

An aerial photograph of a large, forested island in a lake. The island is covered in dense green trees and is surrounded by misty water. The sun is low on the horizon, creating a golden glow and long reflections on the water's surface. The overall scene is serene and natural.

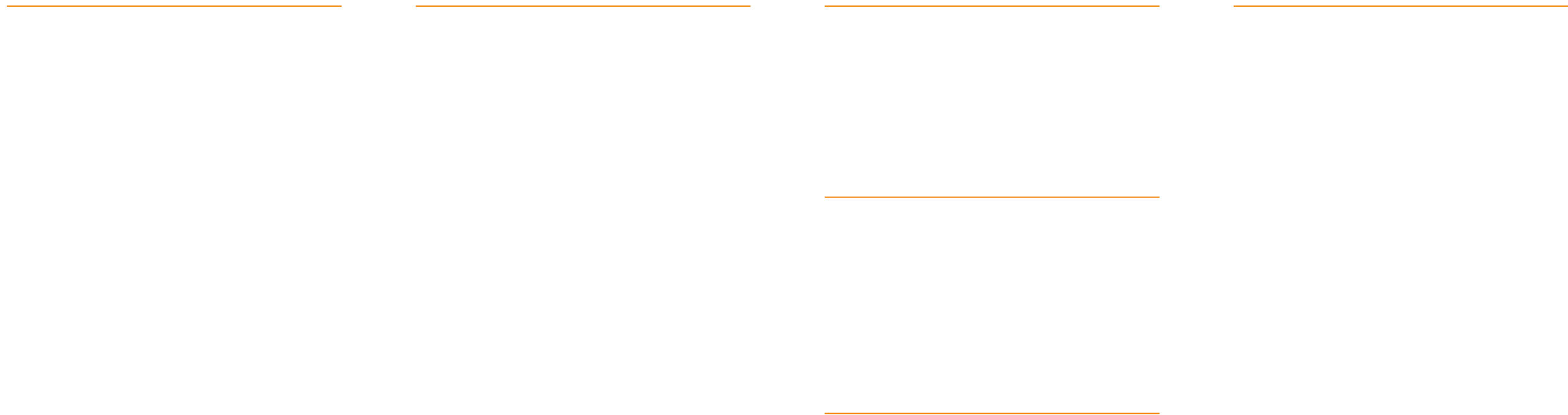
# MIRAE ASSET SECURITIES

## 2023 INTEGRATED REPORT



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Mirae Asset Securities  
2023 Integrated Report



This Report has been published as an interactive PDF, which includes features such as hyperlinks to related pages and direct links to webpages.

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# CEO MESSAGE

Mirae Asset Securities  
2023 Integrated Report



“We will strive to secure a competitive advantage in business and position ourselves as a top-tier global investment bank.”

Dear valued customers, shareholders, and all stakeholders of Mirae Asset Securities,

On behalf of the executives and employees of Mirae Asset Securities, I would like to express my gratitude to all stakeholders who have continuously shown unwavering trust and support for our pursuit of becoming a global top-tier investment bank. Despite the challenging business environment caused by inflation and interest rate hikes, we are delighted to share our financial performance and ESG management accomplishments from the past year.

Amid the complex crises happening around the world, Mirae Asset Securities has shown exceptional competitiveness by achieving a pretax net income of KRW 826.3 billion, a feat only made possible through our meticulous risk management and diversified business portfolio. Our pension business, which is currently dominating the Korean market, is projected to reach KRW 29 trillion as of March this year through the preemptive implementation of AI services.

Since our inception, Mirae Asset Securities has been dedicated to ethical management and upholding social responsibility through our ESG framework. Our management philosophy places clients as our top priority, ensuring that we always act in their best interests. As a seasoned investment professional at the forefront of ESG management, we are committed to furthering the growth of the ESG financial market. Our dedication to this cause remains steadfast.

**We will offer sustainable investment opportunities.**

Mirae Asset Securities is committed to promoting a sustainable environment and society by publicly disclosing the investment and management performance of both our customers and our company in sustainable finance. We will continue to expand our provision of corporate financial services and financial products that encompass ESG factors to our key clients in the future.

**We are committed to actively supporting the development of a flexible system that moves towards achieving carbon neutrality.**

In February of this year, we achieved a significant milestone by becoming the first domestic financial institution to sign a long-term renewable energy certificate (REC) purchase agreement. This marked the beginning of our roadmap toward achieving RE100 by 2025. In the remaining period, we will strive to enhance synergies with our core business by utilizing a mix of methods such as direct power purchase agreements (direct PPA). Furthermore, we have also set a goal to achieve carbon neutrality by 2040 and have committed to diligently implementing and following through with this plan.

**Through ESG management, we will strive to create a society where we grow together with various stakeholders.**

Mirae Asset Securities has taken proactive steps to enhance its shareholder-friendly dividend procedures, aligning them with global standards. This was achieved through a regular general meeting of shareholders resolution in March 2023, aimed at contributing to the advancement of the capital market. Furthermore, the Company is committed to expanding its financial education initiatives to reach a wider audience, thereby increasing financial accessibility for various stakeholders. Moreover, we aim to encourage and facilitate voluntary social contributions from our employees in order to promote a culture of sharing and address social challenges.

**Dear stakeholders,**

I am pleased to inform you that Mirae Asset Securities has received recognition for its exceptional ESG management performance from reputable evaluation agencies both domestically and internationally. Mirae Asset Securities has been selected for the 'S&P Dow Jones Sustainability World Index' for 11 consecutive years, awarded A by Korea Institute of Corporate Governance and Sustainability and Sustainvest, and recognized for achieving, as the first Korean securities company, the leadership rank for Carbon Disclosure Project (CDP) evaluation. We believe all of the achievements attest to our status as a global sustainable management company.

Moving forward, the management team at Mirae Asset Securities, including myself is committed to achieving a prominent position in the industry and becoming a top-tier global investment bank. Our decisions will be guided by a dual focus on financial profitability and the impact on the environment and society, in alignment with our ESG management mission of 'pioneering a sustainable future through investment and asset management.'

Chairman of Mirae Asset Securities

**Hyun Man Choi**

01 ABOUT  
MIRAE ASSET SECURITIES





# Company Overview

Company Overview ◀

Mirae Asset Securities is committed to achieving top-tier status as a global investment bank by relentlessly pursuing business expansion in the global market, rather than simply settling for being the leading financial investment company in Korea.

## Company Introduction

As of the end of March 2023

|                     |   |                                   |  |
|---------------------|---|-----------------------------------|--|
| <b>Company name</b> | Mirae Asset Securities Co., Ltd.  | <b>Sectors</b>                    | Financial investment   |
| <b>Headquarters</b> | Mirae Asset CENTER 1 Bldg., 26 Eulji-ro 5-gil, Jung-gu, Seoul, 04539, Republic of Korea | <b>Main countries of business</b> | US, UK, Brazil, China, Hong Kong, Singapore, Indonesia, Vietnam, Mongolia, India, among others |
| <b>CEO</b>          | Hyun-Man Choi, Man-Yeol Lee   |                                   |  |

## Status of Major Affiliates and Subsidiaries

End of December 2022, consolidated basis

| Company name                              | Location          | Main business  | Capitalization<br>(KRW hundred million) | Ownership ratio* |
|---|-------------------|--|---|------------------|
| Mirae Asset Venture Investment Co., Ltd.  | Republic of Korea | SME, startup investment and management of startup investment associations  | 2,644.86                                | 61.4%            |
| Mirae Asset Life Insurance Co., Ltd.      | Republic of Korea | Insurance  | 13,459.79                               | 19.7%            |
| Mirae Asset Securities(HK) Ltd.           | Hong Kong         | Stock brokerage and investment business                                    | 27,398.65                               | 100.0%           |
| Mirae Asset Securities(UK) Ltd.           | United Kingdom    | Securities brokerage, investment business and investment advisory business | 3,978.82                                | 100.0%           |
| Mirae Asset Securities Holdings(USA) Inc. | United States     | Other financial business   | 7,081.28                                | 100.0%           |
| Mirae Asset Realty(Singapore) PTE.        | Singapore         | Real estate investment and leasing   | 386.64                                  | 100.0%           |

\* Based on the total number of issued shares

## Key Financial Status

End of March 2023, consolidated basis

|                                 |                                |                                 |
|---------------------------------|--------------------------------|---------------------------------|
| <b>Total Assets</b>             | <b>Equity Capital</b>          | <b>Total Client Assets</b>      |
| KRW<br><b>118.7</b><br>trillion | KRW<br><b>11.2</b><br>trillion | KRW<br><b>385.8</b><br>trillion |

## Credit Rating

End of March 2023

|  |                                       |                                      |
|--|---------------------------------------|--------------------------------------|
| <b>Korea Ratings</b><br>Korea Investors Service<br>National Information &<br>Credit Evaluation | <b>Moody's</b>                        | <b>S&amp;P</b>                       |
| Corporate Bonds <b>AA</b><br>Commercial Papers <b>A1</b>                                       | Global bonds<br><b>Baa2</b><br>Stable | Global bonds<br><b>BBB</b><br>Stable |

## Shareholder Composition

As of the end of March 2023

| Shareholder name | Mirae Asset Capital | National Pension Service | NAVER      | Employee's Stock Ownership Association | Treasury stock | Others      | Total       |
|------------------|---------------------|--------------------------|------------|--|----------------|-------------|-------------|
| Number of shares | 175,514,500         | 35,401,221               | 47,393,364 | 718,852                                | 136,092,909    | 210,195,562 | 605,316,408 |
| Equity (%)       | 29.00               | 5.85                     | 7.83       | 0.12                                   | 22.48          | 34.72       | 100.00      |

## Global Network (domestic branches included)

As of the end of March 2023



|                              |            |  |
|------------------------------|------------|--|
| <b>Branches in Korea</b>     | <b>78</b>  | 1. Head office in Korea  |
| <b>Overseas Corporations</b> | <b>10*</b> | 2. Mirae Asset Securities (USA) Inc.<br>3. Mirae Asset Wealth Management (USA) Inc.<br>4. Mirae Asset Wealth Management (Brazil) CCTVM<br>5. Mirae Asset Securities (UK) Ltd.<br>6. Mirae Asset Capital Markets (India) Private Limited<br>7. Mirae Asset Securities Mongolia UTsK LLC<br>8. Mirae Asset Securities (HK) Ltd.<br>(Hong Kong Special Administrative Region of the People's Republic of China)<br>9. Mirae Asset Securities (Vietnam) LLC<br>10. Mirae Asset Securities (Singapore) Pte. Ltd.<br>11. PT. Mirae Asset Sekuritas Indonesia |
| <b>Overseas Offices</b>      | <b>3</b>   | 12. Beijing Representative Office<br>13. Shanghai Representative Office<br>14. Ho Chi Minh Representative Office   |

\* Based on actual operating subsidiaries, excluding Mirae Asset Securities Holdings (USA).



# Management Philosophy

## Business Philosophy

We value our people and embrace the future with an open mind.

Mirae Asset pursues consistent values to become a meaningful influence for each and every client. Mirae Asset's business philosophy is the very essence upon which it is built, and the unwavering path towards which it constantly strives.

## Vision

As a global financial group, we pursue excellence in investment management to help our clients achieve their long-term objectives.

Mirae Asset began as a specialist in emerging markets and has since evolved into a global investment group through continuous financial innovation. The direction of our growth is always aligned with our vision to contribute to the successful asset management and peaceful retirement of customers.

## Core Values

Mirae Asset has core values that every member must engrave in their hearts. These core values underpin the standard guidance of every decision-making undertaken by the members.

**Our clients' success is paramount – their success is our success.**

Because we believe that our customers' success is our success, we offer specialized financial services that are tailored to their unique needs. Our goal is to help them achieve stable and consistent profit generation.

**We assess every investment opportunity objectively and with total impartiality.**

As a group of independent investment professionals, comprising of asset management, securities, and insurance, we strive to maintain competitive edges through principled investments and exceptional operational capabilities.

**Mirae Asset's success is built on respect for each individual and a belief in the power of teamwork.**

Mirae Asset is comprised of a team of highly competitive and talented individuals who are committed to driving change through a deep respect for one another and a strong belief in the power of teamwork.

**At Mirae Asset, we are profoundly aware of our responsibilities.**

We are committed to building a healthy society where marginalized members of our community can thrive. We will achieve this by using our profits to make social contributions and by actively volunteering to support communities.

## Investment Principles

At Mirae Asset, we are committed to delivering superior value to our customers through our unwavering adherence to consistent investment principles.



Mirae Asset identifies the sustainable **competitiveness** of companies.



Mirae Asset invests with a **long-term** perspective.



Mirae Asset assesses investment **risks** with **expected return**.



Mirae Asset values a **team-based** approach in decision-making.

Mirae Asset upholds the aforementioned principles with consistency.



# 2022 Key Highlights

Mirae Asset Securities has achieved outstanding performance through our systematic risk management in 2022. We are at the forefront of ESG management, generating exceptional results in each ESG area.

2022 Key Highlights ◀

## FINANCIAL HIGHLIGHTS

**Financial Performance** |

Achievement of the Highest Ever  
Proportion of Overseas Securities Brokerage  
Commission Revenue at

**31.3%**




**Financial Performance** |

Excellent Financial Soundness  
Net Capital Ratio (NCR)

**1,871.1%**

End of 2022, consolidated basis



**Financial Performance** |

Selected as an  
**Excellent Investment Bank**  
by the Korea Exchange


Outstanding lead underwriter for IPOs



**Customer Base** |

Balance of Pension Assets

Exceeding KRW **26 trillion**



**Customer Base** |

Balance of Global Stocks

Exceeding KRW **24 trillion**  
As of the end of March 2022



## ESG HIGHLIGHTS

**Governance & Accountability** |

Sustainable Finance\*

Achieved KRW **23.9104 trillion**  
As of the end of 2021

\* 2020 Baseline, "ESG Investments, Mergers, Advisory, and Underwriting (cumulative)," "ESG Bonds and Wealth Management Products (balance)" aggregation



**Governance & Accountability** |

Shareholder Returns

Cash dividends  
dKRW **123.4 billion**

Retirement of shares through retained earnings of  
KRW **867 billion**

Shareholder return ratio of **33%**



**Climate Engagement** |

Lead Underwriter for the Issuance of ESG Bonds of Korean Power Generation State-owned Enterprises


KRW **1.19 trillion**



**Inclusive Growth** |

Goods Donation Campaign  
Employee product donations

**11,835 items**



**Inclusive Growth** |

Plogging Campaign


**734 employees participated**  
Total **2,290 km**



**Climate Engagement** |

Mirae Asset Securities Forest Care Activities

Cumulative **8,088 kgCO<sub>2</sub>e<sub>q</sub>**  
Reduction of Greenhouse Gases



**ESG Management Excellence** |

Selected for the Dow Jones Sustainability Indices (DJSI) World Index for

**11 consecutive years**



**ESG Management Excellence** |

Korea Institute of Corporate Governance and Sustainability and Sustainvest ESG Evaluation

The only Korean securities company to be awarded

**Grade A**



**ESG Management Excellence** |

Carbon Disclosure Project (CDP)

The first Korean securities company to be awarded

**Grade A-**



**ESG Management Excellence** |

Carbon Disclosure Project (CDP)

The first Korean securities company to be awarded

**Grade A-**





# 2023 Key Implementation Strategy

At Mirae Asset Securities, we are dedicated to fostering a client first mindset for our customers by prioritizing their needs and showing empathy. We are constantly improving our skills and competitiveness as investment professionals. By strategically transforming challenges into opportunities, we aim to achieve our goal of becoming a top-tier global investment bank.

2023 Key Implementation Strategy ◀



# 02 FIRMWIDE SUSTAINABILITY





# ESG Mid and Long-term Strategies

ESG Management Mission

We are committed to pioneering a sustainable future through investment and asset management.

2025 Goal

Reach KRW 45 trillion in Sustainable Finance <sup>1)</sup>



ESG Policy Framework PDF download URL

Focus Areas

Strategic Priorities

Detailed Tasks

UN SDGs

|  | Governance & Accountability  |  |   | Climate Engagement   |   |  | Inclusive Growth   |  |   |
|--|--|--|---|--|---|--|--|--|---|
|  | Foster more accountable/ethical management   | Enhance management transparency  | Enhance risk management & identity opportunities  | Expand green and low-carbon finance  | Convert to renewable energy   | Manage carbon emissions from investment assets   | Expand inclusive finance   | Improve as to financial services   | Expand ESG campaigns  |
|  | <b>BY 2025</b>   | <b>BY 2025</b>   | <b>BY 2025</b>  | <b>BY 2025</b>   | <b>BY 2025</b>  | <b>BY 2023</b>   | <b>BY 2025</b>   | <b>BY 2025</b>   | <b>BY 2025</b>  |
|  | <ul style="list-style-type: none"> <li>- Maintain total shareholder return of over 30%</li> <li>- Enhance implementation of Client First Alliance</li> </ul> | <ul style="list-style-type: none"> <li>- Expand the scope of disclosure on progress in ESG implementation</li> <li>- Enhance disclosures about ESG information and data</li> </ul> | <ul style="list-style-type: none"> <li>- Implement the Environment &amp; Social Policy (ESP) Statement</li> <li>- Overweight of ESG bonds issuance</li> </ul> | <ul style="list-style-type: none"> <li>- Expand investments and advisory services in areas consistent with the K-Taxonomy's green economic activities</li> </ul> | <ul style="list-style-type: none"> <li>- Achieve 100% renewable electricity (RE 100)</li> </ul> | <ul style="list-style-type: none"> <li>- Publicly disclose financed emissions <sup>2)</sup></li> <li>- Complete SBTi verification</li> </ul> | <ul style="list-style-type: none"> <li>- Expand investment and advisory services for SMEs and innovative businesses</li> <li>- Expand investment and advisory services related to social infrastructure</li> </ul> | <ul style="list-style-type: none"> <li>- Expand financial literacy education by partnering with K-12 schools and military bases</li> <li>- Address the digital finance gap in underprivileged communities</li> </ul> | <ul style="list-style-type: none"> <li>- Expand joint business with the Mirae Asset Park Hyeon Joo Foundation</li> <li>- Enhance ESG corporate culture through employee engagement</li> </ul> |
|  |  |  |   |  |   |  |  |  |   |

1) 2020 baseline applied: cumulative amount for 'ESG investment and advisory services', and balance amount for 'ESG bonds and ESG financial products'

2) Financed emissions: Greenhouse gas emissions on Scope 3's investment portfolio

# Sustainable Value Chain

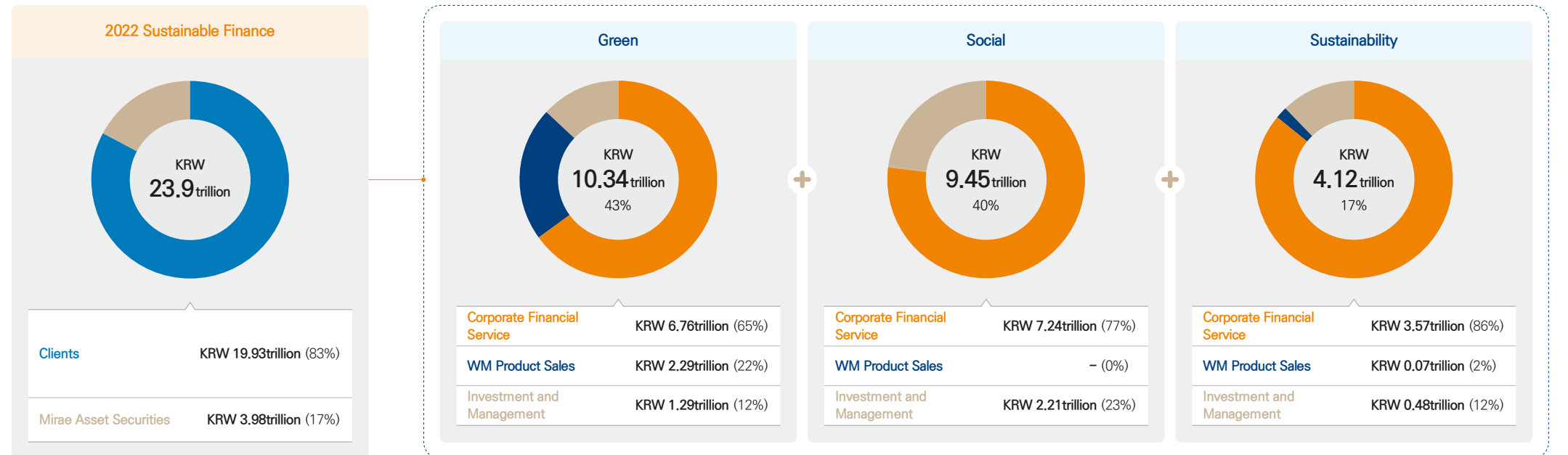
Mirae Asset Securities is the first in the industry to categorize financial activities that directly or indirectly support the achievement of the United Nations Sustainable Development Goals (SDGs) as sustainable finance, starting from 2021, and aggregate them accordingly. Our company has established a medium to long-term objective of attaining KRW 45 trillion in sustainable finance by 2025. We have been disclosing our financial performance, which takes both environmental and social benefits into account. Mirae Asset Securities is expanding its provision of corporate financial services and financial products that encompass ESG factors to key clients. We are also establishing an innovative foundation in the ESG finance market through investment and management, aiming to contribute to the transition to a green economic system and enhance social value.

Sustainable Value Chain ◀

## Current Status of Sustainable Finance by Value Chain

| Classification                                      | ESG activities linked to business  | Performance as of the end of 2022  |                    |
|---|--|--|--------------------|
| Customer investment management                      | Provision of financial services to corporate and institutional investors   | <ul style="list-style-type: none"> <li>Identifying the sustainable management needs of various corporate clients and providing M&amp;A advisory services for the transition to new growth industries</li> <li>Providing ESG investment solutions through the issuance and intermediation of Green, Social, and Sustainability securities</li> <li>Contributing to the creation of environmental and social value by proposing optimized products and services</li> </ul> | KRW 17.57 trillion |
|   | Sales of financial products to individual clients  |  |                    |
| Investment and management of Mirae Asset Securities | <ul style="list-style-type: none"> <li>Executing investments considering economic profitability, environmental soundness, and social responsibility as the objectives of investment targets or investment funds</li> <li>Performing the role of market development and liquidity provision for financial products issued to address climate change and solve social issues</li> <li>Enhancing social and economic value by generating stable and consistent profits through the management of companies' proprietary assets and client assets</li> </ul> | KRW 3.98 trillion  |                    |
| <b>Total</b>  |  | <b>KRW 23.91 trillion</b>  |                    |

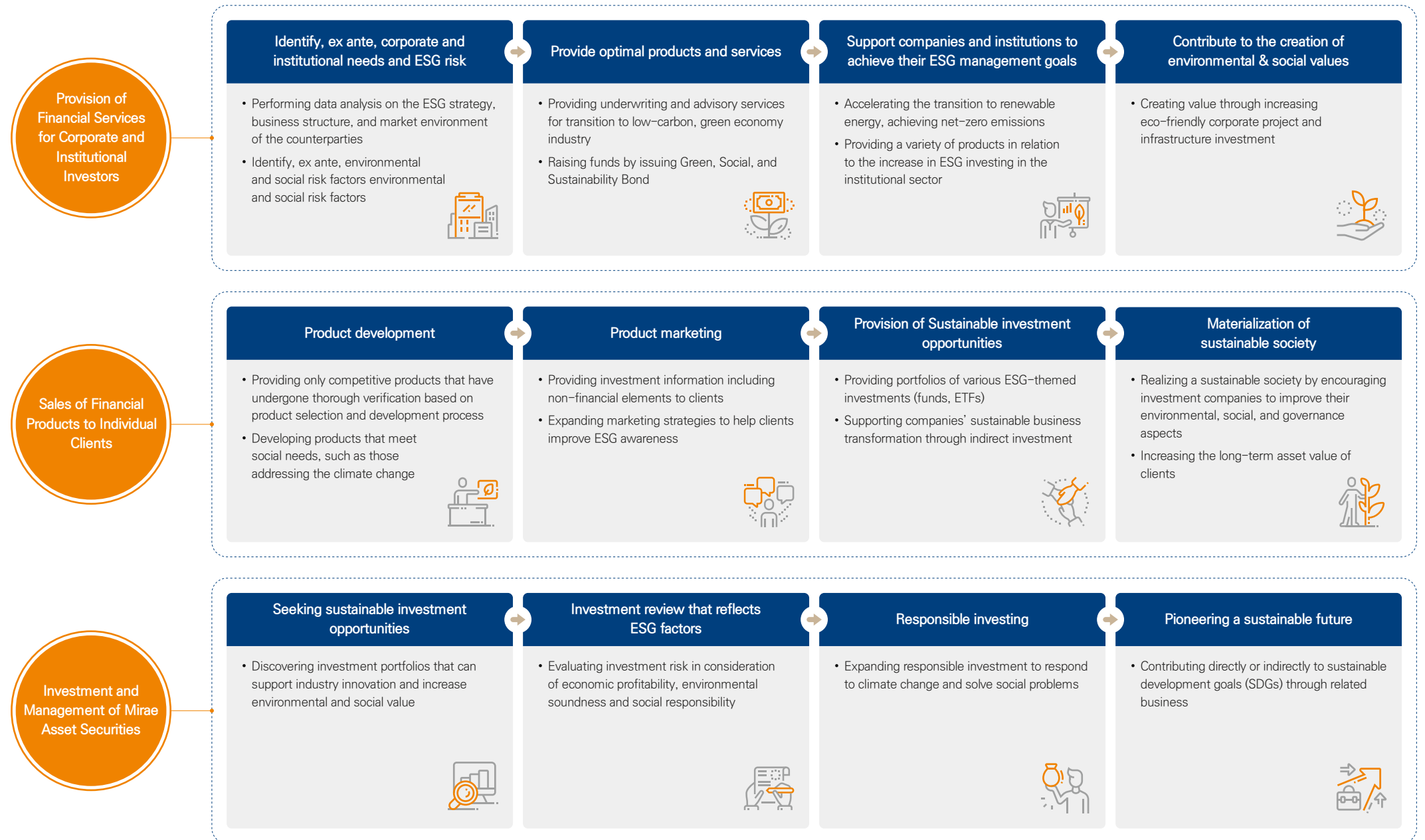
\* As of the end of 2022, the Company achieved 53.1% of its sustainable finance goal (KRW 45 trillion by 2025)





# Sustainable Value Chain

Sustainable Value Chain ◀



# ESG Key Milestones

## 2000

- 03 Established the Mirae Asset Park Hyeon Joo Foundation

## 2006

- 06 Became the first Korean securities company to join the UNGC (UN Global Compact)
- 08 Published the first Sustainability Report in Korea's securities industry

## 2009

- 10 Included in DJSI Korea Index

## 2010

- 04 Joined the Carbon Disclosure Project (CDP)

## 2012

- 09 Listed in DJSI World Index

## 2014

- 01 Launched 'Partners Club' service, a joint business model for strong and medium enterprises and small giant firms

## 2015

- 07 Provided 'One Company, One School' financial education

## 2016

- 01 Implemented 'Financial Sarangbang Bus' (financial support for minorities)

## 2017

- 07 Provided 'One Company, One Military Unit' financial education

## 2018

- 05 Enacted the Human Rights Protection Principles  
Launched 'Hope Chain Program'

## 2019

- 04 Issued the first Global Sustainability Bonds (worth USD 300 million) in the securities industry

## 2020

- 01 Declared the Financial Consumer Protection Charter

## 2021

- 02 Declared 'Zero Incomplete Sales'  
Issued Social Bonds (worth KRW 100 billion)
- 05 Declared SBTi (Science Based Targets initiative)  
Declared TCFD (Taskforce on Climate-related Financial Disclosures)
- 06 Declared 'Client First Alliance' to ensure the true value of consumers  
Issuance of global green bonds (USD 300 million)
- 09 Joined RE100
- 10 Adopted Financial Ethics Verification Scheme

## 2022

- 11 Awarded an A rating from the Korea Institute of Corporate Governance and Sustainability (formerly known as KCGS)  
Awarded an A rating from Sustainvest
- 12 Listed in the Dow Jones Sustainability Index (DJSI) World for 11 consecutive years  
Awarded Carbon Disclosure Project(CDP) rating A-

## 2023

- 02 First-ever purchase agreement for RECs in the financial sector

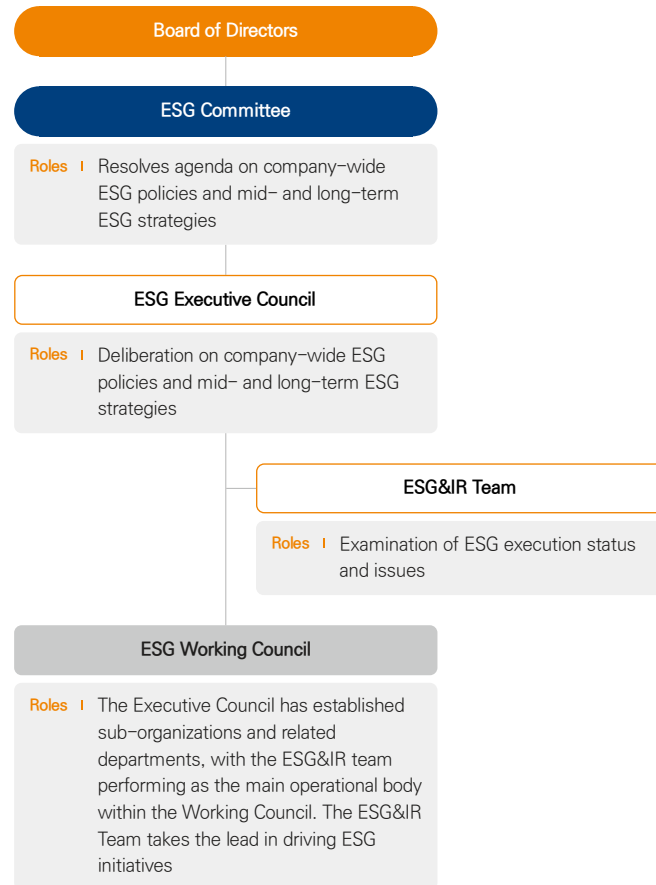


# Governance & Accountability

Mirae Asset Securities operates an ESG Committee, which serves as the highest decision-making body under the BOD to review and approve ESG-related matters. This committee ensures the efficient implementation of responsible, transparent, and ethical management practices. Furthermore, Mirae Asset Securities prioritizes active enhancement of shareholder value and expanding shareholder returns as the primary goal for concurrent growth with shareholders. Efforts are made to enhance trust and credibility in this regard.



