federation	Korea Blockchain Industry Promotion Association	Fund Market Council	Financial Information Protection Council				
Seoul Chamber of Commerce	Korea Visiting Committee Bond Market Council		Directors' Forum for Financial Information Protection				
Financial Supervisory Service	ISDA	Korea Startup Forum	Credit Recovery Committee				
Korea Financial Telecommunications and Clearings Institute	Korea Forex Club	Retirement Pension Development Council	Financial Security Forum				
Financial Security Agency	Seoul IB Forum	Korea Audit Association	Korean-German Chamber of Commerce				
Financial Industry User Council	Global Finance Society	Korean Executive Federation					

# **Milestones**

# Foundation ~ 1954 1899.01 Established Daehancheonil Bank (originally Commercial Bank of Korea) 1909.07 Built Gwangtonggwan, the first modern bank building among national banks (currently Woori Bank's Jongno Branch) 1932.12 Established Chosun Trust Company (originally Hanil Bank) 1937.08 Established Jungang Mujin Company (originally Hanil Bank)

1955 ~ 1997		
1956.03	First public offering on stock exchange	
1959.06	Opened vault for ladies (Commercial Bank of Korea)	
1968.11	First in Korea to open Tokyo Branch (Hanil Bank)	
1977.09	First in Korea to start online business between Seoul and Busan (Commercial Bank of Korea)	
1982.02	First in Korea to install online ATM (Hanil Bank)	

1998 ~ 2005					
1999.01	Merger of Commercial Bank of Korea and Hanil Bank, inauguration of Hanbit Bank				
1999.12	Finished building Hoehyun-dong main office and relocation				
2001.04	Inaugurated Woori Finance Group				
2001.12	Division-merger with Peace Bank of Korea				
2002.05	Changed name to Woori Bank and CI (corporate identity)				
2002.12	Opened Ho Chi Minh branch in Vietnam				
2003.06	Opened office in Moscow				
2003.08	Acquired the FRB approval for taking over Panasia Bank in the US				
2004.07	Opened Bank History Museum, the first museum in Korea to specialize in bank history				
2004.12	First to open Kaesong Industrial Complex Branch after the division of Korea				
2005.11	Opened Woori Finance Plaza, the first comprehensive finance center in Korea				

2006 ~ Present				
2006.12	Established Hong Kong Woori Investment Bank			
2007.01	Awarded 2006 Deal of the Year by The Asset			
2007.11	Established local business corporation, Woori Bank (China) Limited			
2008.01	First among Korean financial institutions to establish local business corporation in Russia			
2008.11	Selected as "Best Bank in Korea" by The Banker for two consecutive years			
2009.01	Woori Bank establishment documents, "Establishment & Accounting for Daehan Cheon Il Bank", designated as Seoul Tangible Cultural Property No. 279			
2010.03	China Woori Bank qualified for "international settlement of yuan" as the first Korean bank			
2010.11	Woori Bank IT Department acquired "ISO 27001 Certification" in all departments			
2011.04	Awarded as Best Bank in Korea for Foreign Currency Department by The Asian Banker			
2011.11	Selected as "Best Bank in Korea 2011" by The Banker for two consecutive years			
2012.04	Awarded as Best Bank in Korea by The Asian Banker for two consecutive years			
2012.08	Established local business corporation of Woori Bank in Brazil			
2012.09	Established local branch in Brazil			
2012. 11	Awarded first Grand Prize of Financial Consumer Protection by the chairman of the Financial Services Commission			
2013.12	Awarded Grand Prize of Inclusive Finance by the Financial Supervisory Service			
2014.01	Acquired final approval to take over Indonesia Saudara Bank			
2014.04	Became the first domestic bank to issue Basel III subordinated debt in foreign currency (USD 1 billion)			
2014.05	Awarded as "Korea's Top Bank in Money Management" by The Asian Banker			