## ESG Management Governance



## Reinforcing Shareholder Return Policy

In order to enhance the predictability of shareholder returns, we have implemented a consistent shareholder return policy for the period of FY2021 to FY2023. This policy has set the shareholder return trend, the sum of dividends and stock cancellation, to at least 30% of adjusted net income. To meet such goal, we conduct yearly dividends, purchase treasury stocks, and retirement of shares through retained earnings. The return of KRW 210.1 billion from FY 2022 to shareholders, which was a result of retirement and settlement dividend, was equivalent to approximately 33% of the net income for the year, representing a slight increase from the previous year's 31.3%. Over the last three fiscal years (2020-2022), we have distributed dividends totaling KRW 441.6 billion and canceled KRW 411.1 billion worth of treasury stocks, resulting in a total shareholder return of KRW 852.8 billion.

### Shareholder Returns

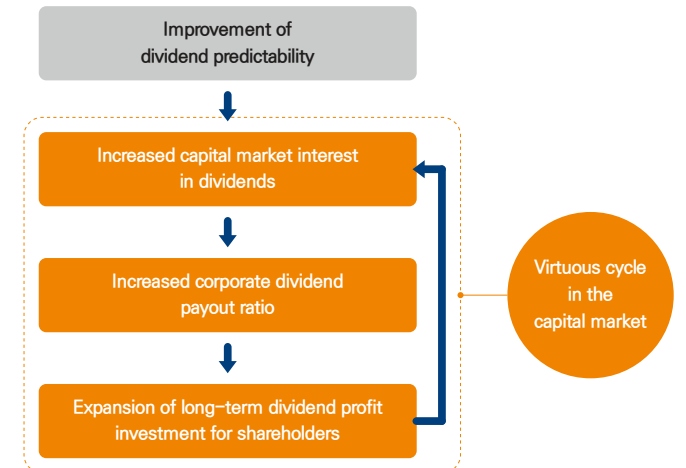
| Classification           | Unit    | 2020  | 2021  | 2022  |
|--------------------------|---------|-------|-------|-------|
| Cash dividends           | KRW 100 | 1,301 | 1,881 | 1,234 |
| Stock cancellation       | million | 1,504 | 1,740 | 867   |
| Shareholder return ratio | %       | 34.1  | 31.3  | 32.9  |

- 1) Shareholder returns consist of dividends and retirement of shares through retained earnings, and the shareholder return ratio is the proportion of shareholder returns to adjusted net income for a given period.
- 2) Adjusted net income of current period, attributable to controlling interests on the consolidated basis, is calculated by excluding profits not accompanied by real cash flow such as significant unrealized profits, gains on bargain purchases. This calculation is subject to the approval and determination of the BOD.

## Improvement of Dividend System

Mirae Asset Securities has proactively improved dividend procedures in line with global standards to enhance shareholder engagement in dividend investing. We have implemented a 'Dividend Announcement Prior to Ex-Dividend Date' system, which allows investors to make dividend investment decisions after the determination of dividend eligibility and amount, instead of investing without knowing the expected dividend amount under the existing dividend system. Through the regular general meeting of shareholders held in March of this year, the Articles of Incorporation were revised, and the plan is to apply the changes starting from the dividend for the year 2024 (fiscal year 2023).

### Contribution to the Capital Market through the Improvement of the Dividend System



## 01 Corporate Governance

Mirae Asset Securities operates a BOD with diversity, expertise, and independence, based on understanding and considerations of various stakeholders, including shareholders and customers.

We implement responsible management practices to facilitate the ability of independent directors to carry out their independent supervisory roles, thereby promoting the long-term growth and success of the Company.

### Roles of the Board

The BOD diligently fulfills its responsibility of overseeing and maintaining a balance in management to foster the Company's sustainable growth and safeguard the interests of stakeholders, including shareholders and customers.

#### Board of Directors Regulations Article 3 (Authority)

- ① The BOD is responsible for making decisions in accordance with the laws and Articles of Incorporation, matters delegated by the general meeting of shareholders, and important matters related to the fundamental policies of company management and business operations.
- ② The BOD oversees the execution of directors' duties and responsibilities.

### Independence of the Board

As per the 'Internal Rules on Governance Structure,' the BOD has ensured its autonomy by electing a majority of independent directors and designating one of them as the chairman of the Board.

In addition, for independent director candidates and serving independent directors, comprehensive reviews are conducted to assess their independence based on compliance with the 'Commercial Act' and the 'Act on Corporate Governance of Financial Companies,' as well as adherence to global standards (Best Practices) and independence guidelines for independent directors. If an independent director satisfies all the independence criteria for independent directors, they are deemed independent.

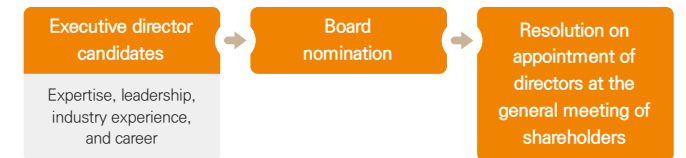
#### Independence Requirements for Independent Directors

1. The director must not have been employed by the Company in an executive capacity in the past five year.
2. The director and his or her immediate family member must not have received compensation from the Company or its parent or subsidiaries in excess of \$60,000 per year, other than those permitted by SEC Rule 4200 Definitions.
3. The immediate family of the director must not be an executive of the Company or its parent or subsidiaries.
4. The director must not be an advisor or consultant of the Company.
5. The director must not be an executive or employee of a firm that has signed a major advisory agreement or a technology partnership agreement with the Company.
6. The director must not have been employed by the Company's outside auditor in the past three years.
7. The director must not have any related interest on the agenda determined by the BOD.

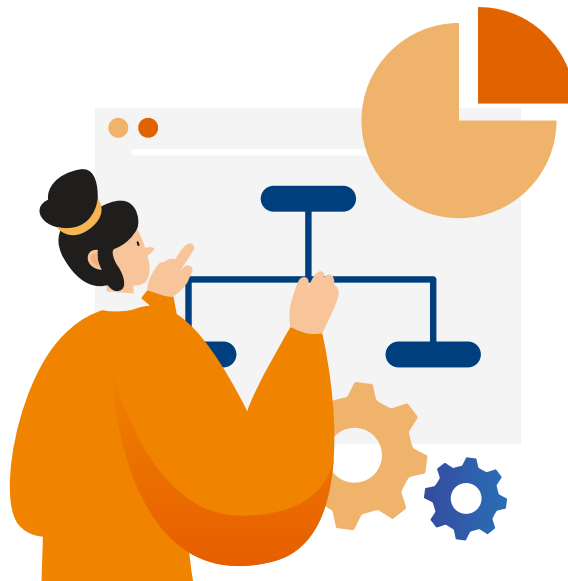
### Election of Directors

We ensure that the directors we select meet the necessary qualifications as required by relevant laws, the Articles of Incorporation, and the Internal Rules on Governance Structure. We select the candidates for executive directors from a pool of constantly managed individuals, taking into account their expertise and leadership abilities. For independent directors, candidates with a strong understanding of the financial industry and extensive experience in specialized fields such as finance, accounting, law, risk management, and IT are selected. They should have no affiliation or conflicts of interest with the Company or major shareholders, enabling them to oversee the management of the company from an independent position. Mirae Asset Securities restricts the appointment of independent directors based on Article 6 of the 'Act on Corporate Governance of Financial Companies.' According to this law, individuals who have served as independent directors in the same financial company for six or more years or have a cumulative tenure of nine or more years as an independent director in the financial company or its affiliate companies are subject to limitations on their reappointment as independent directors.

#### Executive directors Appointment Process



#### Independent Director Appointment Process





Composition of the Board of Directors

Current Composition of the Board of Directors

As of the end of April 2023

| Classification        | Name (Gender)                   | Date of birth | Key profile  | Tenure  |  |
|-----------------------|---------------------------------|---------------|--|---|--|
| Independent directors | Yong-Sun Jung (Male) (Chairman) | May 1954      | Department of Law, Korea University<br>The Visiting International Professional Program at Michigan State University<br>Deputy Director of Securities Market Division, Financial Supervisory Service<br>Advisor of Yoon&Yang LLC  | Independent director of Samsung Asset Management<br>CEO of Koramco Asset Management<br>President of KAREIT<br>Independent director of Kumho Petrochemical   | May 2019–Mar 2024<br>(4 consecutive terms)   |
|                       | Tae-Yoon Sung (Male)            | Feb 1970      | Department of Economics, Yonsei University<br>Graduate School of Economics, Yonsei University<br>PhD in Economics at Harvard University<br>Professor of Management Engineering, KAIST College of Business<br>Member of the Macroeconomic Subcommittee of the National Economic Advisory Council<br>Dean of Underwood International College, Yonsei University<br>Vice President of Korea Money and Finance Association | Editorial Board Member of the Korean Economic Forum, Korean Economic Association<br>Independent director of KT<br>(Present) Dean of Academic Affairs, Yonsei University<br>(Present) Professor of Department of Economics, College of Commerce and Economics, Yonsei University<br>(Present) President of Korea International Finance Association<br>(Present) Non-standing Director, Korea Trade Insurance Corporation | Mar 2022–Mar 2024                            |
|                       | Gemma Lee (Female)              | Apr 1974      | Department of Economics, Sogang University<br>Vanderbilt University Graduate Program in Economic Development<br>PhD in Finance programs at Vanderbilt University's Owen Graduate School of Management<br>Assistant Professor of Department of Finance, Business School of Alabama State University<br>Visiting Professor, Department of Finance, the Kellstadt Graduate School of Business at DePaul University        | Assistant Professor of Department of Finance, Business School of Seton Hall University<br>(Present) Associate Professor of College of International Studies, Kyung Hee University<br>(Present) Director of Institute of Continuing/Language Education Kyung Hee University  | Mar 2020–Mar 2024<br>(2 consecutive terms)   |
|                       | Jun-Hee Seok (Male)             | May 1979      | School of Electrical Engineering, KAIST<br>Masters' and PhD in Electrical Engineering, Stanford University<br>Statistician (Researcher) at Stanford University<br>Assistant Professor of Biomedical Informatics at Northwestern University   | Assistant Professor of Electrical Engineering, Korea University<br>Visiting Professor of Statistics at Stanford University<br>(Present) Executive Director of Medivalue<br>(Present) Associate Professor of Electrical Engineering, Korea University  | Mar 2022–Mar 2024                            |
| Executive directors   | Hyun-Man Choi (Male)            | Aug 1961      | Department of Political Science and Diplomacy, Chungnam National University<br>Sogang Top Executive Program (STEP) at Sogang Business School<br>CEO of Mirae Asset Global Investments<br>Executive Vice Chairman & CEO, Mirae Asset Life Insurance   | Executive Vice Chairman & CEO, Mirae Asset Securities<br>Non-executive Director Mirae Asset Venture Investments<br>(Present) Mirae Asset Securities (HK) Ltd. BOD<br>(Present) CEO and Chairman of Mirae Asset Securities   | Nov 2016–Mar 2024<br>(6 consecutive terms)   |
|                       | Man-Yeol Lee (Male)             | Apr 1964      | Department of Business Administration, Seoul National University<br>London Imperial College MBA<br>Head of Mirae Asset Securities Brazil<br>Head of RM2 Unit, Mirae Asset Securities   | Chief Risk Officer (CRO) of Mirae Asset Securities<br>Head of Global Division, Mirae Asset Securities<br>(Present) Non-standing Director (non-regular), Nextrade<br>(Present) CEO and President of Mirae Asset Securities   | Mar 2021 – Mar 2024<br>(2 consecutive terms) |
|                       | Mi-Seob Kim (Male)              | Oct 1968      | Department of Economics, Seoul National University<br>Representative of a overseas subsidiary of Mirae Assets Global Investments<br>Vice President of Mirae Asset Global Investments Global Division   | CEO and President of Mirae Asset Global Investments<br>(Present) Mirae Asset Securities Global Business Manager   | Mar 2023 – Mar 2024                          |

As of April 2023, the BOD is composed of three members with expertise in financial investment, two members in finance and accounting, one member in finance and economics, and one member in new growth.

Board Expertise

Independent Directors

| Classification            | Yong-Sun Jung | Tae-Yoon Sung | Gemma Lee | Jun-Hee Seok |
|---------------------------|---------------|---------------|-----------|--------------|
| Finance                   | ○             | ○             | ○         | ○            |
| Business management       |               | ○             |           |              |
| Financial/risk management | ○             | ○             | ○         |              |
| Accounting                | ○             |               | ○         |              |
| Law/regulation            | ○             | ○             |           |              |
| Digital/IT                |               |               |           | ○            |
| ESG/consumer protection   |               |               | ○         |              |

Executive Directors

| Classification            | Hyun-Man Choi | Man-Yeol Lee | Mi-Seob Kim |
|---------------------------|---------------|--------------|-------------|
| Finance                   | ○             | ○            | ○           |
| Business management       | ○             | ○            | ○           |
| Financial/risk management |               | ○            |             |
| Accounting                |               |              |             |
| Law/regulation            |               |              |             |
| Digital/IT                |               |              |             |
| ESG/consumer protection   | ○             |              | ○           |

Board of Directors Diversity

- The BOD consists of directors that do not represent the interest of a specific group without any biases toward any such common background as academic background, age, nationality, gender, religion, and place of birth or job positions.
- The BOD is consisted of directors who are equipped with sufficient field experience or expertise in such related areas as economics, business administration, law, finance, consumer protection, information technology, and new growth areas that are required to fulfill their duties as independent directors or auditors of a global investment institution.
- The BOD has a dedicated organization to support its operations through which training for independent directors are conducted on an ad-hoc or regular basis to ensure the directors can maintain their expertise in the financial industry.
- The BOD convenes meetings in a regular or ad-hoc basis to ensure the diversity and expertise of the BOD can be converged and complemented by free expression of opinions among the independent directors.
- The BOD conducts regular evaluation to monitor whether independent directors' diverse work experiences, expertise, and professional skills are converged in a balanced manner.

### Operation of the Board of Directors and Committees

#### Board of Directors

In 2022, the BOD held a total of 20 meetings, addressing 91 resolutions and reporting items. The attendance rate was 99%. Prior to each Board meeting, a notice of Board meeting is sent to the directors, and the agenda items are provided to all directors in advance for their review and consideration. For matters on the Board agenda, executives responsible for the relevant tasks attend the Board meeting and provide detailed explanations of the specific content. If an independent director or the chairman of the Board deems it necessary, relevant employees or external personnel may attend to provide additional explanations or assist in understanding the BOD' agenda through question and answer sessions.

#### Committees

In accordance with Article 16(1) of the 'Act on Corporate Governance of Financial Companies,' the BOD establishes and operates Corporate Governance & Nominating Committee, Audit Committee, Risk Management Committee, and Compensation Committee. The Audit Committee and the Compensation Committee consist solely of independent directors to secure independence and transparency. Additionally, the Audit Committee must have at least one member who is designated as an expert in accounting or finance. The Corporate Governance & Nominating Committee and Risk Management Committee are made up of over two-thirds of independent directors. Each committee within the BOD is required to select an independent director to serve as the chairman from among the committee members.

#### Audit Committee

The Audit Committee is responsible for ensuring the legality and appropriateness of business operations, which in turn allows management to make informed and rational decisions. The Audit Committee comprises of management and economics experts, financial supervisors, and accounting and finance professionals. At present, the Committee is made up of three independent directors whose independence has been duly verified. To ensure independence and fairness, the Audit Committee members are appointed and dismissed during the shareholders' meeting. They carry out their responsibilities from an independent position that is separate from the BOD and executive agencies. The Board is unable to object to a resolution put forth by the Audit Committee.

#### Committee Composition

| Classification                              | Independent directors |               |           |              | Executive directors |              |             |
|---|-----------------------|---------------|-----------|--------------|---------------------|--------------|-------------|
|   | Yong-Sun Jung         | Tae-Yoon Sung | Gemma Lee | Jun-Hee Seok | Hyun-Man Choi       | Man-Yeol Lee | Mi-Seob Kim |
| Corporate Governance & Nominating Committee | Chairman              |               | ○         | ○            |                     |              | ○           |
| Audit Committee                             | Chairman              | ○             | ○         |              |                     |              |             |
| Risk Management Committee                   |                       | Chairman      | ○         |              |                     | ○            |             |
| Compensation Committee                      | Chairman              | ○             |           | ○            |                     |              |             |
| ESG Committee                               |                       |               | Chairman  |              | ○                   |              | ○           |

#### Committee Function and Number of Meetings

| Committee                                   | Roles & Responsibilities  | No. of meetings in 2022 |
|---|---|-------------------------|
| Corporate Governance & Nominating Committee | • Recommend candidates for executives (independent directors, CEO, and audit committee members)   | 2                       |
| Audit Committee                             | • Establish and execute internal audit plans, evaluate the results, implement follow-up actions, present improvement plans<br>• Evaluate the adequacy of the internal control system and present improvement plans<br>• Appoint or dismiss external auditors, evaluate audit activities | 15                      |
| Risk Management Committee                   | • Establish and monitor integrated risk management policies   | 5                       |
| Compensation Committee                      | • Evaluate and deliberate on the adequacy of designing and operating a compensation system for the top management and employees in specific tasks   | 3                       |
| ESG Committee                               | • Establish policies related to environmental, social and governance (ESG) and manage execution details   | 2                       |



### Board Evaluation and Compensation

An evaluation of the operations of the BOD and committees is conducted annually before the regular general meeting of shareholders. A comprehensive evaluation is conducted using a 5-point scale to assess compliance and operations of the BOD, provision and disclosure of management information, independence, and other relevant criteria. The evaluation provides an overall assessment opinion. The evaluation of independent directors consists of assessing their level of participation in Board activities and evaluating their capabilities. The capability evaluation is conducted through self-assessment and peer evaluation among independent directors. The evaluation of each independent director is conducted through a survey assessment that covers their roles, level of participation, expertise, understanding, and fairness. The evaluation process gathers comprehensive opinions based on the assessment results. In 2022, all independent directors attended every Board meeting and committee meeting, achieving a 100% attendance rate. The capability evaluation results indicated that all independent directors performed exceptionally well.

The compensation of directors and auditors is paid within the approved limits at the annual general meeting of shareholders and is authorized through approval by the Compensation Committee and the BOD. The compensation is determined taking into consideration the duties, activities, and performance of the directors and auditors, as well as factors such as industry standards in the financial sector and the size of the Company. However, to ensure the independence and fairness of their roles, independent directors do not receive performance-based compensation separate from their regular compensation.

#### Current Status of Compensation for Directors

Unit: persons, KRW 1 million

| Classification         | Headcount <sup>1)</sup> | Total amount paid <sup>2)</sup> | Average compensation <sup>3)</sup> |
|------------------------|-------------------------|---------------------------------|------------------------------------|
| Executive director     | 3                       | 7,170                           | 2,390                              |
| Independent director   | 1                       | 64                              | 64                                 |
| Audit committee member | 3                       | 193                             | 64                                 |

- 1) Average number of people in the pertinent year
- 2) Including directors whose term has expired and who have resigned
- 3) Total amount paid (based on actual payment) ÷ number of persons

### Executive Performance Evaluation and Compensation (including CEO)

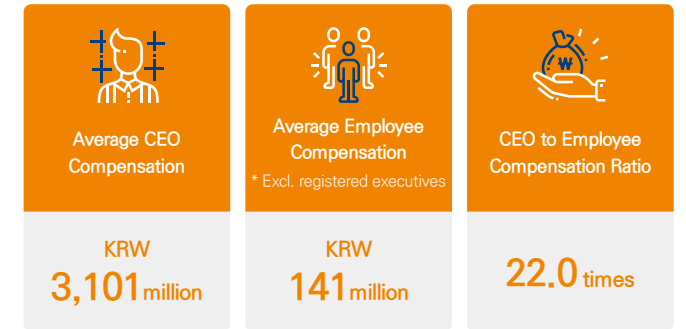
The performance of executives, including the CEO, is evaluated based on a comprehensive assessment of the overall Company performance and the performance of their respective departments or organizations. The evaluation encompasses both quantitative financial indicators such as profit, return on equity (ROE), balance in client assets, employees productivity, business growth rate, and changes in stock price, as well as qualitative employees performance factors such as business innovation, client management, digital transformation, risk management, internal controls, and financial consumer protection. In addition to goal achievement, relative performance compared to the market is also taken into consideration.

Performance-based compensation is determined based on profit and performance evaluation results and is finalized through decisions by the Remuneration Committee and the BOD. Our company utilizes a performance-based compensation system to ensure that we prioritize long-term success rather than solely focusing on immediate outcomes. All key executives and personnel with positions at or above executive vice president level, as well as financial investment business employees whose cumulative performance-based compensation for the current fiscal year exceeds KRW 100 million, are subject to deferred compensation. For individuals subject to deferred compensation, 50% of the compensation is paid in the current year, while the remaining 50% is deferred and paid over a three-year period with a distribution ratio of 15%, 15%, and 20%, respectively. The payment is linked to the Company's stock price. However, independent directors, auditors, compliance officers, and risk management officers are excluded from deferred performance-based compensation, as their independence in performing their duties is prioritized over linking their compensation to business performance.

#### Deferred Compensation Payout Ratio by Year

| Classification | Current year (T-year) | T+1 | T+2 | T+3 | Total |
|----------------|-----------------------|-----|-----|-----|-------|
| Ratio          | 50%                   | 15% | 15% | 20% | 100%  |

### CEO and Average Employee Compensation



### Preventing Conflict of Interest

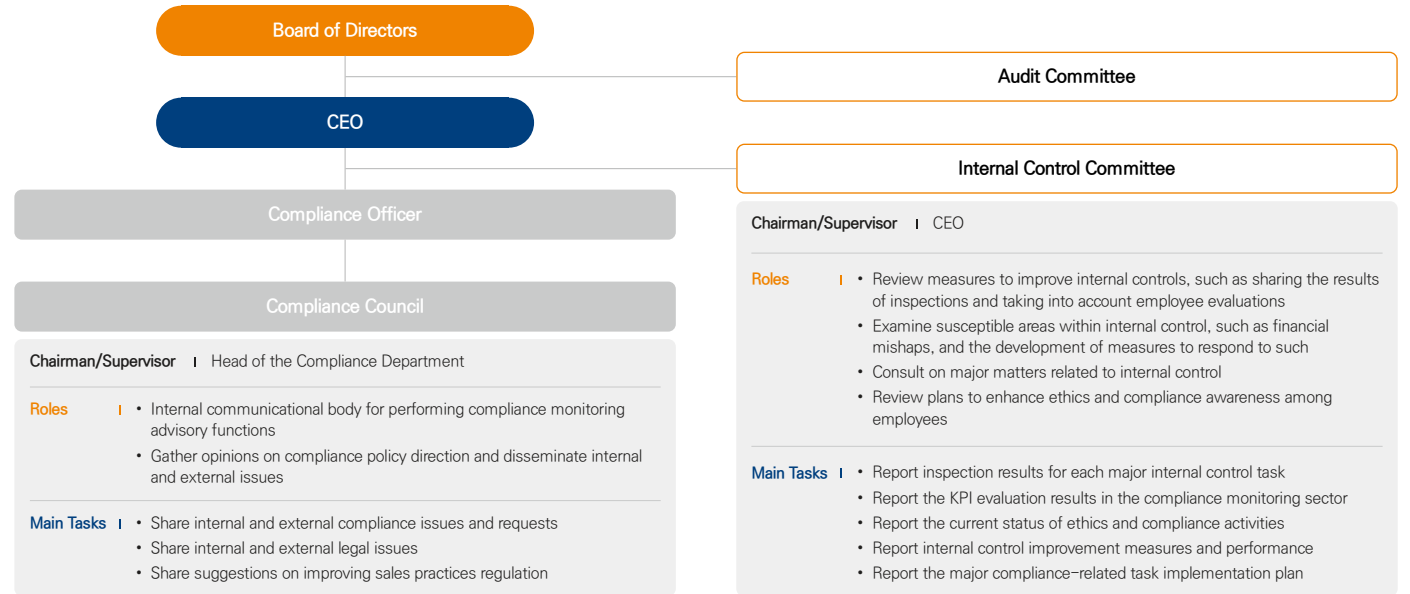
According to Article 397-2 of the Commercial Act, if a director intends to utilize a business opportunity of the company that could be beneficial to themselves or a third party, they must obtain prior approval from at least two-thirds of the directors present at the BOD meeting. Additionally, according to Article 398 of the Commercial Act, if a director or a major shareholder intends to engage in transactions with the company, they must disclose important facts related to the transaction to the BOD in advance and obtain the approval of at least two-thirds of the directors present at the BOD meeting. Accordingly, the 'Approval of Transactions with Major Shareholders, etc.' was discussed in the 14th and 16th BOD meetings in 2022. The fairness of the transactions was deliberated, and it received unanimous approval from all directors present at the meeting. Furthermore, according to Article 26 of the Fair Trade Act and Article 15 of the Act on the Supervision of Financial Conglomerates, if a company belonging to a business group subject to intra-group transaction restrictions engages in transactions with related parties (including affiliate companies) or conducts large-scale internal transactions exceeding 5% of the total capital or capital stock, or involving funds, securities, assets, goods, or services worth KRW 5 billion or more, it must obtain prior approval from the BOD.

## 02 Ethical Management

We are making efforts to create an environment for employees to uphold proper behavior and ethical judgment by providing the 'Ethics and Compliance Pledge' on employees' PC screen protectors. This aims to enhance employees' awareness of ethical management and foster a culture of autonomous ethical compliance. Additionally, every month, employees undergo ethics and legal education, and conduct self-check activities through ethics and legal compliance checklists in the first and second half of the year.

### Ethical Management System

#### Ethical Management Governance



#### Policies and Regulations Related to Ethical Management



Present the proper criteria for ethical judgment that all employees of Mirae Asset Securities should adhere to in order to fulfill the Company's social roles and responsibilities



Provide clear behavioral standards for ethical management practices, including fair execution of job duties, prohibition on obtaining unfair benefits, and fostering a healthy corporate culture



Provide guidelines for the establishment of a preemptive prevention system for fair and accurate business processing, prevention of financial accidents, conflict of interest prevention, building a robust information disclosure process, efficient handling of complaints, and protection of investor information



### Internal Control System

#### Activities for the Prevention of Money Laundering and Financing of Terrorism

##### Operation of Customer Due Diligence(CDD)

We operate a 'Customer Due Diligence' to ensure that the financial products or services provided by the Company are not used for money laundering or other illicit activities during customer financial transactions. We take great care in identifying and verifying our customers, ensuring that transactions are conducted for legitimate purposes, and confirming actual ownership. Furthermore, when dealing with customers who are suspected of engaging in high-risk transactions, such as money laundering, we conduct enhanced customer due diligence (EDD) to verify additional information. This includes details such as the purpose of the transaction, the source of funds, and the customer's occupation or industry.

##### Watchlist Filtering

Mirae Asset Securities conducts watch list filtering prior to engaging in transactions with customers. This is done to verify whether the customer is an individual with restrictions on financial transactions, a foreign politically exposed person (PEP), or any other high-risk individual. If a customer is identified as a high-risk individual,

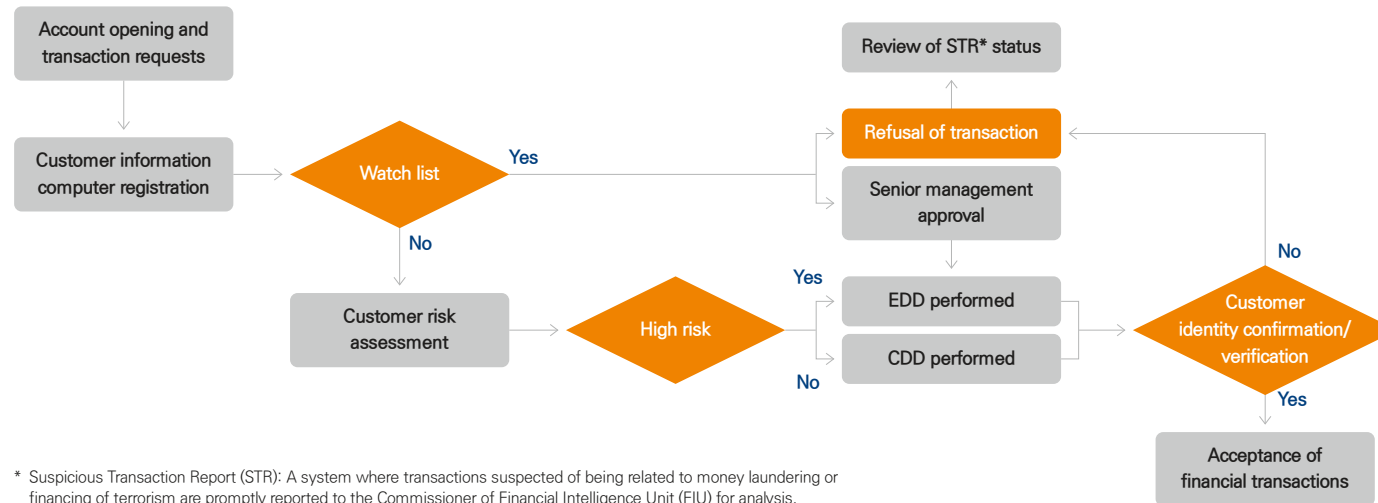
transactions are declined and refused accordingly. In addition, we employ the internationally recognized Dow Jones Commercial Database, widely used by global financial institutions, to update and maintain the high-risk individual database on a daily or weekly basis. This allows us to ensure that transactions with high-risk customers do not occur by exercising utmost caution and vigilance.

##### Watch List

1. The List of Persons Subject to Restrictions on Financial Transactions Announced by the Financial Services Commission in the Act on Prohibition against the Financing of Terrorism and Proliferation of Weapons of Mass Destruction
2. The United Nations Consolidated List of Terrorists
3. The FATF's List of Non-cooperative Countries and Territories and the List of Countries that Do Not Comply with the FATF Recommendations on the FATF Statement
4. The OFAC's SDN (Specially Designated Nationals or Blocked Persons) List
5. List of Foreign Political Figures
6. The Sanction List Announced by the Country where a Foreign Subsidiary is Located

\* Watch List Filtering (WLF): Prior to the completion of financial contracts, it is necessary to confirm the status of high-risk individuals (such as those subject to financial transaction restrictions, terrorists, etc.) through an assessment of money laundering risks, followed by either rejection or approval by the management.

#### Customer Due Diligence (CDD) Work Flow Chart



\* Suspicious Transaction Report (STR): A system where transactions suspected of being related to money laundering or financing of terrorism are promptly reported to the Commissioner of Financial Intelligence Unit (FIU) for analysis.

#### Control of High-risk Nationality Customers

Mirae Asset Securities follows the FATF anti-money laundering regime and internal regulations under Article 43 of the 'Regulations on Anti-Money Laundering and Prohibition of Financing of Terrorism.' Accordingly, we conduct rigorous verification for countries and customers with international sanctions or identified deficiencies. We have established procedures to either reject transactions or seek approval from management when the risk is deemed low.

**Target Customers**

1. Traders (individual/corporate)
2. Proxies
3. Representatives of corporations and organizations
4. Actual owners of corporations and organizations (majority shareholder, etc.)

| Target Country*   | Business Processing  |
|---|--|
| FATF's black list<br>Iran, North Korea  | Transactions prohibited  |
| FATF's gray list<br>A total of 26 countries, including South Sudan, Yemen, and Jordan | Conditional transactions<br>When the risk of money laundering and financing of terrorism is significantly low and there is approval from senior management or higher authorities in the respective field |

\* As of Oct. 27, 2022

#### Data Preservation System

In accordance with Chapter 8 of the 'Regulations on Anti-Money Laundering and Prohibition of Financing of Terrorism,' we maintain a data retention system for relevant information. We retain the related documents and data for a period of five years from the completion of the financial transaction. We have established and implemented management procedures for the retention of the designated documents and materials.



# Governance & Accountability

## 02 Ethical Management

### Internal Control System

#### Activities to Prevent Financial Accidents and Safeguard Customer Assets

- 1 Conducting focused on-site inspections for the prevention of financial accidents resulting from the expansion of dedicated personnel during mandated holidays
- 2 Selecting compliance officers for each branch to perform autonomous compliance monitoring activities, including conducting internal training and carrying out self-regulated compliance monitoring
- 3 Conducting on-site investigations of the operational status of internal controls within branches to enhance the effectiveness of self-audits and strengthen internal controls for better operational efficiency
- 4 Providing customer notification procedures in the event of manager transfer and resignation in order to prevent financial disputes in advance
- 5 Performing tasks related to the suspension of payments and processing of claims for victims of electrical communication financial fraud
- 6 Establishing an advanced financial transaction detection system

#### Review of Suitability of Transactions with Affiliate Companies

- 1 Ensuring the suitability by verifying the fairness of transactions between affiliated companies, with the aim of eliminating any unfair trade practices related to products or services
- 2 Taking measures to prevent discrimination between affiliated and non-affiliated companies by conducting reviews on the existence of normal transaction conditions, providing business opportunities to affiliate companies, and conducting reasonable comparisons of transaction terms

#### Internal Control System Inspection Status of Internal Audit Implementation

Unit: times

| Classification      |                       | 2020       | 2021       | 2022      |
|---------------------|-----------------------|------------|------------|-----------|
| Comprehensive audit | Headquarter           | 25         | 29         | 37        |
|                     | Domestic branch       | 50         | 50         | 38        |
|                     | Overseas subsidiaries | 7          | -          | 4         |
| Subtotal            |                       | 82         | 79         | 79        |
| Department audit    | Headquarter           | 27         | 29         | 15        |
|                     | Domestic branch       | -          | -          | 4         |
|                     | Overseas subsidiaries | -          | 7          | -         |
| Subtotal            |                       | 27         | 36         | 19        |
| <b>Total</b>        |                       | <b>109</b> | <b>115</b> | <b>98</b> |

#### External Verification of Internal Control System in 2022

To ensure objective verification of our internal control systems, we periodically undergo validation through financial intelligence units, such as the Financial Intelligence Unit and the Korea Exchange, etc. In the second and third quarters of 2022, we received an excellent rating in terms of risk management levels and operational risk.

Korea  
Financial  
Intelligence  
Unit  
(KoFIU)

##### Comprehensive assessment of anti-money laundering practice

- Operational risk indicators: Company-wide control policy, internal control, customer identification, monitoring and reporting management
- Inherent risk indicators: Customer characteristics, country characteristics, channel characteristics, company characteristics

| Period | Results <sup>1)</sup>   |                       |
|--------|-------------------------|-----------------------|
|        | Operational risks       | Inherent risks        |
| Q 1    | 7 <sup>th</sup> place   | 7 <sup>th</sup> place |
| Q 2    | Excellent <sup>2)</sup> | High                  |
| Q 3    | Excellent <sup>2)</sup> | High                  |

Korea  
Exchange  
(KRX)

- Compliance monitoring system in 2022**  
Organization, compliance officer authority, inspection and monitoring activities, revision of regulations, etc.
- Compliance with KRX regulations**  
Compliance with regulations regarding order records, short selling, securities borrowing and lending, and delegated payment agents, as well as the existence of systems and training for regulatory compliance
- Monitoring of unfair transactions**  
Training of internal control executives/employees on regulations and systems, actions and processes for handling complaints, monitoring of accounts, and prevention of conflicts of interest

| Period | Results                 |
|--------|-------------------------|
| 2022   | 1st <sup>3)</sup> grade |

- (Evaluation Grading) Starting from the second quarter of 2022, a 'grading system' was introduced for evaluation results. After conducting a risk management level assessment, categorizing inherent risk (high to low) and operational risk (excellent to caution) into five levels each, thereby distinguishing risk levels based on the assigned grades
- Excellent grade: Within the top 15%
- Full range of ratings: Grades 1 - 5



### Ethics and Compliance Culture

#### Program for Reinforcing Ethical Management, 'Ethics and Compliance Commitment'

We create an environment for our employees to practice proper behavior and ethical values by utilizing PC screen saver image pop-ups. This helps in promoting ethical management values among our employees.

#### Production of user-centered 'Compliance Guidebook'

We have created and distributed an easily accessible 'Digital Compliance Guidebook' to promote the practical implementation of ethics and compliance among employees, without any time or location constraints.



Download the Compliance Guidebook  
(KOR ver. Only)

#### Ethics & Compliance Day in 2022

We implement an 'Ethics & Compliance Day' through biannual training to ensure all employees recognize the significance of ethics and compliance culture and pledge to uphold ethical principles and legal regulations.

#### Current status of Ethics & Compliance Day

| Date | Content   | No. of subjects (completion rate) |
|------|---|-----------------------------------|
| JAN  | Guidelines regarding self-handled transactions by executives/employees                  | 3,639(92%)                        |
| FEB  | Recent examples of regulatory actions taken by the Financial Supervisory Service (FSS). | 3,552(92%)                        |
| APR  | Notes on external activities, concurrent positions, and media contact                   | 3,484(92%)                        |
| MAY  | Provision and receipt of property benefits  | 3,493(94%)                        |
| JUL  | Prohibited actions related to financial incidents                                       | 3,466(94%)                        |
| AUG  | Information on major regulations to prevent unfair trade                                | 3,462(90%)                        |
| NOV  | Key guidelines for customer due diligence (CDD) requirements                            | 3,433(94%)                        |

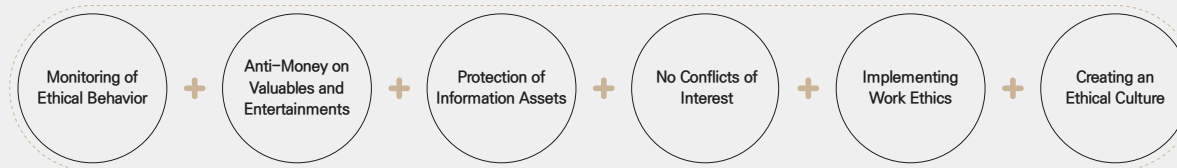
\* October training was replaced with employee compliance training.

#### Written Oath on Ethical Management Practice by Employees

Employees reaffirm their commitment to ethical management by submitting the 'Written oath on ethical management practice', 'Written oath on Security', 'Consent for Retention and Access to Electronic Communication Logs,' and 'Consent for Telephone Recording and Playback' annually in January. In 2022, out of a total of 3,789 employees, excluding those who left the Company or were on long-term leave, 3,775 employees (99.6%) submitted the required documents.

### Pledge to Practice Ethics and Compliance

We pledge to strive toward becoming an investment company that contributes to the enhancement of corporate value and the sound development of the financial industry, based on honesty, trust, fair and transparent ethical management. We will fulfill our corporate social responsibilities and grow together with all stakeholders.



#### Monitoring of Ethical Behavior

I am proud that my current actions would not bring any shame if they were known by my family, clients, and colleagues.

#### Anti-Money on Valuables and Entertainments

I do not engage in unethical and illegal behavior such as giving unfair instructions, facilitation of favors or bribery, or providing special privileges that could undermine fair job duties.

#### Protection of Information Assets

I do not unethically collect or misuse customer and employee personal data.

#### No Conflicts of Interest

I do not engage in actions that exploit my position or the Company's name for personal benefits or tarnish the reputation of the Company.

#### Implementing Work Ethics

I promptly report and rectify any wrongdoing before the problem escalates further.

#### Creating an Ethical Culture

I respect my teammates and refrain from engaging in unethical behavior such as using profanity, disregarding or belittling others, making jokes that cause embarrassment, or engaging in physical contact that may lead to discomfort.

### Self-assessment of Ethics and Compliance by Employees

To foster a culture of voluntary ethics and compliance among employees, we conduct biannual self-assessment on ethics and compliance in the form of checklist.

| Self-assessment Items   |   |
|---|---|
| <input type="checkbox"/> Ethical conduct standards                                  | <input type="checkbox"/> Prohibition of unfair transactions   |
| <input type="checkbox"/> Laws and systems related to anti-money laundering          | <input type="checkbox"/> Prohibition of unauthorized use and confidentiality of information obtained during the course of performing duties |
| <input type="checkbox"/> Prohibition of unfair property benefits                    | <input type="checkbox"/> Information security   |
| <input type="checkbox"/> Prevention of mis-selling and customer complaints          | <input type="checkbox"/> Investment advertisement and external activities   |
| <input type="checkbox"/> Compliance guidelines for electronic communication contact | <input type="checkbox"/> Basic compliance guidelines for employee self-trading  |
| <input type="checkbox"/> Obligations regarding the Chinese Wall between departments | <input type="checkbox"/> Prevention of financial incidents  |
| <input type="checkbox"/> Obligations toward customers and the Company               | <input type="checkbox"/> Compliance with internal control policies and standards for financial conglomerates                                |

| Date | No. of subjects (implementation rate) |
|------|---------------------------------------|
| MAR  | 3,592 persons(99%)                    |
| SEP  | 3,536 persons(99%)                    |

\* Not implemented for employees who have resigned or are on long-term leave

### Employees Ethics and Compliance Training

#### Training Related to the Prevention of Money Laundering and the Financing of Terrorist Activities

We conduct internal training sessions, utilizing an intranet-based platform, for all employees and specific roles (BOD, management, branch/department managers, compliance officers, etc.) at least once a year. These training sessions can be conducted remotely or in a group setting, depending on the circumstances. We provide training on the key provisions of relevant laws and regulations related to anti-money laundering, prevention of terrorist financing, suspicious transaction types, recent money laundering cases, and after the completion of the training, we conduct tests to ensure a 100% completion rate. For employees who do not meet the completion criteria, we conduct retesting and retraining.

#### Statutory Compulsory Training for All Employees

| Classification  | 2020          | 2021          | 2022          |
|-----------------|---------------|---------------|---------------|
| No. of subjects | 3,904 persons | 3,738 persons | 3,508 persons |
| Completion rate | 100%          | 100%          | 100%          |

### External Group Training for Anti-money Laundering Compliance Officers

Unit: times

| Course   | Training institution   | 2020 | 2021 | 2022 |
|--|--|------|------|------|
| Anti-money laundering expert course  | Sungkyunkwan University  | 1    | 1    | 1    |
| AML/CFT practical course   | Association of Compliance Officers, Korea Institute of Financial Investment, Korea Banking Institute | 2    | 4    | 3    |
| Training course for the development of key personnel in anti-money laundering Training | Korea Banking Institute  | 1    | 3    | 2    |

### Employees Compliance Training

We provide regular training to all employees, compliance officers, and overseas compliance supervisors to enhance their awareness of regulatory compliance, promote sound business practices, and emphasize the importance of ethical and legal responsibilities for customer protection.

| Date | Content   | Education method                | No. of subjects (completion rate) |
|------|---|---------------------------------|-----------------------------------|
| JAN  | Restrictions on employee self-trading, prohibition of order execution on behalf of others, prohibition of personal benefits and bribery, anti-money laundering, prevention of unfair transactions, procedures for concurrent employment, external activities, media contacts with other companies, and promotion of ethics and compliance awareness | Group training                  | 150 persons(100%)                 |
| MAR  | Ethics awareness, morality, restrictions on employee self-dealing, personal data protection, social media guidelines, etc   | Group training                  | 37 persons(100%)                  |
| APR  | Ethics awareness, morality, accident prevention, and major accident and sanction cases  | Group training                  | 77 persons(100%)                  |
| JUN  | Unfair trading, restrictions on employee self-dealing, provision and receipt of financial benefits, investment advertising, external activities, and media contacts   | Group training                  | 14 persons(100%)                  |
| JUL  | Ethics awareness, morality, restrictions on employee self-dealing, personal data protection, social media guidelines, etc   | Group training                  | 7 persons(100%)                   |
| SEP  | Understanding compliance, restrictions on employees' self-trading of financial investment products, regulation of unfair trading practices, etc.  | Non-face-to-face (online)       | 3,521 persons(100%)               |
|      | Unfair trading practices and prohibition of providing financial benefits  | Group training                  | 16 persons(100%)                  |
| OCT  | Anti-money laundering system and key compliance regulations in Korea (Subject to overseas subsidiary compliance officers: India, Vietnam, Indonesia, Hong Kong, Singapore, Mongolia)  | Non-face-to-face video training | 7 persons(100%)                   |
|      | Anti-money laundering system and key compliance regulations in Korea (Subject to overseas subsidiary compliance officers: New York, New York Investment, Brazil, London)  | Non-face-to-face video training | 5 persons(100%)                   |
| NOV  | Anti-money laundering system and concepts, key aspects and implementation methods of customer due diligence for offshore funds and discretionary accounts, recent regulatory observations on customer due diligence by the Financial Supervisory Service  | Group training                  | 15 persons(100%)                  |
|      | Prevention of financial incidents, compliance tasks, activities to prevent unfair trading practices, education on financial consumer protection, and an overview of customer complaints in 2022   | Non-face-to-face (online)       | 84 persons(100%)                  |
| DEC  | Unfair trading practices and prohibition of providing financial benefits  | Group training                  | 15 persons(100%)                  |
|      | Ethics awareness, morality, restrictions on employee self-dealing, personal data protection, social media guidelines, etc   | Group training                  | 4 persons(100%)                   |

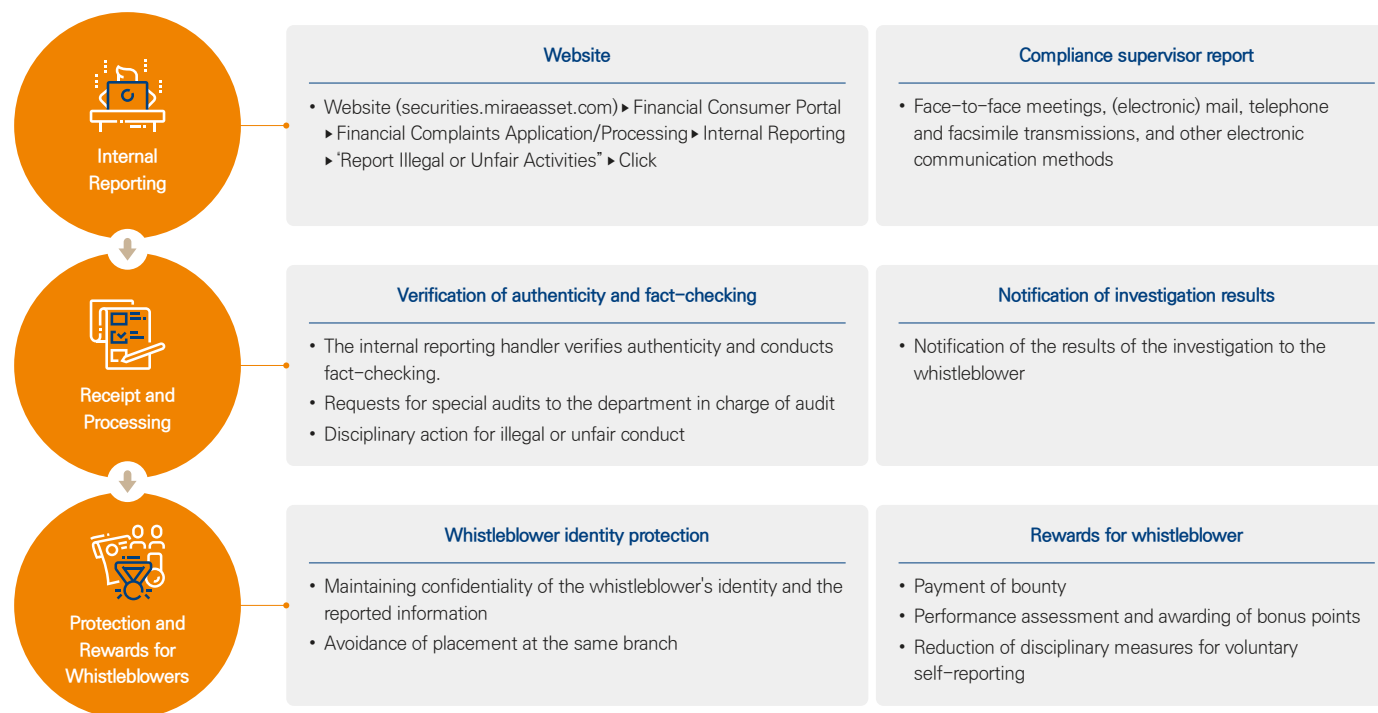


### Ethics & Compliance Report

#### Financial Incident Report

To ensure safe financial transactions for customers, we operate a Voice of Customer (VOC) system, a financial dispute settlement team, and a customer complaints channel on our website. The Compliance Department is committed to preventing financial incidents and combating financial misconduct through an internal reporting system and various programs aimed at early detection and prevention. The dual internal reporting system is operated with measures in place to protect the identity of whistleblowers, provide protection against reprisals, and offer incentives such as reduced liability and reward payments.

#### Ethics and Compliance Reporting Process



#### Status of Ethics/Compliance Reporting and Processing

Unit: cases

| Classification                 | 2020 | 2021 | 2022 |
|--------------------------------|------|------|------|
| Number of reports              | 0    | 1    | 1    |
| Number of effective cases      | 0    | 0    | 0    |
| Number of disciplinary actions | 0    | 0    | 0    |

#### Status of Financial Misconduct (corruption and bribery, etc.) Occurrences

Unit: cases

| Classification        | 2020 | 2021 | 2022 |
|-----------------------|------|------|------|
| Number of occurrences | 0    | 0    | 0    |

### Enhancement of Ethical Management among Partner Companies

#### Ethics Training for Partner Companies

To enhance security awareness among employees of our partner companies, who have entered into a service contract with Mirae Asset Securities for system development, implementation, operation, and maintenance, we provide annual information security training on security compliance requirements.

#### Sharing the Code of Ethics with Partner Companies

To facilitate easy and clear understanding of Mirae Asset Securities' Code of Ethics by our partnering companies, we have made the detailed contents of the Code of Ethics publicly available on our website. Furthermore, we provide support to our partner companies by offering ethical management policies and guidelines upon their request, to assist them in establishing their own code of ethics based on our framework.

#### Strengthening Compliance Monitoring for Partner Companies

For procurement contracts exceeding KRW 20 million, we require partnering companies to submit a 'Contract for Ethical Performance' and perform their duties fairly and transparently in accordance with the ethical conduct standards and procedures set forth in our Code of Ethics.

### Fulfillment of Tax Obligations

We diligently fulfill our tax obligations in accordance with the standards required by local governments, not only at our Korean business sites but also at our overseas subsidiaries. We also maintain transparency by openly disclosing the scale of our tax payments. In cases where the interpretation of tax laws is unclear, we seek assistance from external experts to ensure compliance with legal standards. In addition, corporate tax-related information is disclosed through the Financial Supervisory Service's Data Analysis, Retrieval and Transfer System(DART) in the form of audit reports. In the financial statements and accompanying notes of the audit reports, information on the basis of calculating corporate tax expenses, deferred corporate tax assets and liabilities, and other relevant details can be found. Furthermore, compliance with domestic tax laws and OECD Transfer Pricing Guidelines is ensured when engaging in international transactions with foreign corporations, and we fulfill our tax obligations based on local legal standards.

## 03 Risk Management

The global business diversification achieved by Mirae Asset Securities positions it to build a stronger foundation for long-term growth, despite the value adjustments of investment assets due to the deteriorating liquidity conditions caused by global tightening. It is expected that the completion of the interest rate normalization trend will provide an opportunity for Mirae Asset Securities to further strengthen its long-term growth prospects.

### Risk Management Governance

#### Highest Decision-making Body for Risk Management

According to the 'Act on Corporate Governance of Financial Companies,' we operate a Risk Management Committee under the BOD. The Committee members consist of three directors, including two independent directors and one executive director, who possess expertise and experience in risk management. The chairperson of the Committee is appointed from among the independent directors. The composition aims to ensure independence and expertise in the area of risk management.

#### Roles

- Considering market conditions, business plans, operational status, external regulatory matters, and environmental/social risks, the Risk Management Committee formulates and oversees the Company's risk management strategy.

#### Key Deliberations and Resolutions

- Establishment and review of the basic direction, strategy, and implementation of risk management
- Revision, establishment, and elimination of general regulations related to risk management
- Setting the minimum limits for risk-based capital and prudential regulatory ratios
- Setting and approving limits for overall exposure and loss limits, and granting approval for exceeding limits
- Approval and review of stress test
- Key considerations related to the operation of risk management systems

#### Risk Management Governance



### Risk Management System

#### Comprehensive Risk Management System

Mirae Asset Securities operates its own risk management system to build an integrated risk management framework beyond the minimum standards set by financial supervisory authorities. The Company conducts activities such as integrated risk capital calculation, risk management, and stress testing to ensure comprehensive risk management.

#### Implementations of the Comprehensive Risk Management System in 2022

##### Risky Capital Calculation and Risk Management

Ad hoc (Daily basis)

##### Purpose of Performance

Regulatory authorities require financial investment firms to maintain regulatory ratios such as the net capital ratio for the promotion of financial soundness in their operations.

##### Performance Results

Inspection criteria satisfied

##### Stress Test

Risk Management Committee reporting conducted at the end of each quarter and once annually

##### Purpose of Performance

Evaluation of potential vulnerabilities for possible events in accordance with relevant regulations such as the Financial Investment Business Regulations, considering exceptions as appropriate.

##### Performance Results

Stress tests were conducted based on crisis scenarios, and the results and analysis were reported to the Risk Management Committee (as of November 2022).

#### Comprehensive Risk Management Structure

To proactively respond to the volatility in global markets, we have established and operated an integrated crisis management system. We select risk indicators that reflect the characteristics of each investment team and product, and regularly monitor domestic and international markets. The results of this monitoring are reported to the management. In addition, we have established and operate a Business Continuity Plan (BCP) to ensure uninterrupted service provision in the event of IT system failures, infectious diseases, fires, floods, earthquakes, and other natural disasters. This plan promotes the continuity and stability of our business operations.

#### Early Warnings by Crisis Stages

We classify crisis situations into three stages: caution, alert, and critical, based on a group early warning system. We monitor key indicators related to (1) financial market stability, (2) internal soundness, and (3) accident response management as the primary focus.



#### Establishment of Crisis Response Organization





### Risk Management Framework

To ensure systematic risk management, we categorize the risks under market risk, credit risk, liquidity risk, operational risk, and environmental and social risk. We establish appropriate management systems and criteria for each risk category to ensure proper identification, analysis, evaluation, and control of risks.

03 Risk Management ◀



Market Risk

We utilize the standard methods specified in the Financial Investment Business Regulations for risk measurement.

We have adopted a market risk measurement system using SAS's software to calculate internal model value at risk (VaR).



Credit Risk

We have established exposure limits for counterparties or credit rating categories and manage credit VaR limits based on the standard model to maintain a certain level of financial soundness.

We regularly monitor the status of credit risk and focus on managing counterparties with excessive exposure through concentrated risk management.



Liquidity Risk

We utilize liquidity gap<sup>1)</sup> and liquidity ratios as key indicators for risk measurement, and the risk management or treasury departments regularly monitor the risk status, providing reports to the management.

We are establishing an emergency plan for liquidity crises in addition to regular liquidity risk management practices. Crisis situations are categorized into three levels: caution, alert, and severe, based on the company's liquidity position and financial market stability. We have developed step-by-step action plans for each level to prepare for crisis situations.