2014.06	The Woori Bank establishment documents, "Establishment & Accounting for Daehan Cheon II Bank", designated as National Archives of Korea No. 11				
2014.11	Woori Financial Group Co., Ltd. merged with Woori Bank (listing resumed November 19)				
2014.12	Acquired final approval to merge PT. Bank Woori Indonesia with Saudara Bank				
2015.02	Officially launched PT. Bank Woori Saudara Indonesia				
2015.04	$Awarded\ Best\ Cash\ Management\ Bank\ and\ Sub-Custodian\ Bank\ of\ the\ Year\ in\ South\ Korea\ by\ The\ Asian\ Banker$				
2015.05	Launched the first mobile-only bank in Korea, WiBee Bank				
2015.09	Launched "WiBee Bank Cambodia" for first overseas expansion				
2015.11	Opened Woori Finance Myanmar, Global Network no. 200 (first in Korea)				
2016.02	WiBee Bank introduced in Indonesia, Vietnam, and Brazil				
2016.05	Opened Iran office in Teheran (first among Korean financial institutions)				
2016.06	First in Korea to launch Offshore Foreign Currency Liquidation Service				
2016.09	First in Korea to issue \$500 million Foreign Currency Hybrid Bond (CoCo bond)				
2016.10	Acquired preliminary approval in Vietnam				
2016.11	Privatized in 16 years				
2016.12	Selected as Best Bank in South Korea 2016 by The Banker				
2017. 01	Selected as Best Wealth Management Provider 2016 by World Finance of the UK (first in Korea)				
2017. 02	Opened first Woori bank Office in Katowice, Poland				
2017.06	Selected as Best Transaction Bank and awarded as Best Fund Management Bank by The Asian Banker				
2017. 10	Selected as major bank of the National Pension Service				
2017.11	Selected as Best Bank in South Korea 2017 by The Banker				
2017. 12	Son Tae Seung appointed 51st chairman of Woori Bank				
2018.01	Selected as secretary trustee bank of the Housing and Urban Fund of the Ministry of Land, Infrastructure and Transport and opened Incheon International Airport				
2018.02	Launched WiBee Homes, a real estate information platform				
2018.03	Introduced Big Eye, a management consulting system utilizing big data (first in Korea) and signed a strategic alliance contract with Aberdeen Standard Investments in UK				
2018.05	Opened the Ta Khon II Woori Finance Branch in Myanmar and built and activated a next generation computer system, WINI (Woori Innovative New Infra)				
2018.06	Took over VisionFund Cambodia and changed name to WB Finance				
2018.10	Acquired approval for European subsidiary and put forth the best current net income accumulated for three quarters				
2018.11	Acquired the certificate of incorporation of financial holding company and selected as Best Bank in South Korea 2018 by The Banker				
2018.12	Reached 430 global networks (Korea's largest)				
2019.01	Launched Woori Financial Group Celebrated 12th anniversary of Woori Bank Build the WGSS (Woori Bank)				
2019.02	Listed Woori Financial Group on the KRX and NYSE Successfully issued KRW 200 billion worth of sustainability bond				
2019.03	Operated a startup support center for small business owners (Woori Bank)				
2019.04	Obtained AAA credit rating from 3 major domestic credit rating agencies (Woori Financial Group)				
2019.05	Issued USD 450 million worth of Formosa bond for the first time among Korean bonds (Woori Bank)				
2019.06	First issued the hybrid bond (subordinated) of KRW 300 billion (Woori Financial Group) Issued ABS of KRW 300 billion for installment financing (Woori Card)				
2019.07	Issued the hybrid bond of KRW 500 billion (Woori Financial Group)				
2019.08	Conducted the KYC system, an internal control system for anti-money laundering, for the first time among Korean banks (Woori Bank) Opened the "Woori WON Banking" (Woori Bank) Incorporated Woori Asset Management as a subsidiary				
2019.09	Incorporated Woori Card and Woori Investment Bank as a subsidiary				
2019.10	Notice the opening of the Senior Plus Website (Woori Bank)				
2019.11	Implemented the customer-centered KPI system (Woori Bank)				
2019.12	Incorporated Woori Global Asset management and Woori Asset Trust as a subsidiary				



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