Operational Risk

We manage and control operational risks through Risk & Control Self Assessment (RCSA)<sup>2)</sup>, Key Risk Indicators (KRI)<sup>3)</sup>, management of loss data, and operational VaR calculation using internal models.

In particular, we conduct regular RCSA to assess the level of risks within each department, and if any risk indicators are identified, we develop response plans to proactively control the risks.



Environmental and Social Risks

Environmental and Social Policy Statement (ESP) is established and implemented to proactively identify and respond to non-financial risks associated with our business in a timely manner.

We have established investment principles that take into account non-financial risk factors and strive to practice responsible investing, considering the overall interests of stakeholders.

1) Liquidity gap: The difference between the maturity amounts of liquid assets and liquid liabilities by their respective maturity periods

2) Risk control self-assessment: A series of activities that involve recognizing and assessing operational risks that may occur during business operations at each branch, and implementing control measures based on specific criteria

3) Key risk indicators: Indicators used to quantitatively represent changes in operational risks and observe their trends

### Risk Management Evaluation Framework

Mirae Asset Securities pursues efficient resource utilization and stable investments by setting various regulatory ratios, required by the Financial Supervisory Service, and investment-related performance as KPIs. We link KPIs with the management and supervision of liquidity ratios for both Korean won and foreign currencies ( $\geq 100\%$ ). Furthermore, we manage investment-related indicators such as investment loss ratio ( $\leq 1\%$ ) and continuously monitors post-investment to minimize losses.

### Potential Risks



Restructuring Global Supply Chain

- 1 In February 2022, the European Union introduced the draft of the 'Corporate Sustainability Due Diligence (CSDD)' guidelines, which impose obligations on companies to conduct assessments of the environmental impact and human rights protection within their supply chains.
- 2 In August 2022, the United States enacted the Inflation Reduction Act (IRA) to actively promote the establishment of a US-centric 'decarbonized economy'. Of the total budget allocated to this policy, 80% is planned to be spent on transitioning to a renewable energy-based system.

- 1 Manufacturing and exporting companies are expected to bear the burden of supply chain audits and litigation costs, while SMEs within the supply chain are expected to face costs associated with workforce composition and infrastructure improvements. It is anticipated that the financial companies will also be affected by these global movements.
- 2 The economic bloc centered around developed countries can lead investor capital flows to concentrate in specific countries or economic boundaries. As a result, global investment firms that have traditionally diversified investments across various countries may need to rebalance their existing portfolios. In decision-making on new investments, there may be limitations on investment sectors and risk hedging instruments.

- 1 The 'Environmental and Social Policy Statement' established to identify non-financial risks in the decision-making process of all investments provides comprehensive criteria for analyzing investment targets. When environmental and social risks are limited or high, an additional impact assessment is conducted, and if mitigation or resolution is necessary, the investment conditions are adjusted to incorporate necessary improvements.
- 2 By expanding synergies with overseas subsidiaries that have established business in developed financial markets such as U.S, U.K, and H.K, the Company is striving to secure a differentiated competitiveness in alternative investments and acquisition financing. In 2022, we have provided financial advisory services, including refinancing, to the North American headquarters of Novo Nordisk.

Increasing Climate Risks and Tightening Related Regulations

- 1 Since the establishment of the Paris Agreement in 2021, global efforts have been made to achieve carbon neutrality by 2050 on an international scale. Countries are setting their respective greenhouse gas reduction targets and developing roadmaps to address this goal.
- 2 International environmental regulations are being actively developed and implemented to induce greenhouse gas reductions by countries and businesses. This includes the EU's Carbon Border Adjustment Mechanism, sustainability disclosure standards by the International Sustainability Standards Board (ISSB), and the national-level emissions trading schemes.

- 1 Insufficient investments of companies within the portfolio on new technologies, R&D, and infrastructure for the environmental and low-carbon transition may lead to financial losses in the future due to potential depreciation in value.
- 2 As a commitment to greenhouse gas reduction, Mirae Asset Securities joined the RE100 initiative in 2021. Consequently, the Company is exposed to the price volatility of Renewable Energy Certificates (RECs). Based on the analysis, if the price of RECs, as of May 2022, increases by an annual 10%, it is estimated that an additional cost of KRW 300-500 million per year will be incurred until the RE100 target year of 2025.

- 1 In September 2021, Mirae Asset Securities established a joint investment company called 'Terra Power (CEO Sung-Kyun Lee)' in collaboration with the renewable energy company Bright Energy Partners. The joint company is expected to play a role to support to activate the Korean renewable energy market and achieve our RE100 commitment. In February 2023, we were the first Korean financial institution to sign a long-term REC purchase agreement. In March, the Company signed a second long-term REC purchase agreement with an option for direct PPA conversion.
- 2 In 2022, the Company participated as the lead underwriter in the issuance of green bonds worth KRW 1.2 trillion for a major Korean SOEs in transition towards a low-carbon system. Moving forward, we have plans to actively support the establishment of an ESG ecosystem by providing financial services to companies possessing innovative technologies for carbon emission reduction and meeting the demand for eco-friendly infrastructure construction.

## 04 Information Security

Due to the rapid increase in demand for digital transformation, convergent information and communication technologies (ICTs) are advancing swiftly. The financial sector is also securing its market competitiveness by establishing lifestyle finance platforms. However, there is also an increasing sophistication in cyberattacks that exploit advanced digital technologies. In response to this, Mirae Asset Securities is continuously strengthening its cybersecurity monitoring system to prevent security incidents such as personal information breaches.

### Information Security Committee

The Information Security Committee, chaired by the Chief Information Security Officer (CISO), operates as a body that deliberates and decides on major information security matters. It reports the outcomes of its operations to the BOD. In 2022, a total of five meetings of the Information Security Committee were held.

#### Members

**Chairman** Chief Information Security Officer (CISO)  
**Members** Related department heads (Information Security, Computer Operations and Development, Compliance)

#### Roles

Establishment of information security goals and directions, establishment and operation of information security management system, analysis and improvement of information security vulnerabilities

#### Key Deliberations and Resolutions

- Annual plan for information technology sector
- Implementation plan for vulnerability analysis, assessment results, and remediation measures
- Budget and personnel operations plan for information security management system
- Establishment of strategies and plans for ensuring the stability of electronic financial transactions and protecting users
- Handling of information security incidents and violators of information security regulations

### Information Security Strategy

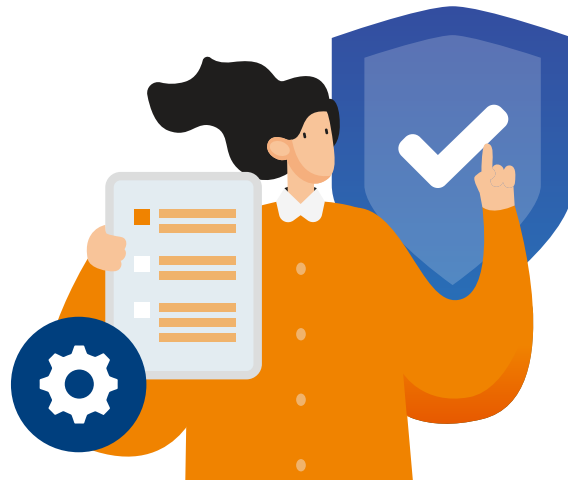
Mirae Asset Securities establishes a systematic information security strategy in order to provide safe and convenient digital financial services. We are diligently implementing information security activities, with a focus on the three major initiatives.



### Information Security Activities and Strategies for 2023

|  |  |
|--|--|
| <b>Zero Trust<sup>1)</sup></b>                 | <ul style="list-style-type: none"> <li>• Minimize access privileges and enhance security visibility to respond to the changing work environment, including telecommuting and remote work, as well as various cyber threats.</li> </ul>   |
| <b>Enhanced Security of Open Source</b>        | <ul style="list-style-type: none"> <li>• Strengthen the security assessment of business operations and applications utilizing open source software</li> </ul>  |
| <b>Enhanced Security of Cloud Environments</b> | <ul style="list-style-type: none"> <li>• Secure cloud security capabilities to safely manage cloud resources, applications, and data</li> <li>• Establish and strengthen of internal control procedures in the cloud</li> </ul>          |
| <b>Cyber Trends Update</b>                     | <ul style="list-style-type: none"> <li>• Conduct incident response training reflecting the latest cyber threat trends</li> <li>• Enhance related systems through participation in a public-private information sharing system</li> </ul> |

\* Zero Trust: A cybersecurity model based on the premise of 'not trusting anything,' which allows access only after thorough verification and granting minimal trust even after verification to allow access





### Information Security Infrastructure

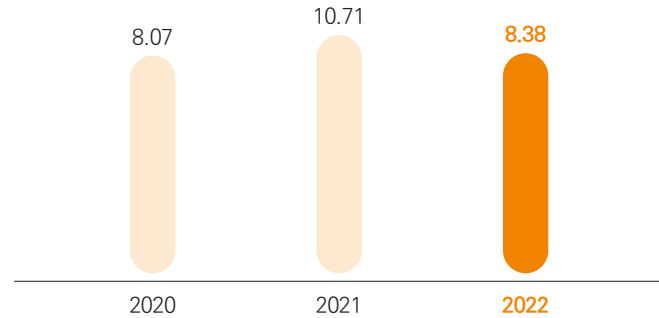
To enhance the safety of customer data protection, we have obtained the international information security management system certification standard ISO 27001 and the ISMS-P, the highest authority in Korean information and personal data protection management system integration certification, as specified by the Ministry of Science and ICT and the Personal Information Protection Commission.

#### Protection of Internal Computer Systems

To protect internal computer systems from intrusion and hacking, we operate DDOS attack defense equipment, intrusion detection, and implement high-level encryption for data leakage prevention. We perform regular vulnerability checks and mock drills on our computer infrastructure every year.

Proportion of Information Security-related Budget Compared to the Total IT Budget

Unit: %



IT/Cybersecurity Violations and Incident Status

Unit: cases

| Classification  | 2020 | 2021 | 2022 |
|---|------|------|------|
| Number of incidents related to violation of customer personal data protection and information security  | 0    | 0    | 0    |
| Number of customers affected by data leakage incidents  | 0    | 0    | 0    |
| Total amount of fines or penalties by information security violations or other cyber security incidents | 0    | 0    | 0    |
| Number of IT infrastructure accidents   | 0    | 0    | 0    |

### 2022 Internal Computer System Inspection List

#### April to June 2022

##### Inspection Items

- Regular vulnerability check for the first half of 2022
- Target: Electronic financial infrastructure
- Inspection item: Inspection and simulated hacking of administrative and physical areas (280 items) and technical areas (266 items)

##### Inspection Results and Corrective Actions

Establishment and implementation of measures for discovered vulnerabilities

#### April, July, October of 2022

##### Inspection Items

- APT attack response training
- Improving security awareness regarding employee email usage for phishing, malware, ransomware, etc.

##### Inspection Results and Corrective Actions

Conducting supplementary training for individuals infected during email training

#### May 2022

##### Inspection Items

- First DDoS attack response training in 2022

##### Inspection Results and Corrective Actions

No abnormalities, normal training completed

#### September 2022

##### Inspection Items

- Second DDoS attack response training in 2022

##### Inspection Results and Corrective Actions

No abnormalities, normal training completed

#### November – December 2022

##### Inspection Items

- Regular vulnerability check for the second half of 2022
- Target: Vulnerability inspection for public website
- Inspection item: 50 items based on the security vulnerability assessment in electronic financial infrastructure in 2022

##### Inspection Results and Corrective Actions

No vulnerabilities found

### Personal Credit Information Protection

We conduct annual inspections on the management and protection of personal credit information in accordance with the 'Credit Information Use and Protection Act' and its enforcement decree. Moreover, we receive final scores and grades after evaluation by the Financial Security Institute commissioned by the Financial Services Commission.

### Evaluation of the Utilization and Management Status of Personal Credit Information in 2022

#### Evaluation Items

143 items in 9 areas provided by the Financial Security Institute

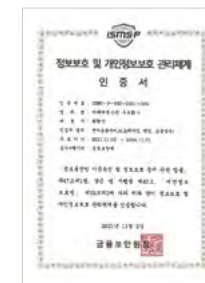
#### Evaluator

- Financial Security Institute
- Evaluation results are reported to the Financial Services Commission by the Financial Security Institute
- Detailed evaluation materials are submitted by the Financial Security Institute to the Financial Supervisory Service

#### Evaluation Results

100 points / S grade\* (highest grade)

\* S grade: If all evaluation criteria related to the protection of personal credit information are met, it can be utilized as a best practice case in credit information management



ISMS-P



ISO 27001

### Information Security Culture

We define clear roles and responsibilities for the staff in charge of security activities. In addition, we conduct regular security reviews and online/offline training for all employees to establish a culture of data protection and prevent company-wide data leaks, ensuring the safety of customer data.



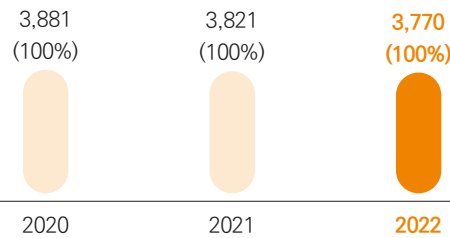
### Information Security Training

We conduct online and offline information security training for all employees and contractors, including IT and information security personnel, at a level that exceeds the requirements of supervisory agencies. In 2022, we conducted two online education sessions for all employees on the topics of financial sector personal data protection, my personal data, and financial sector IT security violations.

#### Mirae Asset Securities Employee Information Security Training

##### Company-wide Employee Information Security Training

Unit: persons (completion rate)



##### 2022 IT Security Staff Training

| Classification         | Content  |
|------------------------|--|
| Date                   | September 2022   |
| Number of participants | 15 persons   |
| Training institution   | Financial Security Institute   |
| Education method       | Visit-based training   |
| Course name            | Preparation for responding to security incidents and understanding digital forensics |

##### 2022 Partner Information Security Training

| Classification                           | Content   |
|--|---|
| Date                                     | November 2022   |
| Number of participants (completion rate) | 228 persons(100%)   |
| Education method                         | Individual written training   |
| Course name                              | Personal data protection, security threats in the financial sector (such as spear phishing), information security best practices, secure coding, etc. |

### Other Information Security Activities



Mirae Asset Securities

#### 01. Strengthening the prevention of external leakage of internal information such as customer personal data, major contracts, and research data

- Separation of computer center and branch office work network and Internet network
- Data loss prevention (DLP, personal data management system): Prevention of document leakage containing specific personal information such as resident registration number, phone number, email address, etc.
- Digital rights management (DRM): Automatic encryption of documents to prevent external access when internal documents are leaked
- Advanced persistent threat (APT, intelligent sustainable threat) blocking system: Defense against the spread of malicious code such as ransomware
- Security threat detection system: Detection of potential security issues in advance by analyzing all computer activities of the Company's employees

#### 02. Security consulting conducted annually with a specialized data protection company

#### 03. Strengthening PC management authority to control the installation and execution of unauthorized programs with a high risk of malware infection



Clients

#### 01. Fraud detection system (FDS, electronic financial transaction abnormal transaction detection system)

Real-time detection and analysis of customer access information



If suspicious transactions are detected, the customer is immediately contacted to verify the truth.



Accident registration and processing are handled uniformly for internal control organizations, branches, customer support centers, and other financial institutions.

#### 02. Continued implementation of electronic financial fraud prevention guidelines and promotion for the safe protection of customer assets



Partner Companies

#### 01. Request for corrective action and replacement of partner companies that do not meet the information security standards of Mirae Asset Securities

#### 02. Expansion of on-site inspections of partner companies to minimize security risks that may arise from partner company employees



# Climate Engagement

The climate crisis has emerged as an important issue that modern society must address, as extreme weather phenomena such as heat waves, heavy snowfall, cold waves, intense rainfall, and powerful typhoons continue to occur. The ongoing extreme climate phenomena are not only affecting the financial risk management of financial investment institutions, such as damage to enterprise values and a decline in investment asset values, but also exerting a negative influence on society as a whole, such as causing food security loss, water scarcity, and other issues. Mirae Asset Securities has joined the global RE100 to respond to the climate crisis as a member of the social community, and has promised to convert 100% of its energy consumption to renewable energy by 2025.



## Eco-friendly Management

### Renewable Energy Financial Advisory, Underwriting and Eco-Friendly Investment

Mirae Asset Securities is providing financial advisory services for the Hapcheon Dam Floating Solar Power Generation Project 2021 and underwriting the Yeosu By-product Hydrogen Fuel Cell Power Generation Project 2022 in line with the trend of expanding renewable energy in order to provide financial solutions demanded by the market. In particular, we took the lead in underwriting a power generation company's ESG bond issuance with a scale of KRW 1.19 trillion and were committed to a total of 16.41% of Korean power generation companies' corporate bond issuance in 2022, securing the top position in the league table. In addition to underwriting, we are contributing to addressing the climate crisis as investors by raising USD 200 million for the alternative meat manufacturer Impossible Foods in 2020 and investing in a biomass power generation project in 2022. In addition, the Eco-friendly financial products sold to retail customers are expected to reach KRW 2.1164 trillion in ETFs and KRW 239.2 billion in funds by the end of 2022, and we plan to continue providing services for our customers in the future.

### GHG Reduction Certification and Carbon Allowances

Mirae Asset Securities participated in the project of turning a garbage landfill into an arboretum near Haeundae, Busan. The Company has received a certification for its contribution in GHG reduction according to the 'Certification System on GHG Reducing Contribution by Forming Forests,' which Busan implemented in a first for South Korea. We have reduced a total of 2,001 tons of emissions per year, and have been acknowledged for our performance in reducing GHG emissions, aiming for their reduction goal for 2030.

Additionally, Mirae Asset Securities has become an eligible member

for floor trading at the Korea Exchange in an effort to stabilize supply and demand in the compliance market for carbon allowances. The Company had a total allowance of 4,500 tons as of the end of 2022. Furthermore, the Company registered its businesses regarding carbon allowance floor trading in the voluntary market and broker businesses in OTC markets in the first half of 2022 with the Financial Supervisory Service in an attempt to proactively respond to the expansion of the allowance market in Korea.

### Implementation of RE100 Roadmap

In February 2023, for the first time in the financial industry, Mirae Asset Securities signed a 25-year purchase agreement to purchase renewable energy certificates (REC) from SunSet Energy. We plan to partially achieve our renewable energy conversion goal by purchasing RECs generated from renewable energy sources through a contract with JY S&G, a solar energy specialist company (parent company of SunSet Energy). We will start with REC contracts and proceed with various transition plans such as power purchase agreements (PPA) to achieve the goal of 100% renewable energy conversion after thorough consideration.

### Global Initiative Implementation

Mirae Asset Securities has set reduction targets toward carbon neutrality based on guidelines presented by TCFD and PCAF, in line with international standards. As the first securities company in Korea to respond to CDP, we have analyzed our rich environmental data to aggregate and monitor carbon emissions and energy usage. We are also participating in policy proposal group activities with The Climate Group to achieve goals such as 100% renewable energy conversion rate in accordance with the SBTi declaration and RE100 membership.

### Eco-friendly Procurement and Environmental Improvement

Mirae Asset Securities has revamped and operates a website where Eco-friendly copy paper and promotional materials can be purchased internally within the Company. In 2022, the purchase of ESG products increased by 45% compared to the previous year, and volunteer activities such as plogging and forest planting are being promoted company-wide to lead the formation of an Eco-friendly and positive culture. In particular, we are actively participating in improving the environment by practicing '7 PM automatic building lights-out' and the '5 promises of green office-oriented employees.'

### 5 Practices of Green Office-oriented Employees



1. Power out unused electricity.



2. Separately discharging recyclables and disposables.



3. Use tumblers instead of paper cups.



4. Practice paperless culture.



5. Use public transportation.

# TCFD Report

## 1 TCFD of Mirae Asset Securities

The Task Force on Climate Related Financial Disclosures was established by the Bank for International Settlements (BIS) at the request of G20 countries as a collaborative body for disclosing financial information related to climate change. Currently, it is being widely used as a key criterion for ESG management, showing a high annual growth rate based on declarations of support from over 2,300 companies and institutions in 86 countries. Mirae Asset Securities has started supporting the TCFD declaration in June 2021 and has been publishing reports in accordance with TCFD disclosure standards every year. In accordance with the TCFD recommendations, we have been disclosing in detail our governance, strategy, risk management, and establishment of science-based reduction targets (SBT) & metrics to respond to climate change.

|                     | Background and principles  | Response to ESG ratings and publication of Sustainability Report (~2020)   | Establishment of a foundation for responding to Climate Change (2021~2025)  | Enhancement of climate change response (2026~)   |
|---------------------|--|--|---|--|
| Governance          | <ul style="list-style-type: none"> <li>Establishment of ESG Committee in March 2021</li> <li>Board agenda resolution to establish a declaration of 'Environmental and Social Policy Statement'</li> </ul>                            | <ul style="list-style-type: none"> <li>Operation of the Working Council</li> </ul>                                       | <ul style="list-style-type: none"> <li>Establishment of ESG Committee, ESG Executive Council, ESG Working Council, and ESG Team</li> <li>Board agenda resolution to establish an 'Environmental and Social Policy Statement'</li> </ul> | <ul style="list-style-type: none"> <li>Secure leadership in climate change</li> </ul>  |
| Strategy            | <ul style="list-style-type: none"> <li>Analysis of physical, transitional risks and opportunities factors</li> </ul>   | <ul style="list-style-type: none"> <li>Explore opportunities in renewable energy business</li> </ul>                     | <ul style="list-style-type: none"> <li>Analysis of physical, transitional risks and opportunities factors</li> <li>Engage in renewable energy business and regulatory &amp; voluntary carbon emissions trading system (ETS)</li> </ul>  | <ul style="list-style-type: none"> <li>Portfolio management through physical risk modeling</li> </ul>  |
| Risk management     | <ul style="list-style-type: none"> <li>Establishment of an Environmental and Social Risk (ESR) process for investment exclusion through ESP, regulations for significant areas, and integrated management of climate risk</li> </ul> | <ul style="list-style-type: none"> <li>Reducing exposure to high-carbon industries</li> </ul>                            | <ul style="list-style-type: none"> <li>Investment screening through ESR classification</li> <li>Achievement of 0% coal exposure in investment portfolio at the end of 2022</li> </ul>   | <ul style="list-style-type: none"> <li>Targeting 0% exposure to high-carbon industries based on the TCFD classification criteria</li> <li>Develop more sophisticated model of ESP areas of exclusive and sensitive area</li> </ul> |
| Metrics and Targets | <ul style="list-style-type: none"> <li>Selection of usage indicators and target of direct and indirect greenhouse gas emissions (Scope 1, 2, 3)</li> </ul>   | <ul style="list-style-type: none"> <li>Calculation and disclosure of greenhouse gas emissions (Scope 1, 2, 3)</li> </ul> | <ul style="list-style-type: none"> <li>Establishment and verification of science-based target (SBTi)</li> <li>Calculation of financial emissions and portfolio temperature</li> <li>Achievement of RE100 target</li> </ul>              | <ul style="list-style-type: none"> <li>Reduction of direct and indirect emissions according to science-based target</li> <li>Achievement of net-zero greenhouse gas emissions by 2040</li> </ul>                                   |

## 2 Governance

### Roles of the Board of Directors and the Councils



### Role of the CEO

As the chairman of the ESG Committee and ESG Executive Council, the CEO of Mirae Asset Securities presents the long-term direction of Eco-friendly management and leads the establishment of a comprehensive environmental management system and promotes cross-functional collaboration to ensure that the relevant policies are quickly internalized throughout the business.

### Performance Evaluation and Compensation

The annual performance evaluation and compensation of the CEO of Mirae Asset Securities are determined by the Compensation Committee under the BOD, and reflect the performance related to climate change. During the personnel evaluation of key executives, the 'sustainable growth leadership' category is evaluated, and when evaluating the performance of the responsible organization, ESG performance including climate change issues is also taken into account.

# TCFD Report

## 3 Strategy

### Risk Factors

Mirae Asset Securities distinguishes climate-related risks in accordance with TCFD recommendations, dividing them into physical risks derived from the physical impacts of climate change and transition risks arising from the transition to a low-carbon economy. Furthermore, in the case of the former, which encompasses short-term climate change events such as floods and typhoons, it is referred to as 'acute' risks. In the case of the latter, it is distinguished as policy and legal risks, market risks, technological risks, and reputation risks, which constitute ongoing 'chronic' risks such as sea-level rise.

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| Classification  | Risk               | Potential financial impact   | Point in time       |
|-----------------|--------------------|--|---------------------|
| Physical risk   | Acute              | <ul style="list-style-type: none"> <li>Decrease in commission-based income due to damage to business sites and decreased visitation by clients</li> <li>Depreciation and damage to real estate resulting in decreased cash flow, delayed fund recovery, and reduced commission-based income</li> </ul>   | Short-term          |
|                 | Chronic            | <ul style="list-style-type: none"> <li>Decrease in operating profit and increase in loss reserves due to the devaluation of the product being operated</li> <li>Revenue loss due to damage to major infrastructure facilities (data centers and headquarters) resulting in large-scale data loss and temporary interruption of customer service</li> </ul>   | Long-term           |
| Transition risk |                    | <ul style="list-style-type: none"> <li>Increase in the purchase price of RECs for greenhouse gas reduction and the resulting additional costs</li> <li>Increased legal costs for customer and investor lawsuits related to greenwashing and related issues</li> </ul>  |                     |
|                 | Regulatory and law | <ul style="list-style-type: none"> <li>Incurrence of additional costs due to various regulations such as the implementation of the Carbon Border Adjustment Mechanism (CBAM), the Uyghur Forced Labor Prevention Act (UFLPA), and the setting of NDC targets under the Paris Climate Agreement</li> <li>Weakening of industrial competitiveness and restrictions on new investment on high-carbon industries due to regulations</li> </ul> | Medium to long-term |
|                 | Reputation         | <ul style="list-style-type: none"> <li>Insufficient response to climate change and lack of transparency in information leading to a decrease in demand for products and services due to a decline in brand value</li> <li>Costs incurred due to the implementation of environmental strategies and tasks</li> </ul>  | Short-term          |
|                 | Technology         | <ul style="list-style-type: none"> <li>Increasing costs of developing new technologies, conducting R&amp;D, and investing in infrastructure facilities for Eco-friendly and low-carbon transitions to achieve carbon neutrality</li> <li>Increased financial burden due to investment failure in new equipment, infrastructure, services, and depreciation of alternative assets</li> </ul>  | Medium to long-term |
|                 | Market (Portfolio) | <ul style="list-style-type: none"> <li>Expansion of revenue volatility due to the introduction of various types of carbon markets (voluntary/regulatory carbon emission trading)</li> <li>Expansion of volatility in energy supply markets and raw material prices</li> <li>Fluctuation in asset value due to the contraction and disappearance of the high carbon product market</li> </ul>   | Medium to long-term |

\* Short-term: 1 year, Mid-term: 3-5 years, Long-term: 6+ years

### Opportunities

Amid the emphasis on the responsibility and role of financial investment firms in responding to the climate crisis, Mirae Asset Securities is actively seeking new opportunities by aligning its core business with services related to carbon emissions trading markets, investments in renewable energy projects, and participation in international greenhouse gas reduction initiatives. We aim to provide investors with competitive companies and businesses, offering them opportunities for Eco-friendly investments. We also strive to provide tailored financial services to companies that require a transition to low-carbon industries, thereby contributing to sustainable development.

| Type                  | Opportunities   | Potential financial impact   | Timeline                   |
|-----------------------|---|--|----------------------------|
| Resource efficiency   | <ul style="list-style-type: none"> <li>Expansion of eco-friendly transportation and infrastructure development</li> <li>Maximizing energy use, waste management, and water resource efficiency</li> <li>Non-linear supply chain expansion based on the transition to a circular economy system</li> </ul> | <ul style="list-style-type: none"> <li>Increased demand for funding for the development of eco-friendly transportation and infrastructure, maximizing energy efficiency and improving productivity</li> <li>Increased demand for project funding due to supply chain restructuring and transition to a circular economy system</li> </ul>  | Short-, medium-, long-term |
| Energy                | <ul style="list-style-type: none"> <li>Increase in the use of low-carbon (renewable) energy</li> <li>Expansion of technology development for securing energy sources such as carbon capture technology</li> </ul>   | <ul style="list-style-type: none"> <li>Increased funding demand for renewable energy generation companies such as solar and wind power, as well as for technology development companies focused on energy capture and relatively low-emission units</li> </ul>   | Short-, medium-, long-term |
| Products and services | <ul style="list-style-type: none"> <li>Expansion of ESG financial product development and increasing demand</li> <li>Expansion of eco-friendly products and services business</li> </ul>  | <ul style="list-style-type: none"> <li>Profit generation through the discovery of climate change-related financial products by theme such as secondary batteries, eco-friendliness, the Green New Deal, and clean-tech</li> <li>Increase in demand for funding for eco-friendly businesses</li> </ul>  | Short-, medium-, long-term |
| Market                | <ul style="list-style-type: none"> <li>Voluntary carbon emissions trading, developing country greenhouse gas reduction markets, and other emerging markets</li> <li>Increased importance of providing liquidity in emerging markets</li> </ul>  | <ul style="list-style-type: none"> <li>Rapid increase in demand for climate change response, protection of ecosystems and biodiversity, and investment in eco-friendly projects</li> <li>Entry into the voluntary carbon emissions trading and greenhouse gas reduction market, and monetization of liquidity supply through support for eco-friendly project investments</li> </ul> | Short-, medium-, long-term |
| Resilience            | <ul style="list-style-type: none"> <li>Growing demand for the establishment of long-term climate change response systems (such as the Net Zero Roadmap)</li> </ul>  | <ul style="list-style-type: none"> <li>Rapid increase in opportunities for providing financing solutions through collaboration with various stakeholders such as expanding the supply of renewable energy and enhancing energy management systems</li> </ul>   | Medium to long-term        |

# TCFD Report

## 3 Strategy

### RCP Scenario Analysis and Investment Strategy

Mirae Asset Securities is considering various scenarios based on the Representative Concentration Pathways (RCP) of the IPCC Fifth Assessment Report for the evaluation and resolution of climate-related investments and risk management.

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#### RCP 2.6

Scenario reflecting the trajectory of greenhouse gas emissions to maintain global temperatures 2 degrees below the 2100 baseline

Expected exposure of **KRW 1,153 billion**

#### RCP 4.5

Scenario in which greenhouse gas emissions reach their peak around 2040 and then transition to a downward trend, due to significant progress in greenhouse gas reduction policies

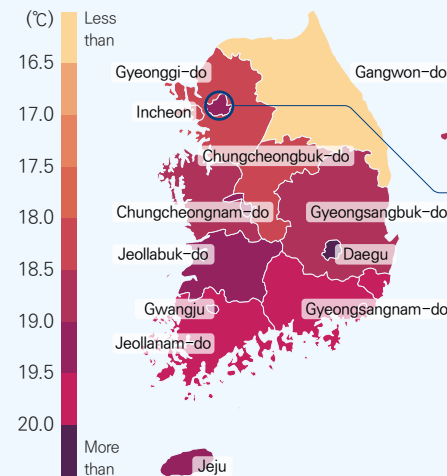
Expected exposure of **KRW 2,306 billion**

#### RCP 8.5

Scenario where greenhouse gas reduction does not progress and the current trend line is maintained

Expected exposure of **KRW 3,458 billion**

\* Expected exposure refers to the financial asset value of Mirae Asset Securities that is exposed to physical risks.



| Classification (based on seoul)              | RCP 2.6 | RCP 4.5 | RCP 8.5 |
|--|---------|---------|---------|
| Average temperature (°C)                     | 14.4    | 14.7    | 15.6    |
| Annual lowest temperature (°C)               | -10.5   | -9.8    | -9.3    |
| Annual highest temperature (°C)              | 37      | 37.8    | 39.3    |
| Annual number of days with heat waves (days) | 24.7    | 29.6    | 47.7    |

\* Based on predicted data from 2021 to 2100, Korea Meteorological Administration

#### Scenario Background

According to the Paris Agreement, limiting the global warming between 1.5°C and 2°C compared to pre-industrial levels implies reducing accumulated greenhouse gas emissions against the baseline by approximately 70% by 2100. This is likely to involve technological innovations such as fundamental changes in energy use technology and energy sources, advanced carbon capture technology, and a circular economy of recycling and reuse.

#### Strategy

As a financial investment company, Mirae Asset Securities is a leading player in various business areas such as M&A advisory, investment, and distribution of eco-friendly financial products. Therefore, we plan to address climate change by exploring the carbon emissions trading market, investing in clean-tech companies, and sourcing potential deals such as financing for renewable energy.

#### Underwriting and Advisory Service

We have actively participated in domestic hydrogen fuel cell development projects and achieved a cumulative financing and advisory scale of **KRW 12,467 trillion** in green and Eco-friendly financial arrangements and advisory services that comply with ESG investment principles. Additionally, as COVID-19 restrictions ease, the M&A, underwriting, and advisory market has experienced a significant increase of over 2.3 times, contributing to market activation.

#### Investment and Management

In 2022, we participated in the hydrogen fuel cell business and are actively investing and managing in promising ventures and startup companies in climate-related new growth industries, as well as providing financing for SMEs and microfinancing. In addition, we have invested in stakes in Eco-friendly buildings worldwide, including the United States and Europe. We have also participated in equity investments in various ESG assets such as Impossible Foods, a low-carbon emission food manufacturing company, eco-friendly food preservative companies, electric bicycle manufacturing companies in China, pre-IPO investments in secondary battery material companies, Japanese solar loan bonds, and equity investments in solar power development corporations. The cumulative asset size has been aggregated to **KRW 934.8 billion**. Furthermore, the size of ESG bond assets that align with eco-friendly, low-carbon, and high-efficiency criteria both domestically and internationally has been aggregated to **KRW 1,384 trillion**. We have transformed over twice the amount of funds from the previous year into eco-friendly bonds, contributing to the realization of a sustainable society.

#### Eco-friendly Financial Products

We offer various domestic and global product line-ups such as green, Eco-friendly, or ESG-themed funds and ETFs for our customers which includes, the K-New Deal Fund, secondary batteries, clean tech, and hydrogen vehicles, with a total size of **KRW 2,2832 trillion**.

\* Short-term: 1 year, Mid-term: 3-5 years, Long-term: 6+ years

#### CASE IN POINT

Mirae Asset Securities has signed a PF loan agreement worth approximately KRW 50 billion with its subsidiary, Eco Energy, to construct the Yeosu By-product Hydrogen Fuel Cell Power Plant with DL Energy. This project is planned to be constructed on a site of approximately 8,200 square meters within the Yeosu National Industrial Complex, and is designed to generate 15 million kWh of electricity annually with a generation capacity of 18.5 MW. In particular, renewable energy projects that use hydrogen produced from renewable sources encourage a circular economy by not emitting separate greenhouse gases such as carbon dioxide and nitrogen oxides.



# TCFD Report

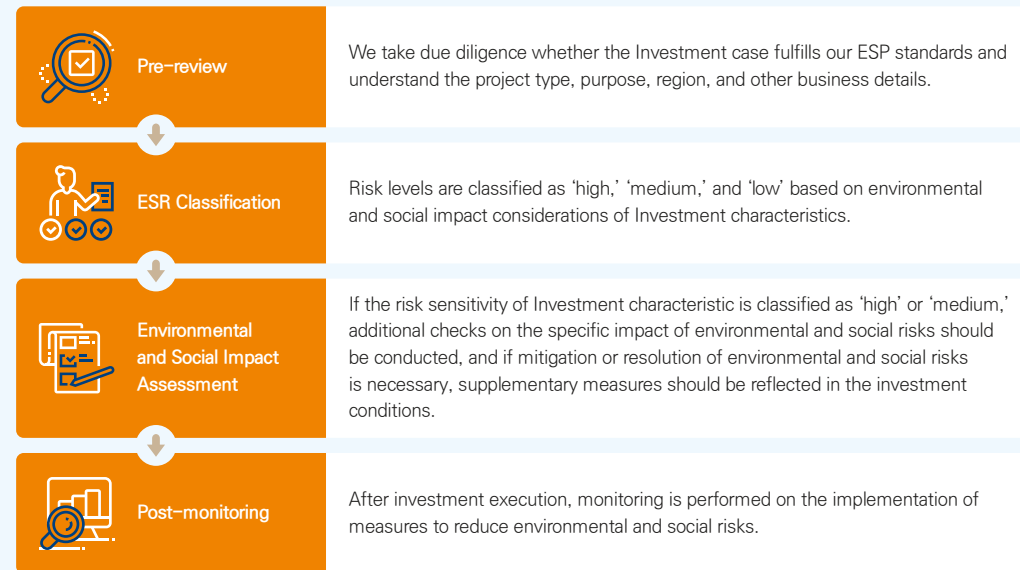
## 4 Risk Management

The Mirae Asset Securities ESP defines exclusion and significant areas that encompass environmental issues such as pollution (air, land, water, etc.), deforestation, biodiversity and ecosystem damage, carbon emissions and climate change, natural resource depletion, as well as social issues such as community destruction, labor rights, forced labor and child labor exploitation, industrial and community safety and health vulnerability, and public safety concerns.

### Integrated Assessment Test Process for Climate Risk



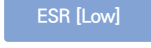
The ESP principle applies to all investments, M&A advisory, and underwriting ('Investment,' hereinafter) performed by Mirae Asset Securities in the future. At this time, comprehensive Investment decisions are made by identifying the purpose of the execution funds, investment targets, transaction counterparties, and ESR classification criteria established by the Company, along with industrial, business, and financial analysis.

### Procedure for Implementing ESP



If it falls under ESR 'high' or 'medium,' we take additional assessment test to evaluate the specific impact of environmental and social risks and provide an 3<sup>rd</sup> party opinion. The 3<sup>rd</sup> party opinion is based on an environmental (social) impact assessment by external experts, and if mitigation or resolution of environmental and social risks is necessary, security measures can be reflected in investment conditions, etc. After the investment conditions are confirmed, the responsible department continuously monitors the implementation of measures to reduce environmental and social risks.

### ESR Classification

|  |   |
|--|---|
|  ESR [High]   | There is a high risk of environmental and social risks, and there is a possibility of causing negative impacts that are difficult to recover from in a wide range of area. There are concerns that there may be a risk of damage to the Company's reputation. |
|  ESR [Medium] | It is expected that environmental and social risks will be limited, and negative impacts can be significantly reduced through risk management where risks is expected to be resilient.  |
|  ESR [Low]    | It is expected to have almost no environmental or social risks.   |

Mirae Asset Securities reviews risks and opportunities based on environmental and social risk classification criteria, and implements socially responsible investments that encompass the entire local community. In March 2021, we declared a divestment from coal-fired power generation infrastructure through the establishment of an Environmental, Social, and Governance (ESG) framework, which includes discontinuing investment and financial support for coal-fired power generation. We have confirmed that the coal exposure of our investment asset portfolio was 0% as of the end of 2022.

In 2022, a total of 309 assessments were conducted across various aspects of Mirae Asset Securities' business, and ESR ratings have been reviewed for each of these cases. Among them, 10 cases (3%) were rated as ESR 'medium', and 299 cases (97%) were rated as ESR 'low.' It should be noted that cases falling under the ESR 'high' category were screened before the assessment request, so they are not included in the total assessment count.

### ESP<sup>1)</sup> Related Organization

1. The investment department confirms the ESR rating of the investment proposal after reviewing with the assessment department (and the ESG department if necessary) before submitting it for review.
2. Considerations include the extent of applications of ESP exclusion list and sensitive areas, degree of environmental and social risks, and potential damage to our reputation.
3. If the ESR corresponds to 'high' or 'medium', the relevant investment department evaluates the specific impact of environmental and social risks and submits an 3<sup>rd</sup> party opinion.
4. The decisions on item 3 are handled by a sub-committee or a working council under the risk management division.
5. If necessary, the department in charge of evaluation may request additional materials such as environmental and social impact assessment reports from external experts.
6. Under the judgment of the CRO, the ESG Executive Council can propose the agenda.

1) ESP(Environment Social Policy Statement)  
2) ESR(Environment Social Risk)

# TCFD Report

## 4 Risk Management

Mirae Asset Securities, applying the TCFD classification criteria, has analyzed the high-carbon industry exposure within its asset portfolio, and the results indicate a total exposure of 5.7%. Oil refining, cement, and petrochemicals have decreased to 1.39%, indicating a decrease of 40% compared to 2.28% recorded at the end of 2021.

| Classification                         |  | Weight        |
|--|--|---------------|
| Agriculture, Food, and Forest Products | Packaged Foods and Meats               | 0.56%         |
| Energy                                 | Electric Utilities                     | 0.79%         |
|  | Oil and Gas                            | 0.07%         |
| Materials and Buildings                | Chemicals                              | 0.05%         |
|  | Construction Materials                 | 0.65%         |
|  | Metals and Mining                      | 0.00%         |
|  | Real Estate Management and Development | 19.37%        |
| Transportation                         | Automobiles and Components             | 0.04%         |
|  | Maritime Transportation                | 0.07%         |
| Biodiversity                           |  | 0.26%         |
| Others                                 |  | 78.15%        |
| <b>Total</b>                           |  | <b>100.0%</b> |

Applying the assessment criteria defined in the ESP's 'sensitive areas,' the analysis shows an exposure of 0.26% to the 'biodiversity and ecosystems' area, relative to the total asset size.

| Environmentally sensitive areas      | Weight   |
|--------------------------------------|--|
| Coal-fired power generation          | <ul style="list-style-type: none"> <li>Counterparties with a revenue proportion of over 30% from coal-fired power generation (Decision made taking into account the counterparty's willingness to gradually reduce the proportion of revenue from coal-fired power generation, their phase out plans and implementation records, as well as their specific transition plans towards low-carbon energy sources.)</li> <li>New hydropower development and related infrastructure construction accompanied by complex environmental and social risks in local communities and ecosystems</li> </ul>   |
| Oil and Gas                          | <ul style="list-style-type: none"> <li>Investment related to oil sands development</li> <li>Project using hydraulic fracturing method (shale gas and oil extraction method)</li> </ul>   |
| Mining and metals                    | <ul style="list-style-type: none"> <li>Investments related to metal and conflict mineral mining, which are exposed to issues such as threats to biodiversity, air pollution, safety management, and impacts on local communities</li> <li>Counterparties with a revenue proportion of over 25% from coal-mining (Review as to whether to engage in transactions taking into account the counterparty's willingness to gradually reduce the proportion of revenue from coal-mining, their phase out plans and implementation records, as well as their specific transition plans towards low-carbon energy sources)</li> </ul>  |
| Biodiversity and forest conservation | <ul style="list-style-type: none"> <li>Projects and businesses that are expected to cause deforestation due to indiscriminate development</li> <li>Industrial agriculture, primarily in developing countries located in tropical and subtropical regions where soft commodities (such as palm oil, natural rubber, tobacco, soybeans, cacao, tea, sugarcane, cotton, coffee, bananas, and timber) are produced, can potentially cause environmental and social issues such as ecosystem destruction, labor exploitation, and conflicts with local communities. However, counterparties applying certification standards equivalent to the certification of the Roundtable on Sustainable Palm Oil (RSPO) or other comparable standards are exempt</li> <li>Investment and related businesses in areas with potential for destruction of natural ecosystems and biodiversity, damage to cultural and natural heritage, and environmental destruction due to indiscriminate development, depletion of natural resources, and pollution of local communities</li> </ul> |

# TCFD Report

## 5.1 Internal Greenhouse Gas Management Indicators and Targets

Mirae Asset Securities is pursuing various initiatives to achieve climate change goals, including setting science-based reduction targets (SBTs) and reduction roadmaps, fostering a circular economy, and establishing plans to implement RE100. We are disclosing our greenhouse gas reduction targets and management indicators through ESG Committee reports and resolutions, and implementing greenhouse gas reduction measures strategically throughout the Company.

### Greenhouse Gas Index

Unit: tonCO<sub>2</sub>eq

| Classification                         | Scope of measurement                                 | 2020          | 2021          | 2022          |
|--|--|---------------|---------------|---------------|
| Direct emissions (Scope 1)             | Headquarters, owned building (stationary combustion) | 455           | 474           | 499           |
|  | All (mobile combustion)                              | 524           | 468           | 503           |
| Indirect emissions (Scope 2)           | Headquarters, owned building                         | 5,279         | 5,484         | 5,062         |
|  | Lease, data center                                   | 7,862         | 6,722         | 4,956         |
| Subtotal (Scope 1 & 2)                 |  | 14,120        | 13,148        | 11,020        |
| Other indirect GHG emissions (Scope 3) | Biz trip   | 167           | 53            | 244           |
|  | Water  | 19            | 21            | 13            |
|  | Waste  | 98            | 10            | 50            |
|  | Paper usage  | 31            | 32            | 76            |
| Subtotal (Scope 3)                     |  | 315           | 116           | 384           |
| <b>Total (Scope 1, 2 &amp; 3)</b>      |  | <b>14,435</b> | <b>13,264</b> | <b>11,404</b> |

\* External verification for greenhouse gas emissions Scope 1, 2, and 3 within greenhouse gas index completed

### Energy Indicators

Unit: GJ

| Classification                         | Scope of measurement                  | 2020    | 2021    | 2022    |
|--|---------------------------------------|---------|---------|---------|
| Total energy consumption               | Headquarters, owned building          | 117,692 | 124,306 | 120,631 |
|  | Lease, data center, mobile combustion | 174,472 | 147,671 | 106,419 |
|  | Total energy consumption              | 292,164 | 271,977 | 227,050 |
| Fuel (LNG, kerosene, diesel oil, etc.) | Headquarters, owned building          | 8,995   | 9,354   | 9,814   |
| Mobile combustion (gasoline)           | All <sup>1)</sup>                     | 7,855   | 6,960   | 7,490   |
| Electricity                            | Headquarters, owned building          | 108,697 | 113,493 | 104,982 |
|  | Lease, data center <sup>1)</sup>      | 150,450 | 139,753 | 103,009 |
| District heating                       | Headquarters, owned building          | 0       | 1,459   | 1,020   |
|  | Lease, data center <sup>1)</sup>      | 16,167  | 958     | 735     |
| Renewable energy consumption           | All                                   | 173     | 5       | 5       |

1) Energy subject to coverage expansion from FY 2020

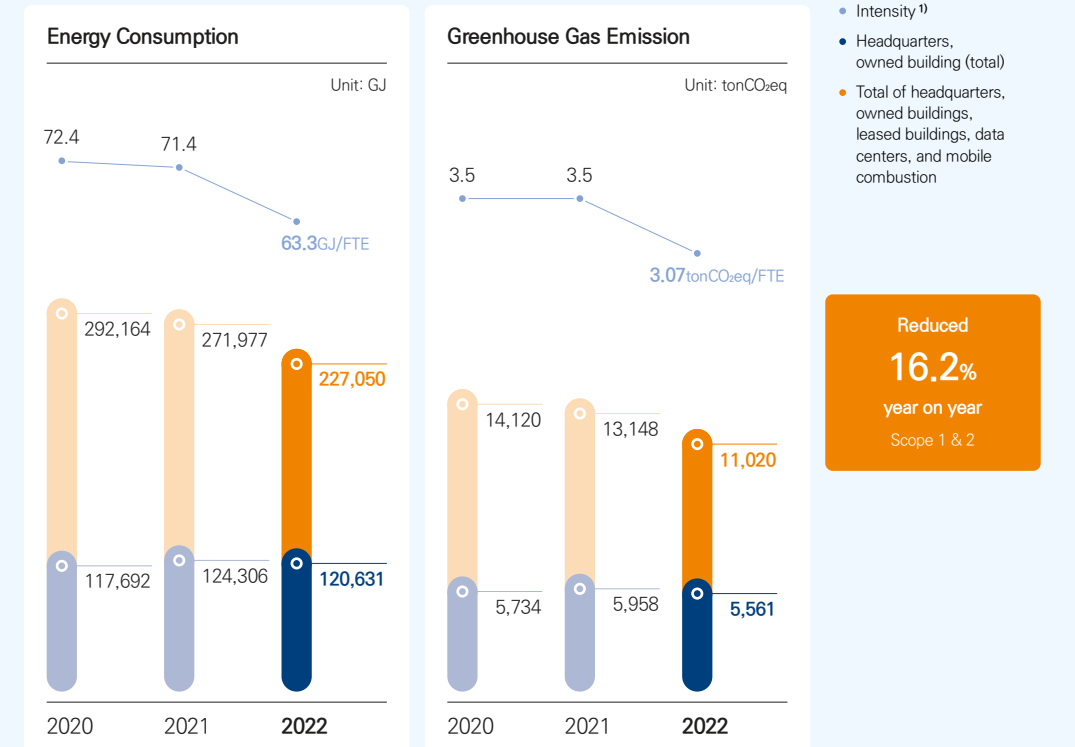
\* External verification of energy consumption within the energy index completed

### Circular Economy Management

Mirae Asset Securities has suspended the operation of its cafeteria to protect employees from the COVID-19 pandemic. Additionally, the Company has implemented remote work since October 2020 to ensure the continuity of work while prioritizing the safety and well-being of its staff. Due to the pilot operation of the hub office, operation of the safety zone, and reduction of working hours for vulnerable workers, our waste disposal amount in 2021 decreased significantly compared to the previous year.

| Classification                                 | Unit           | Scope of measurement         | 2020    | 2021   | 2022    |
|--|----------------|------------------------------|---------|--------|---------|
| Water consumption <sup>1)</sup> – Water supply | m <sup>3</sup> | Headquarters, owned building | 57,754  | 51,077 | 56,044  |
| Discharged waste – General waste               | Kg             | Headquarters, owned building | 301,724 | 59,919 | 442,412 |

\* Water consumption equals to water withdrawal



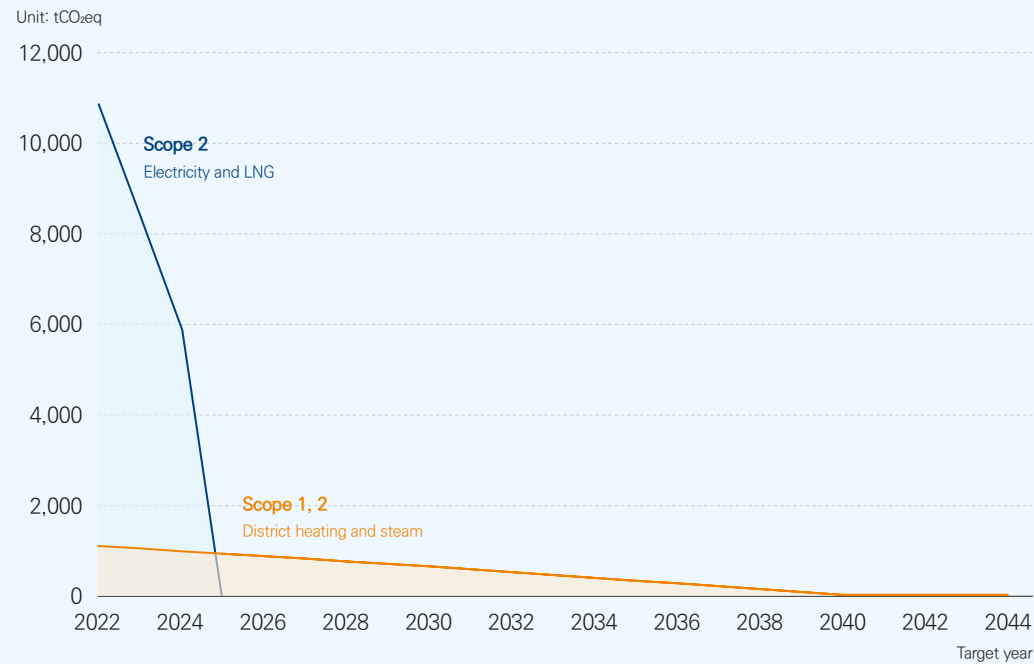
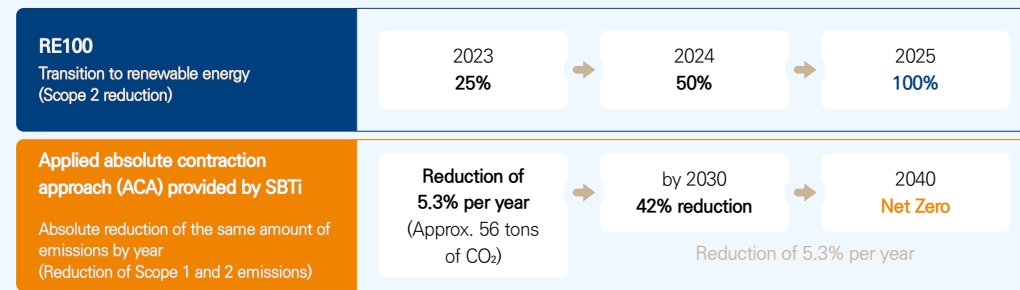
\* The energy and greenhouse gas intensity was calculated based on the total number of employees (3,585) in the business report as of Dec. 31, 2022, and the figures were adjusted due to changes in the scope and criteria of data calculation.

# TCFD Report

## 5.1 Internal Greenhouse Gas Management Indicators and Targets

### Science-based Reduction Targets for Internal Greenhouse Gases

Most of Mirae Asset Securities' carbon emissions come from power usage at offices as it is a financial investment company. Accordingly, the Company aims to reduce internal GHG emissions (Scope 1, 2) by 42% from 2022 to 2030, following the achievement of RE100 by 2025. After 2030, the Company plans to achieve carbon neutrality by 2040 through linear reduction of 5.8% annually.

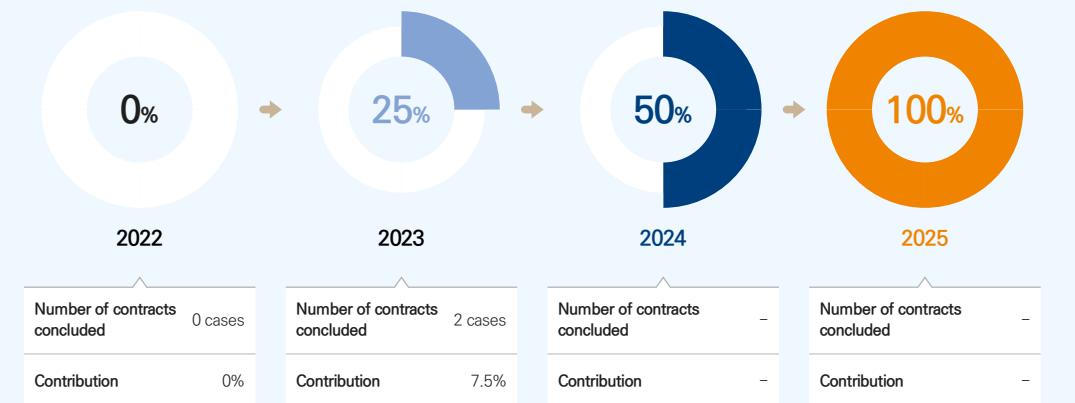


### RE100 Annual Implementation Roadmap

In September 2021, Mirae Asset Securities became the first Korean financial company to join the RE100 initiative. The Company declared its commitment to converting all its energy sources to renewable energy by 2025, the earliest goal among Korean RE100 members. Since the declaration, raw material prices have increased due to the Russia-Ukraine War and the 75 bp increase of the key rate by the US Federal Reserve Board. Accordingly, energy provided by Korean renewable energy plants was in short supply, so the Company entered into two energy purchase agreements with photovoltaic plants in the first quarter of 2023. Mirae Asset Securities is dedicated to expanding its share of the renewable energy market in Korea while ceaselessly communicating with various stakeholders in the electricity market.

### Renewable Energy Target Year (scope 2 reduction)

As of the end of March 2023





# TCFD Report

## 5.2 Financed Emission Metrics and Targets of Investment Portfolio

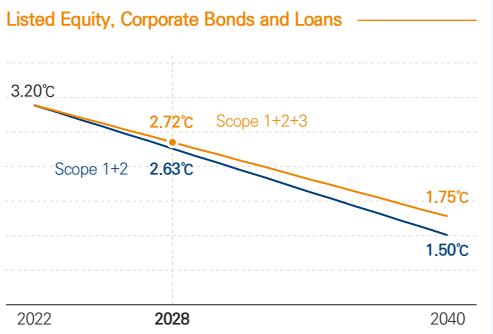
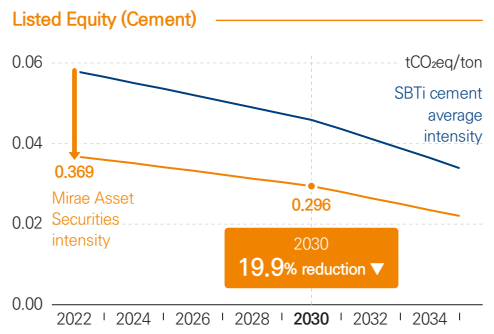
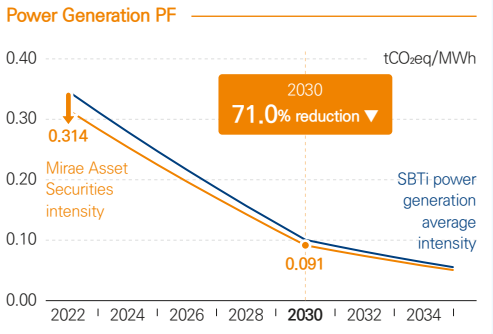
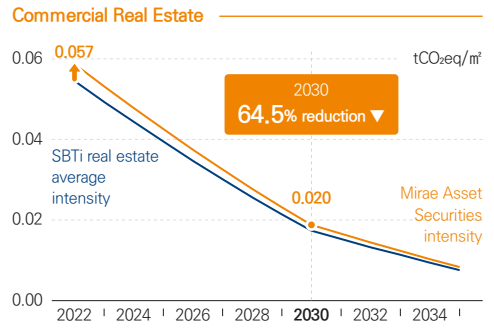
In the era of 'Next Normal,' companies have embraced the inevitable shift towards community capitalism, where they collaborate with society and share core values. As part of this transformation, addressing climate change has become an imperative for survival, rather than a matter of choice. Mirae Asset Securities, as a financial investment firm, has the responsibility to guide the flow of capital towards facilitating the transition to a low-carbon economic system. Hence, it is crucial to aggregate the financial emissions of the investment asset portfolio, set strategies and goals, and maintain ongoing monitoring to ensure adherence and progress. Mirae Asset Securities has devised a plan to gradually decrease stranded assets within the investment asset portfolio and shift towards low-carbon and Eco-friendly assets.

### Financed Emission Targets

The carbon emissions (financed emissions) within our investment portfolio is computed and categorized by complying with the asset classification criteria and methodology specified by Partnership for Carbon Accounting Financials (PCAF). Mirae Asset Securities has set science-based medium- to long-term targets for each asset class, utilizing the financed emissions data as of the end of 2022 and conducting inventory reassessment. For assets in the sectors of power generation, steel, cement, aluminum, paper, and real estate, the sectoral decarbonization approach (SDA) has been applied, while for other listed stocks, corporate bonds, and corporate loans, reduction pathways have been set based on the temperature rating (TR) approach. As it has been confirmed that Mirae Asset Securities did not provide financial support for steel, aluminum, and paper assets in its investment portfolio as of the end of 2022, they have not been included in the targets based on asset types. The targets presented here are in a validation process by the Science Based Targets initiative (SBTi).

### Targets by Investment Asset Type

| Target Asset                       | Main contents (measures)  | Near-term Target | Net-Zero Target | Base Year |
|------------------------------------|---|------------------|-----------------|-----------|
| Listed equity                      | Following the temperature rating (TR) approach, Mirae Asset Securities has established science-based reduction targets.   | 2027             | 2040            | 2022      |
| Corporate bonds                    | By 2028, the aim is to achieve a reduction in Scope 1 + 2 emissions along a pathway of 2.63°C, and if Scope 3 emissions are included, the target is to achieve a pathway of 2.72°C.                             | 2027             | 2040            | 2022      |
| Loans                              | By 2040, the target is to achieve a temperature rating reduction pathway that aligns with the 1.5°C scenario for Scope 1 + 2 emissions.   | 2027             | 2040            | 2022      |
| Commercial real estate             | Following the sectoral decarbonization approach (SDA), science-based reduction targets have been established. The targets include an absolute reduction of -59.9% and an intensity reduction of -64.5% by 2030. | 2030             | 2050            | 2022      |
| Project Finance (power generation) | Following the sectoral decarbonization approach (SDA), science-based reduction targets have been established. The targets include an absolute reduction of -67.6% and an intensity reduction of -71.0% by 2030. | 2030             | 2050            | 2022      |
| Listed equity (cement)             | Following the sectoral decarbonization approach (SDA), science-based reduction targets have been established. The targets include an absolute reduction of -19.3% and an intensity reduction of -19.9% by 2030. | 2030             | 2050            | 2022      |



### Methodology and Scope for Measuring Financed Emissions

Mirae Asset Securities measures emissions using the following three metrics.

**Absolute Value of Financed Emissions**

$$F_a = \sum_{i=1}^n \frac{l_i}{V_i} \cdot m_i$$

**Relative Value of Financed Emissions**

$$F_r = \frac{F_a}{Q}$$

**Intensity of Financed Emissions**

$$F_w = \sum_{i=1}^n w_i \cdot \frac{m_i}{R_i}$$

- l<sub>i</sub>** Balance amount of each investment
- Q** Balance amount of the entire total investment portfolio
- V<sub>i</sub>** Enterprise value of each investment (or asset value at the investment point or total business development cost)
- R<sub>i</sub>** Revenue of each investment
- m<sub>i</sub>** Total GHG emissions of each investment
- F<sub>a</sub>** Absolute financed emissions of each investment
- F<sub>r</sub>** Relative financed emissions of each investment
- F<sub>w</sub>** Weighted average financed emissions of each investment
- W<sub>i</sub>** Weight (1/P) of each investment amount out of the total investment portfolio amount

# TCFD Report

## 5.2 Financed Emission Metrics and Targets of Investment Portfolio

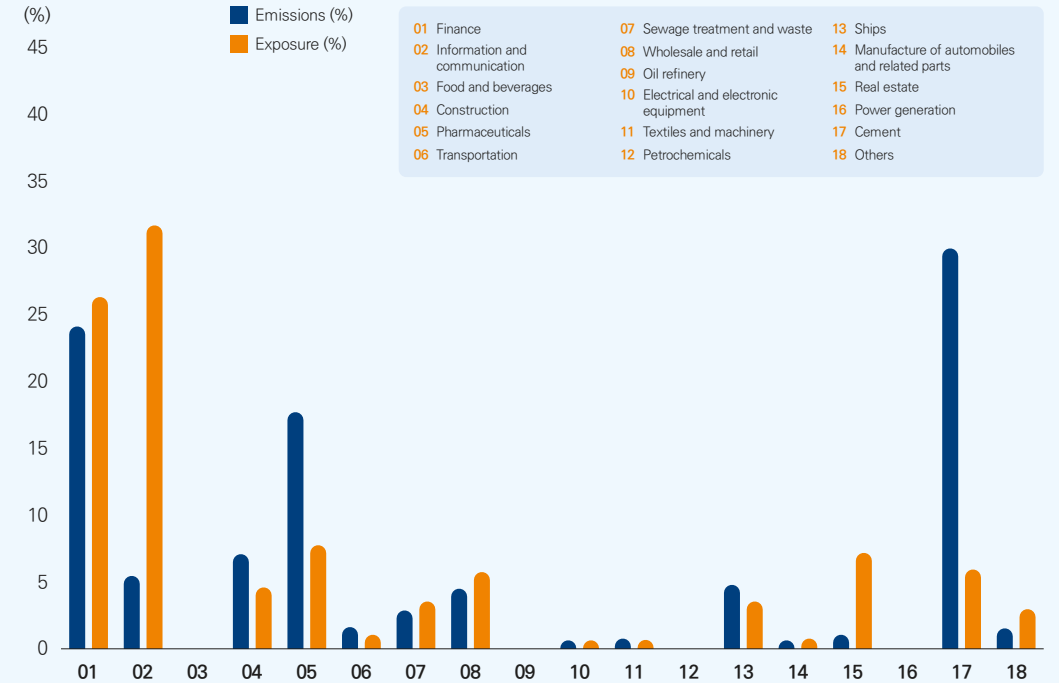
### Financed Emission Indicators

Mirae Asset Securities has calculated the financed emissions for each asset based on the asset types defined by PCAF in order to establish science-based targets (SBTs) for emission reduction. The calculated financed emissions for the essential asset types, namely listed stocks, corporate bonds, and corporate loans, account for 11.3% of the total investment portfolio, equivalent to 276,877 tonCO<sub>2</sub>eq. Commercial real estate accounts for 19.6%, equivalent to 35,919 tonCO<sub>2</sub>eq, and the financing of operating power plant projects accounts for 0.8%, equivalent to 146,542 tonCO<sub>2</sub>eq. Unlisted stocks are not considered an essential asset type for the verification of Science Based Targets initiative. However, based on the aggregation results, the financed emissions of investment assets corresponding to approximately 41.3% amount to 109,031 tonCO<sub>2</sub>eq. In total, the calculated financial emissions amount to 568,368 tonCO<sub>2</sub>eq. These emissions, which contribute approximately 50 times higher than Mirae Asset Securities' internally used GHG emissions, underscore the significance of setting reduction targets for financed emissions within the financial investment industry. We attribute 20 tons and 35 tons of GHG emission on every KRW 1 billion we invest in terms of the relative financed emissions and weighted average financed emission respectively for essential SBT asset types of measurement.

### Financed Emissions According to PCAF Asset Type Classification Criteria

| PCAF asset type                    | Financed emissions               |            |  |  | Exposure   | SBTi         |
|------------------------------------|----------------------------------|------------|--|--|------------|--------------|
|                                    | Absolute (tonCO <sub>2</sub> eq) | Ratio (%)  | Relative (tonCO <sub>2</sub> eq/KRW 1 billion) | Weighted average (tonCO <sub>2</sub> eq/KRW 1 billion) | Ratio (%)  | Coverage (%) |
| Listed equity                      | 220,145                          | 38.7       | 16.23  | 27.89  | 9.0        | 100          |
| Corporate bonds                    | 26                               | 0.0        | 0.00   | 0.00   | 0.0        | 100          |
| Loans                              | 56,705                           | 10.0       | 4.18   | 7.12   | 2.3        | 100          |
| Commercial real estate             | 35,919                           | 6.3        | -  | -  | 19.6       | 95           |
| Project finance (power generation) | 146,542                          | 25.8       | -  | -  | 0.8        | 100          |
| Project finance (others)           | -                                | -          | -  | -  | 8.6        | -            |
| Unlisted equity                    | 109,031                          | 19.2       | 8.04   | 43.17  | 41.3       | -            |
| Others                             | -                                | -          | -  | -  | 18.3       | -            |
| <b>Total</b>                       | <b>568,368</b>                   | <b>100</b> | <b>28.45</b>                                   | <b>78.17</b>   | <b>100</b> | <b>-</b>     |

\* Mandatory asset types to calculate financed emissions required by the Science-based Target initiative which also meets the PCAF asset classification criteria



\* Emissions and exposure for the mandated asset types excluding unlisted equity and others

### Data Accuracy of Financed Emissions

The data quality score has been calculated aligned with PCAF methodology based on the information that we used to measure financed emission from actual, Bloomberg and PCAF. Based on the assets classified according to the PCAF asset type classification criteria, the data quality for emissions quantification was determined based on the assets for which carbon emission data could be quantified. The resulting data quality score is 2.29. The data quality score indicates a higher level of reliability when it is closer to 0 which highlights that our data quality score is credible.

### Data Quality Scores by Asset Type

| Asset Class   | Listed Equity | Corporate Bonds | Loans (including PF) | Unlisted Equity |
|---------------|---------------|-----------------|----------------------|-----------------|
| PCAF standard |               |                 |                      |                 |
| Score         | 1.99          | 2.00            | 3.02                 | 2.32            |

# Inclusive Growth

Mirae Asset Securities is not only focused on financial expertise but also strives to cultivate talents with social consciousness. The Company is committed to fostering an organizational culture that respects diversity and human rights. We place emphasis on supporting small and venture businesses through investment and management. Simultaneously, we conduct specialized social contribution activities by providing tailored financial education content to enhance financial literacy among vulnerable groups. We will continue to engage in sincere activities that enable companies and employees to recognize and practice social responsibility, and spread positive influence to tackle social problems.



Inclusive Growth ◀

## Expansion of Inclusive Finance

### Socially Responsible Investment

Socially responsible investing (SRI) is an investment approach that considers non-financial factors when making investment decisions, with the goal of generating both positive social impact and financial returns. Mirae Asset Securities annually provides customers with new investment opportunities and startups with access to necessary funding by launching trust products that allow investments in promising small and venture businesses with high growth potential. In addition, we are investing in youth housing, private rental housing with public support, and medical complex development projects to contribute to creating social value.

### Financial Education Service that Comes to You

Mirae Asset Securities is actively expanding its outreach programs to provide financial education with a public purpose, aiming to bridge the financial gap and enhance financial accessibility for marginalized and underprivileged communities. The 'One Company, One School' financial education program, which began in 2015, has established partnerships with 392 elementary, middle, and high schools in Korea, and WM branches are directly participating. As of the end of December 2022, a total of 88,591 students have been educated, and executive-level financial education experts are conducting new forms of lectures in the form of contributions to improve the rights of marginalized groups. Recognized for these contributions, we have been selected as an excellent educational donation institution for two consecutive years by the Ministry of Education and the Korea Foundation for the Advancement of Science and Creativity.

### Support for Economic Self-reliance for Orphans Preparing for Independence

Mirae Asset supports the 'Youth Hope Project' in collaboration with 3 Pro TV to empower orphans maturing past social protection who are

preparing for independence to become financially knowledgeable and competitive individuals capable of achieving self-reliance. Mirae Asset Securities is supporting practical basic economic education through 1:1 life economy counseling (financial consulting), and has publicly recruited applicants through the Beautiful Foundation. A donation totaling KRW 260 million was invested over 10 months in the Mirae Asset TIGER ETF (Exchange-Traded Fund) through a systematic investment plan. The funds were evenly distributed among 50 recipients' securities accounts as part of the support program.

### Big Data Festival

Mirae Asset Securities co-hosted the Big Data Festival with Google Cloud in 2022. The festival provided an opportunity for students who will lead the future financial industry to experience and grow within the broader context of data analysis as financial professionals. Under the theme of 'Sustainable Investing,' the competition revolved around two main topics: 'Building Your Own ESG Evaluation Model' and 'Developing Your All New Portfolio.' The festival, held with a total prize money of KRW 60 million, offered benefits such as exemption from internship programs and document-based screening for participants who were considering internships or job applications.

## Improving Financial Accessibility through Digital Means

### Integrated MTS (M-STOCK)

A new MTS called M-STOCK, which combines three applications that were previously divided by function, officially launched its service in June 2022. Using AI technology to enhance user convenience, M-STOCK has transformed from a supply-oriented MTS to a customer-oriented one, providing a better customer experience. We have produced and uploaded a total of five YouTube tutorial videos to help people quickly and easily understand the fully revamped

M-STOCK with various new features.

### Provision of Customer-centric ARS (automatic response system)

Mirae Asset Securities has improved its ARS service from the customer's perspective in order to minimize inconvenience for customers using the service. In the 2022 evaluation of ARS service operations, we received high ratings in areas such as 'connecting consultants at each stage of the ARS process,' 'various service access methods,' and 'minimizing waiting time for ARS use,' and were honored to receive the Minister of Science and ICT Award. Since March 2022, we have been operating a dedicated consulting desk for investors aged 70 and above. For elderly investors in this age group, when they input their resident registration number through the call center, they are directly connected to a consultant without having to go through the button-based auto attendant guidance. The service aims to provide more efficient and personalized assistance to elderly investors. We plan to expand the digital self-service system utilizing AI and big data in the future to improve the convenience and ease of customers in handling their tasks.

## Expansion of ESG Action Campaign

### Activities to Challenge Social Problems

Mirae Asset Securities has raised funds and donated them to provide emergency relief supplies and support long-term reconstruction projects for the victims of the Gangwon and Gyeongbuk wildfires and the concentrated heavy rain in the central region. Matching donation has been implemented, where the Company matches the donations made by employees who participate in campaigns for climate change mitigation and environmental protection. This approach has led to high employee engagement and satisfaction levels. In addition, improving awareness of discrimination through culture and art interpretation has led to high participation and response from the participants.

## 01 Client-centric Finance

Mirae Asset Securities is continuously practicing customer protection activities to improve customers' financial accessibility through digital transformation and reduce any associated side effects.

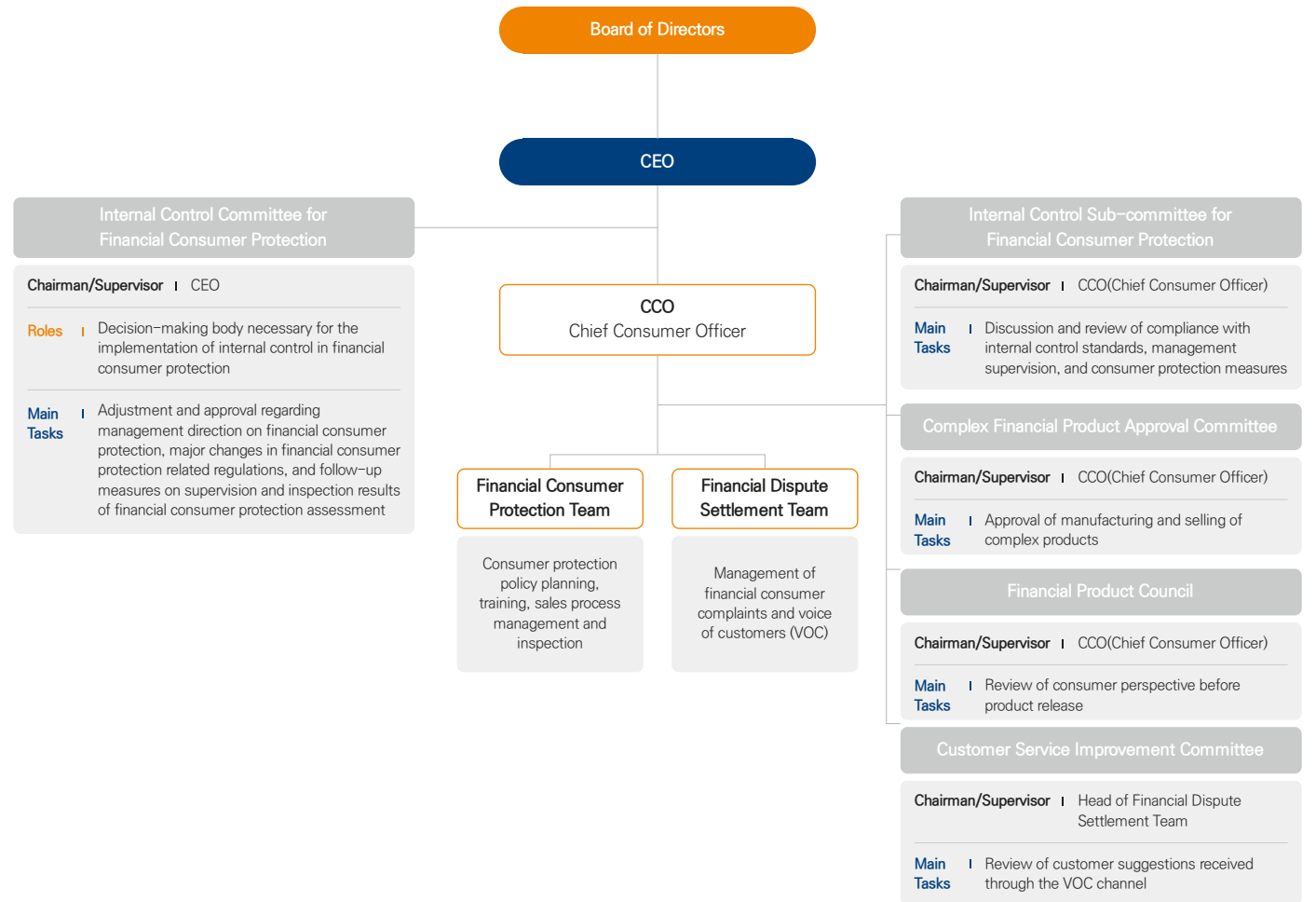
As the first in the industry, we have introduced a 'financial ethics certification system' for all employees to demand high professional ethics and responsibility. Furthermore, we are conducting effectiveness evaluations of major activities for financial consumer protection and improving any issues identified.

### Consumer Protection System Operated from the Perspective of the Customer

#### Financial Consumer Protection Governance

Based on the core value of 'customers' success is our success,' Mirae Asset Securities is prioritizing the protection of financial consumers' rights and building a company-wide collaborative system. The Financial Consumer Protection Bureau, which is organized under the CEO's office, appoints a separate Chief Consumer Officer (CCO) and performs tasks such as establishing management directions for financial consumer protection, improving related systems, checking and taking measures for the development, sale, and after-sales management of financial products, and managing the results of complaint dispute measures. The bureau regularly reports to the CEO and the BOD.

#### Financial Consumer Protection Governance





### Customer-centric Product Supply Process

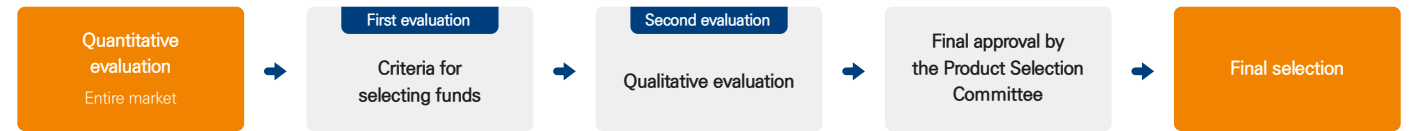
#### Product Selection Process

Mirae Asset Securities has established a detailed product selection process to ensure that only competitive products that contribute value to customers are offered for sale. We conduct a quantitative evaluation of the overall market funds, followed by a first-round evaluation based on internal selection criteria for the top-performing funds. After going through the second evaluation and being approved by the selection committee of the competition fund, the final selection of new and recommended products is made.

#### Operation of Product Selection Committee

The Product Selection Committee plays a role as a decision-making body for selecting competitive mutual funds and determining key product strategies to enhance customer profitability. The organization is composed of executives who perform tasks such as product consulting, financial consumer protection, customer asset allocation, risk management, development of sales strategies for financial products, and planning of pension product strategies. The organization holds meetings at least once every quarter. In addition, under the Customer Asset Allocation Committee, we have established a Product Strategy Task Force to analyze key issues related to monthly returns and develop optimal product strategies. The Product Strategy Task Force comprises more than 12 team leaders, including teams related to product management, risk management, and wealth management at the branch level. To enhance the transparency of product strategy, we actively share insights and feedback from the sales team in the field.

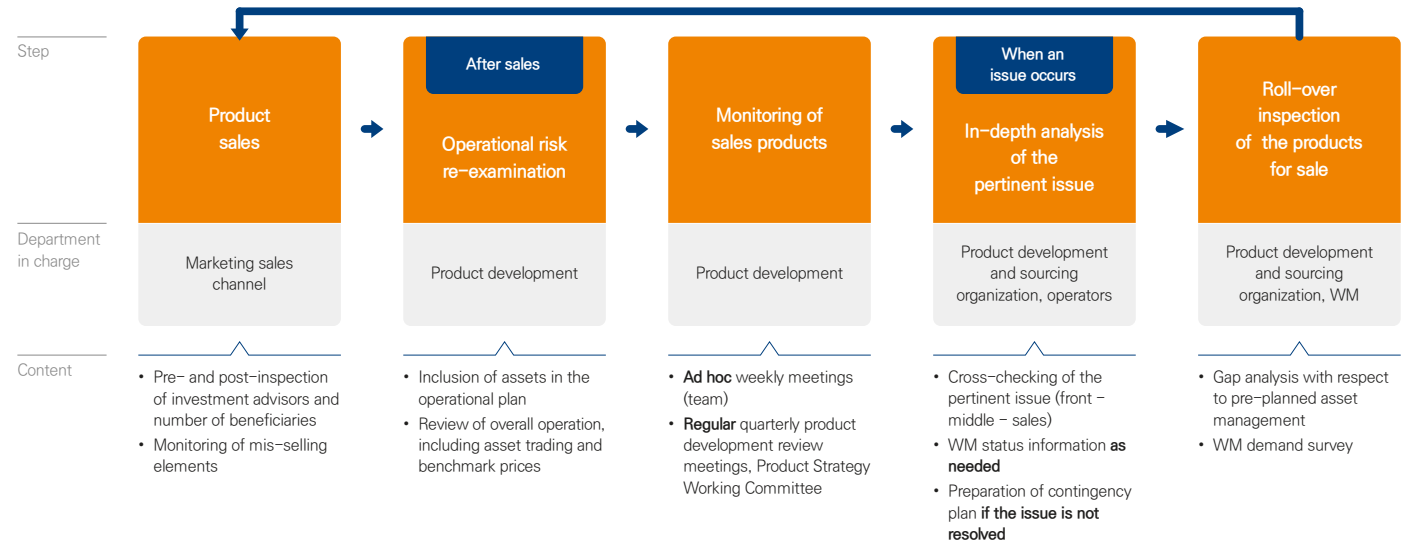
#### Product Selection Process



#### Product Development and Sales Process



#### Product Follow-up Management Process



Customer Rights Protection Activities

Financial Consumer Protection through Complete Sales

Mirae Asset Securities conducts on-site inspections of its branches to prevent mis-selling activities and continuously checks compliance with standard sales processes through preemptive measures and training on deficiencies. Furthermore, we are quickly reflecting the revised system to enable systematic and unified complete sales, and thoroughly checking investor protection and investment risk notifications in response to the increase in digital customers. We conduct post-sales verification calls and satisfaction surveys to collect customer feedback and ensure that there were no issues during the investment process after the product sale. This process allows us to gather customer opinions and address any concerns or areas for improvement. In addition, we are expanding opportunities to communicate with consumers through financial consumer protection training and seminar support activities.

Efforts for Legitimate Selling

Identifying Problems through On-site Inspection

We are conducting on-site inspections by directly visiting 78 branches nationwide to protect financial consumers through professional and responsible sales activities. We conduct inspection of the overall sales process, including the appropriateness of the procedures for protecting elderly investors, conducting risk assessments, selling to unsuitable investors, complying with recording obligations, ensuring the appropriateness of selling complex products, and following the procedures for resolving disputes. To do this, we have dispatched 'Financial Consumer Protection Officers' who are specialists in monitoring. We are doing our utmost to immediately correct and improve any deficiencies in the sales process through one-on-one coaching to prevent recurrence.

System Reinforcement for Compliance with the Legitimate Sales Process

We have strengthened our system to comply with the suitability principle and obligation to explain when selling financial investment products. We autonomously establish monthly self-training plans by branch and share the results. We are expanding 'mystery shopping' through external evaluation agencies every quarter to all employees and strengthening the evaluation criteria for sales branch KPIs to comply with the complete sales process.

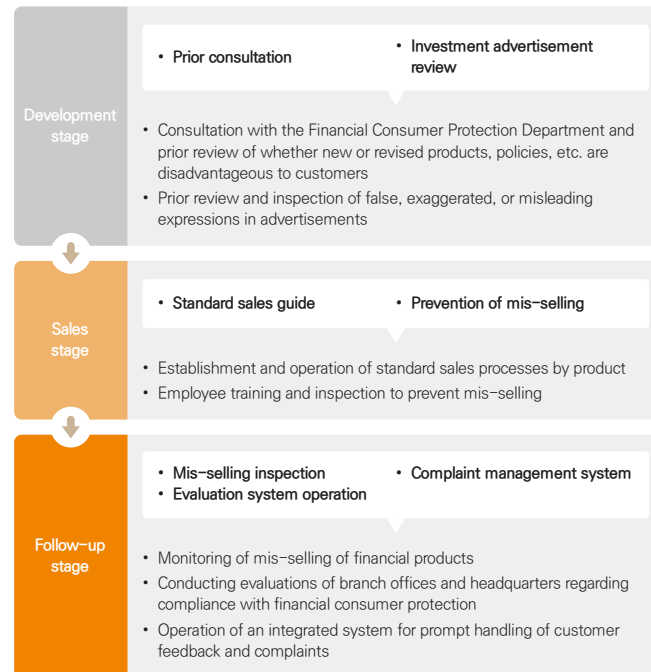
Production and Distribution of the 'Financial Consumer Protection Guidebook' for Legitimate Sales

We have published a 180-page booklet on the complete sales process for employees, which includes the 6 principles of sales, sales processes for each product, and information on essential documents to be provided at the sales point, to effectively understand these complete sales process. We have created a series of evaluations, including on-site inspections, reviews, enhanced education on protecting elderly investors, and customer service training to prevent complaints, focusing on the issues that were pointed out during actual on-site inspections to increase their practicality.

Conducting Training on Door-to-door Sales at Branches

All branches of Mirae Asset Securities are required to complete mandatory job training for association-based door-to-door sales personnel. Through this, we register door-to-door sales personnel and enhance their business capabilities for legitimate sales, proactively analyzing and addressing potential issues from a consumer perspective.

Consumer Protection Process by Product Development, Sales, and Follow-up Service Management



Conducting Consumer Protection Training for Branch Offices

We focus on customized consulting and training for each sales point, reflecting the results of on-site inspections, in order to promote a culture of proper financial consumer protection. We are operating a continuous training system through the activation of non-face-to-face training, which allows for two-way communication such as 1:1 consulting, for employees who have insufficient knowledge on sales procedures.

Status of Financial Consumer Protection Activities

| Classification  |                                     | Unit                             | 2020   | 2021                          | 2022                     |
|---|-------------------------------------|----------------------------------|--------|-------------------------------|--------------------------|
| Legitimate sales process and financial consumer protection training | Training time                       | hours                            | 17     | 231                           | 143.5                    |
|   | Mystery shopping evaluation results | Q 1                              | Points | Overseas fund 84, ELS 90      | Overseas fund 88, IRP 83 |
| Q 2   |                                     | Foreign currency bond 94, IRP 85 |        | Variable insurance 97, ISA 95 | Fund 95, ELS 98          |
| Q 3   |                                     | Overseas fund 88, ELS 89         |        | Overseas fund 88, ELS 93      | Overseas fund 95, ELS 98 |
| Q 4   |                                     | Fund 89.6, ELS 99                |        | Fund 90, IRP 99               | IRP 98, ELS 99           |
| VOC score and processing status                                     | Customer VOC processing rate        | %                                | 100    | 100                           | 100                      |

Customer Satisfaction Improvement Activities

Customer-centered CS

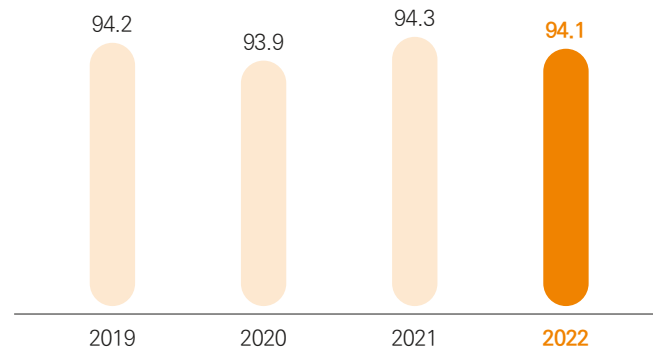
Mirae Asset Securities operates a CS system that pursues practical customer satisfaction in accordance with the mindset of 'Client First.' Under the principle that customer satisfaction begins with active customer protection activities, the CS survey items have been updated to reflect content related to financial consumer protection, and the branch CS leader program has been reorganized and the activities and tasks have been divided into mandatory and voluntary categories to increase effectiveness. In 2022, through the CS Leader activity, we selected exemplary cases of customer service and produced video content that defines Mirae Asset Securities' unique customer service. We conducted mandatory training using this content to share the factors that contribute to customer satisfaction.

Composition of the CS system



Customer Satisfaction

Unit: points



'Examining customer service through case studies of preventing complaints' VOD

**Viewing Customer Service through Case Studies of Preventing Complaints**

Part 4 Components of customer satisfaction & CS keywords

To determine 'how to satisfy a customer,' we must first consider 'what the customer finds satisfying.'

Part 4 Components of customer satisfaction & CS keywords

Customer service standards to strive for in order to practice customer first philosophy

| Components of customer satisfaction (additional factors) | CS keywords   |
|--|---|
| Excellent attitude in response                           | Empathy/consideration   |
| Identifying and resolving customer inconveniences        | Autonomous service improvement and streamlining of work processes, etc. |
| Understanding and fulfilling customer needs              | Exploring options from the customer's perspective                       |

+α CS

Improvement of Customer Convenience

Smart Teller Machines (STM) in Digital Innovation Branches

Mirae Asset Securities has introduced the Smart Teller Machine (STM), an automated device for branch operations, to enable customers to quickly handle financial transactions without waiting, reflecting the changes in the digital financial environment. As of November 2022, some STM branches have been introduced to provide convenience for financial consumers to directly handle tasks such as issuing, withdrawing, transferring, and subscribing to financial instruments.

Conducting Investment Preference Diagnosis through Auto Attendant

We have enhanced convenience for financial consumers to easily create investor information confirmation forms following ARS voice guidance.

Expansion of Customer-friendly Product Manuals

In accordance with the implementation of the Act on the Protection of Financial Consumers in 2021, Mirae Asset Securities has introduced an 'Easy-to-Understand Key (Summary) Explanatory Document' by adding our own icons to enable customers to intuitively grasp the key risks and essential information they need to know for each product. Instead of complex documentation, we have designed the materials to allow customers to easily understand the key risks through visualization. In addition to the required items in the key (summary) explanatory document, we have expanded the visualized elements to cover complex financial products and optional items based on product types. This ensures that customers can grasp the information at a glance.



Easy-to-understand product manual icons

## Customer Communication Activities

### Enhancement of Customer Complaint Management Activities

Mirae Asset Securities operates a 'Financial Dispute Settlement Team' under the Consumer Protection Officer (CCO) to protect the rights of financial consumers and handle customer complaints in a professional manner. The team is dedicated to resolving disputes and addressing the voice of the customers (VOC). The Financial Dispute Settlement Team plays a role as a control tower in promptly addressing the customer complaint issues received through the complaint management system and internal communication channels. It identifies and takes swift action on the issues raised in the complaints. The important matters are presented to the internal consultation body, the Financial Consumer Protection Council, to establish alternative measures and report the results to the BOD. In addition, we provide a 'Guidebook for Preventing Complaints' and a 'Guide for Preventing Complaints for Employees,' which include cases of complaints and prevention measures for all employees, and we conduct frequent pre-complaint consultations at our branches to provide guidance. In addition, based on the results of financial dispute resolution, we conduct mandatory annual complaint prevention training by analyzing similar cases. We also implement 'reconstruction of complaints,' which involves notifying the entire organization about major complaint cases at least once a month. Furthermore, we conduct monthly checks and analysis of complaint data by type, the results of which are then published on the intranet. We issue an 'early warning for complaints' for cases that require strategic attention, and also take preemptive measures to prevent consumer damage.

### Financial Supervisory Service Evaluation

Mirae Asset Securities checks and enhances its consumer protection system based on the consumer protection evaluation criteria conducted by the Financial Supervisory Service. The Financial Supervisory Service (FSS) has been conducting consumer protection assessments every three years since the enforcement of the Act on the Protection of Financial Consumers in March 2021. As part of this assessment, a self-diagnosis system called the 'Voluntary Self-diagnosis System' has been introduced, where financial companies independently check their own status and submit the results for evaluation for two out of the three-year cycle. Mirae Asset Securities was selected as a company subject to the voluntary self-diagnosis for consumer protection assessment in 2022. We conducted a comprehensive assessment

consisting of a total of 175 items and submitted the results to the FSS, demonstrating that we are at an 'appropriate' level. Based on this, we plan to further strengthen consumer protection measures and proactively respond to the 2023 evaluation.

### Operation of Customer Service Improvement Council

Mirae Asset Securities operates a 'Customer Service Improvement Council' to enhance financial consumer protection and services. We actively reflect the opinions of financial consumers by presenting matters that were not adopted but require further review from the voice of customers (VOC) received through various channels such as online media and customer centers to the Customer Service Improvement Council. This ensures that the opinions of financial consumers are actively taken into account in improving customer service.



### Operation of Client Panel

Mirae Asset Securities selects customer alliance partners every year to practice customer-centric values. In 2022, for our Customer Alliance program, we selected 20 customers recommended by branches and 30 customers recruited online through a mobile survey, considering the COVID-19 situation and customer convenience. We have gathered feedback on inconveniences experienced when using the services of Mirae Asset Securities and opinions from customers regarding the process of conveying their opinions. We have conveyed the major opinions to relevant departments and reflected them in our business operations.

### Operation of Independent Expert Panel

Mirae Asset Securities has been operating an independent expert advisory panel since 2019 to seek advice on financial consumer protection. In 2022, we appointed five academic professors as advisors and sought the opinions of experts on measures to protect financial consumers regarding the implementation of financial investment product door-to-door sales.

### Operating Details for 2022

| Month          | Client panel  |
|----------------|---|
| June 2022      | <p><b>Agenda Content</b>   Improvement measures for reconciling 'protection' and 'convenience' for financial consumers</p> <p><b>Results</b>   Completion of reflecting major opinions through mobile app redesign</p>  |
| September 2022 | <p><b>Agenda Content</b>   Analysis of customer feedback delivery process compared to competitors</p> <p><b>Results</b>   Related departments have completed their review and we plan to reflect the main opinions</p>  |
| December 2022  | <p><b>Agenda Content</b>   Measures for financial consumer protection in relation to the implementation of door-to-door sales of financial investment products</p> <p><b>Results</b>   Request for customer surveys and department reviews based on valuable opinions for consideration</p> |

### Reform and Operation of the Suggestion System for Preventing Complaints

The 'Complaint Prevention System' has been effectively revamped to receive feedback and opinions from financial consumers and branch employees who are in close contact with customers. Various ideas are being collected to prevent customer complaints from spreading due to various customer inconvenience and unfair practices at the sales field. Excellent suggestions are being incorporated into branch evaluations to motivate and incentivize service improvements that can address customer dissatisfaction.



Cultural Dissemination for Customer Protection

Introduction of Financial Ethics Verification Scheme

In 2022, as part of establishing financial ethics among employees, Mirae Asset Securities introduced the industry's first financial ethics verification scheme. As a result, 99.3% of all employees obtained the certification. The mobile-based financial ethics training program, which included videos, webtoons, card news, and other engaging content, received a positive response with approximately 20,000 comments over a two-week period and was successfully completed.

Financial Education Specialists

Mirae Asset Securities selects executives with over 10 years of experience in branch and headquarters sales, as well as over 5 years of teaching experience, as financial education specialists. These specialists conduct financial education programs for financially vulnerable populations. We provide opportunities to broaden the understanding of finance for vulnerable populations such as the elderly, retirees, young adults entering society, orphans reaching the end of child protection, college students, and military personnel who may be relatively excluded from financial education. The aim is to provide education on the rights and responsibilities of financial consumers, fraud prevention, investment, and asset management.

Training of Specialized Instructors in Financial Education for One Company One School

Mirae Asset Securities' headquarters and branches actively participate in the 'One Company One School Financial Education' program, where they establish partnerships with elementary, middle, and high schools nationwide to provide on-site financial education. We have prepared detailed curricula tailored to the standard curriculum of elementary, middle, and high schools, as well as the characteristics and grade-levels of each school. Additionally, we have added financial knowledge quizzes to make financial education more engaging and enjoyable for students. After the education sessions, we conduct satisfaction surveys through questionnaires and publish result reports to promote qualitative improvement of the program.

Production of Financial Consumer Protection Video Content

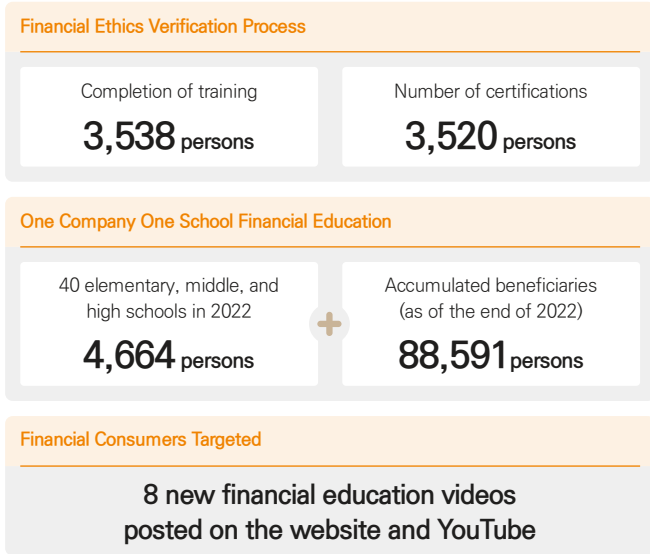
Mirae Asset Securities has produced informative videos on various themes related to consumer protection, including the Act on the Protection of Financial Consumers, financial terms, and financial fraud. These videos aim to establish a culture of financial consumer protection and provide valuable information to consumers. The 'All-in-One' series, which was created based on customer service center scenarios, has received a great response from financial consumers who have limited investment experience and face difficulties in trading. These videos are designed to make the content easy to understand and have been well-received.

Financial Consumer Protection Portal on the website >  
 Financial Education/Information > Financial Education Content  
 (KOR ver. Only)



### 2022 Financial Consumer Protection Achievements

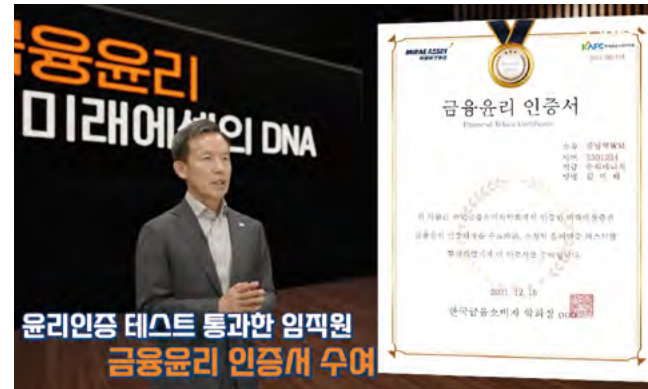
Mirae Asset Securities has been operating a consumer protection system in each stage, including product planning, sales, and post-management, to foster a culture of consumer protection even before the enforcement of the Act on the Protection of Financial Consumers in 2021. In 2022, Mirae Asset Securities actively engaged in financial consumer protection activities that aimed to deliver a higher level of customer satisfaction through customer-centric thinking and empathy, ultimately creating an impressive customer experience. The core value of Mirae Asset Securities is 'Client First,' as we have always strived to provide the best solutions tailored to each customer's situation based on our innovative investment philosophy and expertise.



### 2023 Financial Consumer Protection Strategy

#### Strengthening Employee Financial Ethics Education

The comprehensive certification process conducted by the Korean Academy of Financial Consumers, which includes validation and review, has provided an opportunity for all employees to reaffirm customer-centric professional ethics. The employee-focused financial ethics certification system is not a one-time event but an annual practice, aimed at establishing a solid foundation for the consumer protection framework. Mirae Asset Securities will continue to strengthen and enhance this system to ensure its significance and effectiveness in the future.



#### Strengthening Expertise in Financial Education

We have been conducting financial education programs by selecting executives with over 10 years of experience in sales at branches and headquarters, as well as over 5 years of teaching experience, as specialized financial education consultants who visit and provide education. We have shown remarkable progress in the 'One Company One School Program,' which many financial companies are implementing, and we have received high evaluations by providing financial education content that encompasses all age groups. We will continue to provide various opportunities to broaden understanding of finance and spare no effort in supporting the growth of responsible financial consumers.

#### Establishment of a Consumer Protection System in Response to the Spread of Digital Finance

As non-face-to-face financial transactions accelerate, it is crucial to have proactive processes in place to address consumer risk factors. Mirae Asset Securities is introducing AI to enhance the efficiency of its voice of customer (VOC)-related operations. The plan is to extract topics and keywords from VOC content and provide swift service through AI for customer inquiries, suggestions, complaints, and more. By capturing customer dissatisfaction signals through keywords, improvement requests will be sent to relevant departments, establishing a process to reduce complaints and protect consumer rights.

#### Strengthening Consumer Protection for Vulnerable Groups

Mirae Asset Securities will strengthen support for non-financial services (such as customer service guides for different types of disabilities, expanding large font services for the elderly, and initiatives such as finding hidden assets) to address financial difficulties among vulnerable groups. Additionally, we will enhance fraud prevention education and proactive monitoring for vulnerable groups, including retirees, to strengthen the protective system.

## 02 Corporate Culture of Respect and Care

Mirae Asset Securities is actively managing human rights issues with various stakeholders. We ensure a fair recruitment process to attract top global talents and provide systematic talent development programs to enhance financial expertise and digital competitiveness.







In addition, we are committed to individual employee health management, securing occupational health and safety, and establishing a healthy organizational culture that promotes work-life balance. We make efforts to create a healthy work environment for their employees.



### Principle of Human Rights Protection

Mirae Asset Securities has been a member of the United Nations Global Compact (UNGC) since June 2006. By adhering to the 10 principles of human rights, labor, environment, and anti-corruption, we have fulfilled the social responsibilities expected of companies in the international community. We have established human rights protection principles that apply global standards\* to protect and promote the rights of employees and stakeholders, and we conduct human rights risk assessments and disclose the status of human rights management implementation.

\* Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, and the International Bill of Rights

| Stakeholders  | Inspection issues   |
|---|---|
|  Clients                                 | <ul style="list-style-type: none"> <li>We continuously develop and provide high-quality products and services that meet the demands and expectations of our customers, with customer success as the primary criterion for all management activities.</li> <li>We do not unfairly discriminate against customers based on gender, religion, race, political orientation, etc., and we do not engage in unethical or immoral behavior that infringes on the rights of customers.</li> <li>We take administrative, technical, and physical measures to prevent the loss, theft, leakage, alteration, or damage of customer personal data.</li> </ul>   |
|  Employees                               | <ul style="list-style-type: none"> <li>We respect the autonomy and creativity of employees and do not unfairly discriminate based on region of origin, blood ties, academic background, gender, religion, age, disability, or marital status.</li> <li>We provide equal opportunities based on the abilities and qualities of employees, and reasonably reward performance evaluated by fair standards.</li> <li>We strive to create a pleasant and safe working environment for employees and provide high-quality welfare systems that allow for a balance between work and life.</li> <li>We guarantee freedom of determination and the right to collective bargaining, and we will not treat anyone unfairly due to their membership, activities, or formation of a labor union.</li> </ul> |
|  Shareholders and Investors              | <ul style="list-style-type: none"> <li>We strive to make our best efforts to perform rational decision-making and management activities based on a responsible, transparent, and ethical management system, in order to maximize the value of our shareholders and investors.</li> <li>We treat all shareholders and investors fairly and equally to ensure that their interests or rights are not unfairly infringed upon.</li> <li>We maintain a relationship of mutual trust by providing shareholders and investors with transparent and accurate management information.</li> </ul>  |
|  Transaction Counterparties & Partners | <ul style="list-style-type: none"> <li>We do not make unfair demands or provide unfair support to specific companies by using our superior position when purchasing goods and services, and we sign and comply with honest contracts.</li> <li>As a partner in coexistence, we conduct fair transactions based on mutual respect among trading institutions and cooperative agencies, contributing to the maintenance of a market economy order.</li> <li>We strictly protect and manage the business information of transaction institutions and cooperative institutions acquired during the course of our work.</li> </ul>   |
|  Local Communities                     | <ul style="list-style-type: none"> <li>Based on respect for local community culture and values, we perform financial education, donation, and volunteer activities for socially excluded groups, fulfilling our social role and responsibility.</li> <li>When establishing policies and procedures, we consider environmental protection as a key factor and contribute to preserving a clean environment by strictly complying with domestic and international environmental regulations.</li> <li>We make active efforts to strictly prohibit and manage issues that can cause social problems such as child labor, forced labor, and human trafficking, in order to establish a healthy society.</li> </ul>  |
|  Government and Capital Market         | <ul style="list-style-type: none"> <li>As responsible members of society, we contribute to the development of the countries where we operate and the capital market through responsible management and job creation, as well as diligent tax payment.</li> <li>We strictly block market manipulation using undisclosed internal information, illegal money laundering, bribery, etc. in order to contribute to establishing a fair market economy.</li> <li>We do not engage in actions that violate political neutrality by expressing or supporting opinions that endorse a particular party or candidate.</li> </ul>   |

Human Rights Impact Assessment

Human Rights Impact Assessment Process

Mirae Asset Securities identifies potential human rights issues in all aspects of its business operations, value chain, and new business relationships, and implements corrective actions for the issues identified. We continuously manage financial and non-financial vulnerabilities of each identified issue by considering not only the occurrence and frequency of past human rights issues. We continuously manage the identified vulnerabilities by issue. Related matters are managed rigorously by the HR Support Team.

Human Rights Risk Analysis Process



Improvement of Inspection Issues

The issues of human rights and diversity among stakeholders such as customers, employees, trading institutions, cooperative agencies, and local communities are increasingly being regulated by laws and regulations, highlighting their importance. Therefore, Mirae Asset Securities is identifying necessary improvements through self-inspection and collaborating with various departments to make improvements. We conduct voluntary inspections to assess compliance with labor standards, including issues such as wages, non-discrimination principles, and the actual implementation of labor and human rights. We are making our best efforts to identify the status of human rights violations among vulnerable groups such as women, third-party contract workers, migrant workers, and local communities.

| Stakeholders                              | Inspection issues  | Areas for improvement   | Scope of human rights impact assessment                        |
|---|--|---|--|
| Clients                                   | Prevention of financial consumer rights infringement and financial accidents                                     | <ul style="list-style-type: none"> <li>Introduction and operation of the 'Financial Ethics Verification Scheme' throughout the Company to spread ethical culture</li> <li>Addition of images of 'easy-to-understand summary descriptions' that allows customers to intuitively understand the key risks and main contents of financial products, in order to enhance customer understanding and prevent financial accidents</li> <li>Strengthening of consumer rights by disclosing consumer rights and methods of exercising them, as well as responsibility guidance videos specified in the Act on the Protection of Financial Consumers on the financial consumer portal website</li> <li>Strengthening of the system to comply with the legitimate sales process and production and distribution of the 'Financial Consumer Protection Guidebook'</li> </ul> | All business sites (100%)                                      |
|   | Discrimination and satisfaction checks   | <ul style="list-style-type: none"> <li>To protect digital customer investors, post-sale confirmation calls and satisfaction surveys are conducted.</li> <li>Conducting training on producing VOD videos titled 'Examining customer service through case studies of preventing complaints'</li> <li>Operation of client panel and independent expert group to collect and reflect customer opinions</li> <li>Operation of a Customer Service Improvement Council to review and reflect on additional VOCs that have not been finally adopted</li> </ul>  |  |
|   | Protection of personal data  | <ul style="list-style-type: none"> <li>Strengthening of the personal data protection management system through certification of the international standard ISO 27001 and the Korean standard ISMS-P</li> <li>Improving awareness through online and offline information security training for employees and key partner company employees</li> </ul>  |  |
| Employees                                 | Safety and health  | <ul style="list-style-type: none"> <li>Establishment of a Safety and Health Service Team to establish a management system and disclose safety and health management policies</li> <li>Decision to adopt the international standard ISO 45001 Occupational Health and Safety Management System</li> <li>Education and practical training to remove harmful and dangerous factors in the workplace and prevent accidents</li> </ul>   |  |
|   | Respect for the balance between work and life  | <ul style="list-style-type: none"> <li>Expansion of parenthood protection system through granting paid leave for infertile employees and support in the way of shortened working hours during pregnancy and childcare</li> <li>Survey and action plan announcement regarding company culture of dining and meetings for establishing an innovative corporate culture</li> <li>Expanding support for psychological counseling programs (spouse and children allowed to accompany, providing up to four free sessions per person)</li> </ul>  |  |
|   | Guarantee of freedom of collective bargaining and association  | <ul style="list-style-type: none"> <li>Monitoring human rights issues within the organization based on communication with labor unions</li> <li>Forming a collaborative labor-management relationship based on dialogue through 10 or more negotiations in 2022</li> </ul>  |  |
| All transaction Counterparties & Partners | Responsible supply chain management  | <ul style="list-style-type: none"> <li>On-site inspections of cooperating agencies to minimize potential risks</li> <li>Enhancement of fairness through the revision of regulations on the purchase and management of goods and services</li> </ul>   | All transaction Counterparties & Partners <sup>1)</sup> (100%) |
| Local communities                         | Expansion of inclusive finance   | <ul style="list-style-type: none"> <li>Providing financial education to expand relatively excluded groups in need of financial education</li> <li>Investing in youth housing, private rental housing with public support, and medical complex development projects to create social value</li> <li>Expansion of internship program to provide opportunities for job seekers to enhance their job skills</li> </ul>  | All local communities <sup>2)</sup> (100%)                     |
|   | Improvement of social and environmental impact (human trafficking, child labor, environmental destruction, etc.) | <ul style="list-style-type: none"> <li>Development of rest areas within the Han River Parks and environmental cleanup in the area where the headquarters is located</li> <li>Implementation of social contribution activities by donating goods for the circular economy and sharing jobs for persons with disabilities</li> <li>Improvement of awareness through support for culture and art activities for persons with disabilities</li> <li>Donation activities for the restoration of areas affected by natural disasters</li> </ul>   |  |

1) Includes all stakeholders with potential conflicts of interest or concerns about conflicts of interest, such as investment institutions, purchasing or service transaction institutions, etc  
 2) It does not distinguish a specific geographical location and includes all stakeholders within the local community



Fair Recruitment and Evaluation

Recruitment Principles

Mirae Asset Securities is conducting recruitment based on fair recruitment principles, without restrictions on academic background, gender, age, etc., and based on competency evaluation centered on job duties. During the hiring process, we make efforts to secure outstanding talents with high growth potential by conducting structured interviews and coding tests based on the characteristics of each job and thoroughly verifying the capabilities of the applicants.

Expansion of Global, IT, and Digital Workforce

Mirae Asset Securities is focusing on recruiting talented individuals with global capabilities, including graduates from major universities abroad, with a vision of generating wealth through financial exports. We also operate an internship program that selects college students preparing for employment as interns to provide practical training, increase their understanding of job duties, and lead to employment opportunities. In addition, we are increasing the recruitment of IT and digital professionals, including those with doctoral and master's degrees, to lead the digital innovation of finance.

Principles and Processes of Performance Evaluation

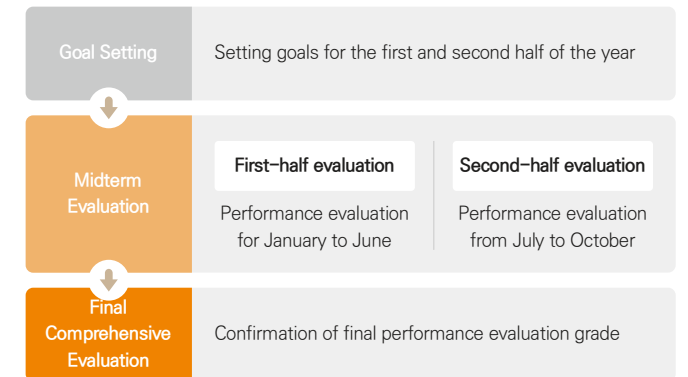
Mirae Asset Securities adheres to the principle of 'performance-based evaluation and compensation' based on transparency, fairness, and rationality. Employee evaluations are based on management by objective and self-control (MBO) achievement, organizational contribution, and competency development enhancement. By engaging in discussions and sharing goals and evaluation criteria between supervisors (evaluators) and employees (evaluatees), we have strengthened receptiveness. We also conduct immediate and continuous feedback between evaluators and evaluatees to minimize potential biases in the evaluation process. If an employee believes that their supervisor (evaluator) did not follow the evaluation process correctly or that there is insufficient evidence for the evaluation, they have the option to file an objection through the HR Innovation team. Additionally, we implement an annual upward evaluation for leaders and a 360-degree peer evaluation, ensuring a horizontal and comprehensive evaluation process.

Fair Promotion and Compensation

Mirae Asset Securities reflects the next year's salary adjustment rate and promotion score based on the final evaluation results. We operate a system for promotion based on accumulated performance evaluation scores over a certain period of time, rather than the 'graduation-type promotion' where one automatically becomes a candidate for promotion after fulfilling a certain period of service. This system is called 'selection-type promotion.' Through this, we are creating a fair promotion structure that recognizes employees who consistently produce results regardless of their age, gender, or background, and are achieving a dynamic organizational culture through the bold promotion of capable young employees.

Nurturing Evaluation System

Employees at Mirae Asset Securities can freely share and receive feedback about their work and growth. To this end, we operate a development-oriented evaluation system that focuses on career development plans (CDP) and institutionalizes communication about employees' strengths and areas for improvement. Communication occurs through four key events throughout the year: goal setting at the beginning of the year, mid-year evaluation in July, end-of-year evaluation in November, and final evaluation interviews in December. Employees have the opportunity to appeal their job performance at any time, and supervisors can provide ongoing coaching to their employees.



Talent Development and Support Program

Program for Employee Growth

Mirae Asset Securities operates diverse educational programs in various fields, including global investment, digital finance, leadership, and ESG, to enhance the capabilities of both the organization and individuals. These programs are conducted without discrimination based on gender, position, or contract type, allowing employees to adapt to the rapidly changing business environment. In addition, Mirae Asset Securities has developed and supports programs that enhance life satisfaction through effective communication and collaboration.

| Classification                     | Process   | Main content  | 2022 performance  |
|------------------------------------|---|---|---|
| Global & Investment                | Global investment master course   | • Analysis of new growth industries, global strategy, legal cases, final presentation   | 50 persons (2,200 hr)                                   |
|                                    | Global investment level-up course   | • Global economy and key economic variables, industry analysis, and special lectures on best practices  | 80 persons (1,835 hr)                                   |
|                                    | WM Academy  | • Comprehensive consulting case studies, including global economy and financial market analysis, tax, and law   | 2,745 persons (6,363 hr)                                |
| Digital                            | Korea University Department of Digital Finance Convergence                      | • Understanding Digital Finance, Latest Financial Technology and Business Models, Digital Strategy and Marketing, Advanced Digital Technology Course, Project and Implementation  | 24 persons (7,200 hr)                                   |
|                                    | DT general and advanced Courses   | • DT general courses: Data Literacy, Understanding Digital Business, NFT & Metaverse Revolution, Introduction to Artificial Intelligence & Blockchain<br>• DT Advanced Courses: Python, Tableau, etc  | 8,135 persons (34,897 hr)                               |
| Leadership                         | Promotion process (General manager, senior manager, manager courses integrated) | • Creating a horizontal organizational culture and a culture of communication and collaboration through an integrated promotion process<br>• Meaning and role of promotion and fostering a positive and proactive mindset   | 212 persons (1,908 hr)                                  |
|                                    | Position-based courses (new executives, new position holders, WM team leader)   | • Internalization of new corporate culture and strengthening of future-oriented leadership capabilities in response to changes in the times<br>• Empowering the role of leaders necessary for organizational management<br>• Continuous feedback capability enhancement to grow as a position holder who helps generate sales performance | 414 persons (7,540 hr)                                  |
|                                    | Next-generation leader program  | • Strengthening management capabilities for innovation and organizational management to lead the financial market   | 32 persons (512 hr)                                     |
| Growth                             | New employee training program   | • Acquisition of core values and vision as a future-oriented permanent innovator of Mirae Asset, understanding of financial products in each department, and social contribution activities   | 113 persons (3,223 hr)                                  |
|                                    | Internship program  |   |   |
|                                    | Online Academy  | • An online education program for fulfilling the learning desires of employees in the areas of job skills, humanities, general knowledge, language, and DT through self-directed learning   | 3,136 persons (38,390 hr)                               |
| ESG                                | Laon-Hiljo ESG theme during monthly executive training for group executives     | • March (Social) Fair Compensation Driven by the New Generation<br>• May (Environment) Impact of Climate-Tech on the ESG Financial Industry<br>• July (Environment) Survival Strategies for South Korea in the Era of Climate Crisis  | 495 persons (990 hr)<br>Including Independent directors |
|                                    | Mirae Asset Innovation School   | • Corporate culture training that provides a new perspective and insights into the future from an innovative standpoint   | 470 persons (4,700 hr)                                  |
|                                    | Empathy and Communication 『Elevating Values』                                    | • Training on empathy and communication for customer service representatives, focusing on sharing real-life stories from the work field   | 132 persons (1,518 hr)                                  |
| Corporate Culture of Communication | Corporate Culture Campaign of Respect and Care                                  | • Announcing ground rules for meetings and social gatherings, and selecting employees who practice core values through voting   | 140 persons   |
|                                    | Book meeting  | • Spreading a culture of reading and discussion among employees and sharing new ideas   | 3,557 persons   |
| Retiree Support                    | Job-change consulting service   | • Provide support through a systematic and organized process to minimize the psychological burden after retirement and help employees find new career opportunities   | 13 persons<br>(6 executives, 7 employees)               |
|                                    | Reemployment support career planning program                                    | • Designing future careers through diagnosis of post-retirement change management and career-related matters  | 9 persons (144 hr)                                      |
| Psychological Counseling           | EAP employee support program (Employee Assistance Program)                      | • Counseling services provided by the Company to employees to resolve personal issues such as stress and other individual problems, enabling effective job performance  | 280 persons (917 hr)                                    |

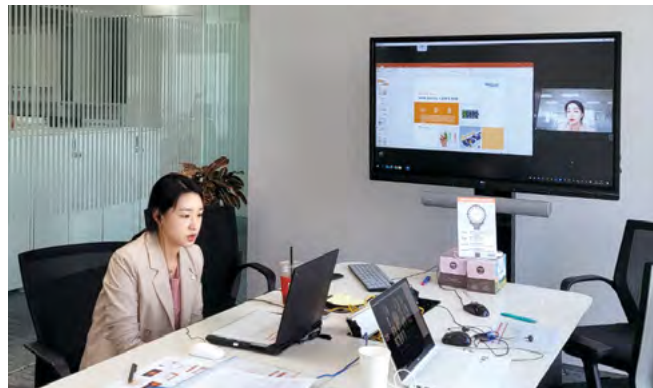
Talent Development and Support Program

Program for Employee Growth

Global & Investment Education

Global Investment Master Course

This education program fosters competitive professionals by deepening their understanding of global new growth industries through in-depth learning. This top-tier program consists of industry-leading instructors in each field and is open to WM employees who have been selected based on rigorous criteria. The program consists of approximately 40 hours of activities, including learning about new growth industries, workshops, team competitions, and portfolio activities. Graduates of the program will be able to internalize the competitiveness to provide customers with more reliable investment strategies and insights. As of 2022, a total of 50 people graduated.



Global Investment Level-up Course

The Level-Up program, initiated in 2022, is a foundational educational course for global investment. It covers key economic variable learning and industry-specific analysis, aiming to enhance participants' knowledge and skills in global investment. The course aims to improve the basic investment capabilities required for WM employees by understanding the evolving cycles of industries and companies, allowing them to establish an investment philosophy. A total of 80 individuals completed the course, which spans approximately 23 hours and is divided into 2 sessions, through the support and selection of employees who are either starting their WM sales career for the first time or seeking to solidify their foundation.

WM Academy Course

This course, representing the WM education focused on enhancing global investment capabilities, is conducted for all WM employees. It covers various aspects such as global economy, investment trends in different industries, and tax/legal issues, providing comprehensive training in WM. In 2022, a total of 2,745 employees completed the course, which featured a diverse range of instructors and timely lecture content.

Digital Education

Digital Finance Convergence Program at Korea University

Since 2018, we have been collaborating with the Graduate School of Computer and Information Technology at Korea University to offer a Master's program in Digital Finance Convergence (Contract Major). This program aims to cultivate internal talents who will lead the digital transformation of Mirae Asset Securities. The graduation project presentation plays a crucial role in sharing the academic achievements of the two-year program and applying them to real-world scenarios to secure competitiveness. A total of 56 students have graduated across 3 cohorts, and in 2022, there are currently 24 students enrolled in the 4th cohort.



Digital Talent Development Program

To foster systematic and quantified development of digital talents, we have implemented a digital competency point system. These points are applied to various benefits such as promotion incentives, priority

selection for external advanced courses, and preferential treatment when transferring to different departments within the Company, providing employees with strong motivation and incentives. The digital competency points are composed of completion of internal and external general/advanced DT training, participation in internal DT competitions, work experience, certification acquisition, and attainment of a master's degree or higher. To cultivate workforce skilled in coding, we have launched Python courses targeting all employees, including Level 1 and Level 2 programs. In the future, we plan to develop Level 3 courses, which involve team projects utilizing internal data, to foster digital transformation (DT) talents who can drive innovation in their work autonomously. In 2022, we graduated a total of 8,135 participants from over 6 general and advanced DT courses.

Leadership Education

Hierarchical Leadership Process

Mirae Asset Securities operates an integrated promotion program targeting various positions to enhance leadership and communication skills. Newly appointed executives and officials can enhance their management and leadership capabilities by recognizing the difference and balance between managers and leaders through various programs. For the next generation of leaders selected at the executive level, we are conducting innovative leadership and management capacity-building training to nurture them into leaders who can lead the financial market. This training focuses on fostering leadership in innovation and enhancing management skills required for organizational management.



A Good Company Culture to Work in

Culture of Communication for Mutual Growth and Harmony  
Establishing Trust between Employees and Management

Employees at Mirae Asset Securities are committed to promoting continuous and genuine communication in order to establish a more horizontal and mutually respectful culture. Mirae Asset Securities labor and management conduct regular labor-management meetings to promote the well-being of employees and the sound development of the Company. Over the past year, they have held more than 10 meetings, including negotiations on wages and benefits and the Occupational Safety and Health Committee. As of the end of 2022, a total of 2,120 employees were members of the labor union.

Empathy and Communication 「Elevating Values」

In order to foster a positive organizational culture, a process was implemented in 2022, involving 132 customer service employees, where they could share their experiences and empathize with each other in the workplace. This process aimed to build a sense of solidarity and camaraderie.



Grievance Handling System

If an employee experiences any form of workplace harassment, including sexual harassment, or encounters human rights issues related to work, they can seek assistance through the HR Help Desk. This resource is available for all employees to request help and support. The Company takes measures based on procedures and manuals to address and provide practical protection for employees facing grievances. In October, mandatory legal training sessions on preventing sexual harassment and workplace harassment were conducted. Additionally, a survey was conducted among all employees to assess the level of mutual respect and ethical awareness among them. Following the survey, special lectures were held for managerial staff to address these issues. Furthermore, the Company operates a permanent grievance handling mechanism to protect the human rights of customer service employees. In November, training on the Code of Conduct for Problematic Behavior and customer service guidelines was conducted for a total of 1,314 customer service employees.

Culture of Balancing Work and Life  
Flextime

Mirae Asset Securities implements various flextime options, such as staggered commuting hours and flexible lunchtime, to create a working environment where employees can proactively manage their working hours and improve work efficiency. Additionally, Mirae Asset Securities supports work-life balance by implementing various leave policies that allow employees to autonomously utilize their vacation time. These policies include annual leave promotion systems, regular leaves apart from annual leave, paid menstrual leave, family care leave, and congratulatory/bereavement leave. This enables employees to achieve a balance between work and personal life. If the PC-OFF system currently under review is implemented, the work environment will become even more flexible.

Parenthood Protection System

Mirae Asset Securities operates various welfare programs related to pregnancy, childbirth, and childcare to create an environment where new parents can work with peace of mind and fully dedicate themselves to their jobs. We make efforts to alleviate the burden of childbirth and childcare for employees by providing paid leave to employees undergoing infertility treatments. We also ensure that

employees can use parenthood and childcare leave beyond the legally mandated period, exceeding the required standards. We provide support for employees beyond government subsidies, including separate salary payments and benefits such as assistance with childbirth-related medical expenses and childbirth congratulatory allowances. We strive for continuous efforts to ensure a family-friendly work environment, such as providing paid health and screening leave for female employees and the pregnant, and implementing shortened working hours during pregnancy. Furthermore, since 2011, we have been operating a company-sponsored childcare facility (daycare) to alleviate the burden of childbirth and childcare for employees and promote work-life balance. We also encourage the implementation of reduced working hours during the childcare period. In 2022, a total of 142 employees utilized childcare leave, and the return rate after childcare leave was 84% (91.66% for male employees and 76.64% for female employees).

Employee Benefits and Welfare Programs

Mirae Asset Securities operates various employee welfare programs, including marriage congratulations allowances, bereavement allowances, marriage anniversary vacation funds, as well as support for housing funds, medical expense assistance, education funds, and other diverse employee benefits. Last year, we expanded the coverage of group accident insurance to include more individuals. Additionally, we improved convenience by allowing mobile applications for medical expense and education fund claims without the need for separate document submission. These enhancements aimed to increase user-friendliness and accessibility for employees. Furthermore, we have expanded the housing support loan program to promote stable residential settlement and concentration on work. Mirae Asset Securities is expanding its welfare benefits system even further to improve the economic and social status of its employees.



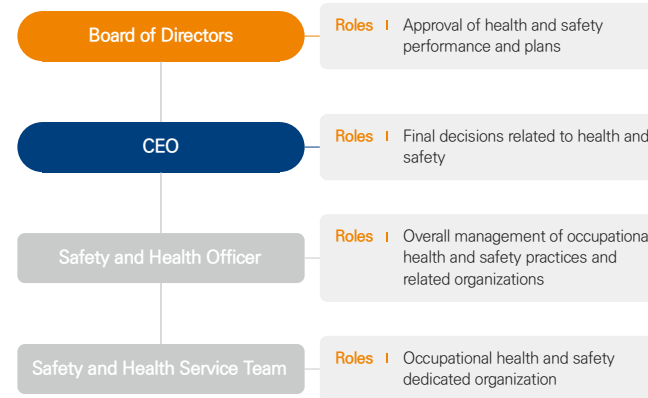
### A Good Company Culture to Work in

#### Creating a Safe and Healthy Workplace

Mirae Asset Securities is implementing management regulations and inspection management in accordance with relevant laws and regulations to improve the health and safety of employees, partner company employees (including those engaged in building management and subcontractors), and external personnel visiting branches and offices.

#### Occupational Health and Safety System

Last year, we established a Safety and Health Service Team under the direct supervision of the CEO to carry out systematic safety and health tasks. The Safety and Health Officer conducts biannual inspections of safety and health compliance and takes appropriate actions when necessary, reporting the findings to the CEO, who oversees the overall safety and health of the Company. The headquarters located in the Center 1 Building is scheduled to obtain ISO 45001 certification, an international standard for Occupational Health and Safety Management Systems, by June 2023. Currently, the workforce to which this applies accounts for 47.0% of all employees (as of May 2023), and there are plans to expand the coverage in the future.



#### CPR and AED Training

An educational program on the theory and practical aspects of cardiopulmonary resuscitation (CPR) and automated external defibrillator (AED) usage was conducted for all employees to ensure prompt response in case of emergencies related to cardiac arrest. The Center 1 headquarters, Yeouido and Pangyo office buildings, and 78 branches nationwide conducted emergency response training for all employees, in collaboration with the Korea Emergency Care Training Institute, a designated training institute for CPR appointed by the Ministry of Health and Welfare and the Ministry of the Interior and Safety. We plan to install CPR safety education certification plaques at the training completion sites to ensure customers' psychological well-being and trust.



#### Major Activities for Health and Safety in 2022

|  |  |   |  |
|--|--|---|--|
| <p>Establishment of a Health and Safety System</p> | <p><b>Report on the implementation of the Serious Accidents Punishment Act</b></p> <ul style="list-style-type: none"> <li>- Completion of June and December Board reports</li> </ul> <p><b>Establishment of health and safety-related regulations/manuals</b></p> <ul style="list-style-type: none"> <li>- Regulations on Health and Safety Management</li> <li>- Subcontractor Safety Management Manual</li> <li>- Disaster Response Manual</li> </ul> <p><b>Holding of Occupational Health and Safety Committee meetings</b></p>                             | <p>Expansion of Health and Safety Culture</p> | <p><b>Operation of internal Health and Safety Bulletin Board</b></p> <ul style="list-style-type: none"> <li>- Health and safety news clippings (4 cases)</li> <li>- Monthly health and safety newsletter and health and safety-related content (5 cases)</li> <li>- Listening to employee opinions via comments</li> </ul> <p><b>Campaign for improving health and safety awareness (527 participants)</b></p> <p><b>Attendance at health and safety seminars</b></p> <ul style="list-style-type: none"> <li>- Direction and tasks of industrial health and safety policy</li> </ul>                 |
| <p>Employee Health Support</p>                     | <p><b>Implementation of employee counseling program</b></p> <ul style="list-style-type: none"> <li>- A total of 917 psychological counseling sessions for 280 employees were held</li> </ul> <p><b>Improvement of the flu vaccination process (at nearby hospitals)</b></p> <ul style="list-style-type: none"> <li>- Increased by 796 employees compared to the previous year</li> </ul> <p><b>COVID-19 prevention activities</b></p> <ul style="list-style-type: none"> <li>- Provision of disinfection supplies (nasal spray, self-diagnosis kit)</li> </ul> | <p>Strengthening Workplace Safety</p>         | <p><b>First- and second-half safety assessment of 8 office buildings in possession</b></p> <p><b>Conducting workplace risk assessments</b></p> <ul style="list-style-type: none"> <li>- Discovery and improvement of two risk factors completed</li> </ul> <p><b>Improvement of the sales environment</b></p> <ul style="list-style-type: none"> <li>- Improvements completed at 5 locations</li> </ul> <p><b>Facility inspection for natural disaster preparedness</b></p> <ul style="list-style-type: none"> <li>- Damage from heavy rainfall (June) / Damage from typhoons (September)</li> </ul> |

#### Psychological Counseling Program

We are operating a psychological counseling program to address employees' concerns and alleviate mental stress that may arise during job performance or daily life. Last year, a total of 280 employees received 917 sessions of professional counseling, which represents an increase of approximately 230% in the number of individuals seeking counseling and approximately 220% in the number of counseling sessions compared to the previous year. By providing assistance in problem-solving at the organizational level, the Company was able to alleviate work-life imbalance among employees and increase job satisfaction and efficiency. In 2022, professional counselors were dispatched to customer service employees to assess the level and factors of job-related stress and conduct meetings reflecting the findings.

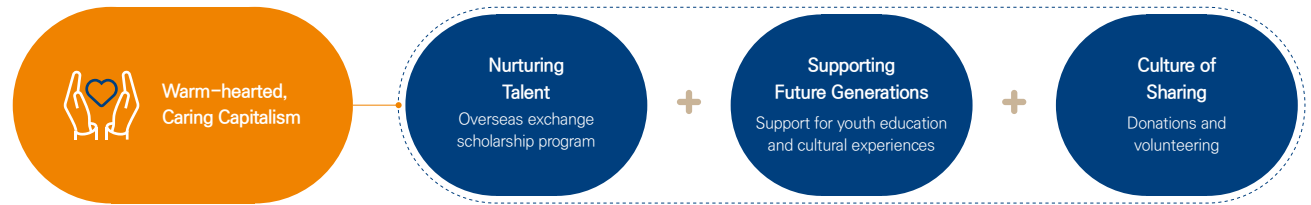
## 03 Social Contributions

Mirae Asset, practicing caring and compassionate capitalism, constantly seeks ways for the Company and society to coexist and grow together as part of the community. We engage in systematic and sincere social contribution activities.

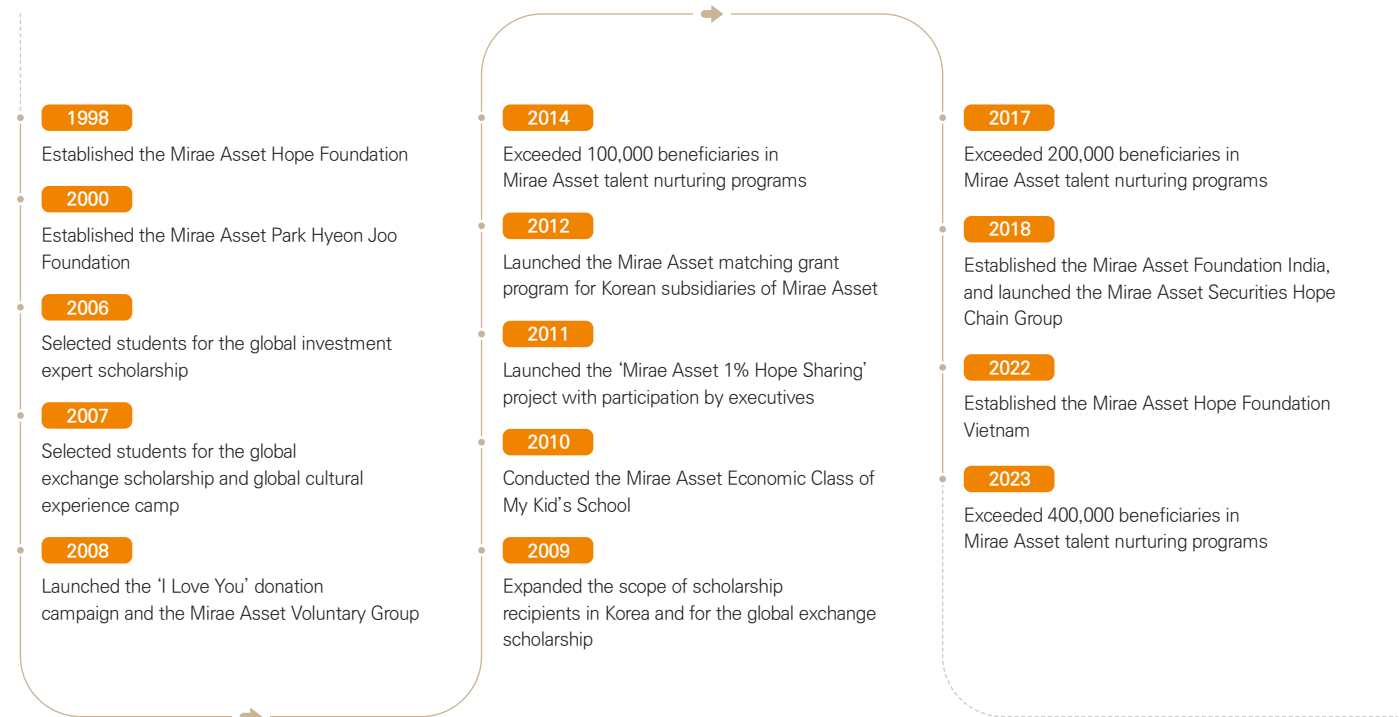
### Social Contribution Strategy

#### Area of Focus for Social Contribution Activities

Under the slogan 'Mirae Asset will be the hope of the youth,' Mirae Asset is actively promoting scholarship programs for talent development and supporting the future generation through the Mirae Asset Park Hyeon Joo Foundation. The Company is committed to practicing caring and compassionate capitalism through ongoing sharing and volunteer activities. The Mirae Asset Securities Hope Chain Program, launched in 2018, continues to engage in social contribution activities with the aim of promoting a culture of sharing within the company and addressing societal challenges through the voluntary participation of employees.



#### Milestone of Mirae Asset's Social Contributions



- Regular donation campaign • I Love You
- Executive regular donation campaign • 1% Hope Sharing
- One-time donation • Special Day Commemorative Donation
- Matching grant • The company matches employee donations with an equal amount



Mirae Asset Park Hyeon Joo Foundation Website



### Practicing Social Contribution

#### Status of Talent Development Program Support

Accumulated number of supported individuals as of the end of 2022



Scholarship Program

**11,393 persons**

- Overseas exchange scholarship recipients: 6,479 persons
- Domestic scholarship recipients: 3,754 persons
- Global investment professional scholarship recipients: 122 persons
- Global scholarship recipients: 1,038 persons



Global Exploration

**14,974 persons**

- Global Cultural Experience Camp: 1,968 persons
- Global Leadership Discovery: 13,006 persons



Financial/Career Education

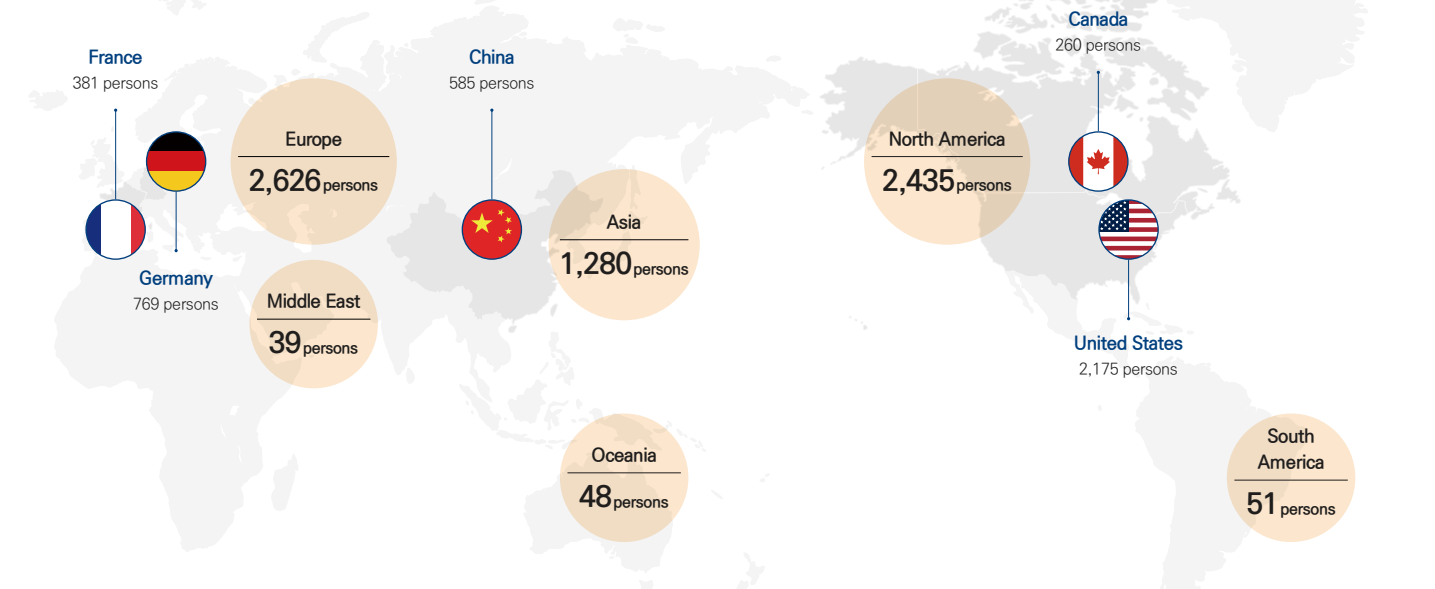
**371,792 persons**

- One Company, One School financial education: 99,876 persons
- Our Child School tour: 83,448 persons
- Youth Vision Project: 2,059 persons
- Customized book support: 12,857 persons
- Youth financial career education, etc: 173,552 persons

#### Nurturing Talent

Mirae Asset's scholarship program focuses on supporting young talents who aspire to achieve their dreams on a global stage. The overseas exchange scholarship program, which began in 2007, is a flagship talent development initiative representing Mirae Asset. It provides scholarships to Korean youth, enabling them to gain diverse experiences in a larger world and grow as globally-minded individuals with knowledge and wisdom. We place a high emphasis on selecting Science, Technology, Engineering, and Mathematics (STEM) majors, particularly in the fields of robotics, artificial intelligence, biotechnology, and big data, to foster future talents in innovative industries.

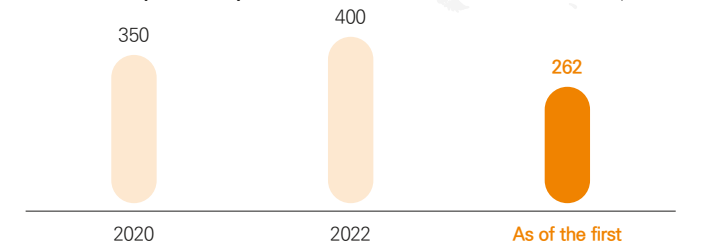
**50 countries 6,479 persons** \* As of the end of 2022



#### Overview of Overseas Exchange Scholarship Program

|                                     |  |
|-------------------------------------|--|
| <b>Eligible Applicants</b>          | Undergraduate students who have obtained eligibility as exchange students from their home university<br>Undergraduate students who meet the criteria set by the foundation in terms of major, academic performance, and financial conditions |
| <b>Details of Support</b>           | Academic scholarships for participating in overseas exchange programs<br>Scale of scholarships varies by destination country   |
| <b>Number of Selected Personnel</b> | Selection of approximately 250 students per academic term, conducted twice a year<br>Self-introduction and online interview evaluation   |

#### Number of Overseas Exchange Scholarship Students Dispatched by Year



\* Suspension of selection and dispatch due to COVID-19 in 2021

### Practicing Social Contribution

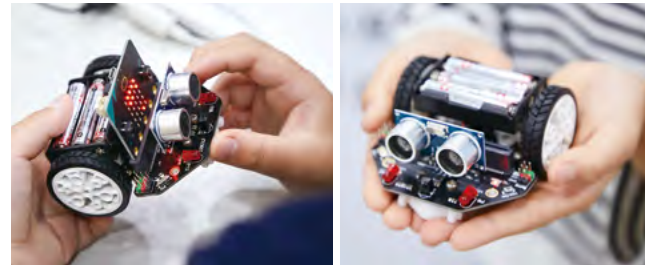
#### Supporting Future Generations

Mirae Asset hopes that children can unfold their own vibrant future, each with their unique colors. To enrich their dreams and futures, Mirae Asset supports various learning and experiential opportunities, enabling children to grow in abundance.

#### Time to Design Your Own Vision, Youth Vision Project

34 institutions, 301 persons

We support children in visualizing their own visions more concretely through various idea implementation activities using artificial intelligence technology, metaverse, and other tools, allowing them to foster creativity, a spirit of challenge, and discover their strengths.



#### Stable and Warm Everyday Life, Hope-sharing Public Offering Support Project

34 institutions

We provide support in essential areas such as rental fees, facility maintenance, and purchase of appliances and furniture, by carefully examining the operational status and support needs of child welfare facilities. Our goal is to ensure that children can grow up in a healthy and stable environment.



#### Engaging with the World through Books, 'My Bookstore'

47 institutions, 900 persons

We are helping children develop a joyful reading habit by supporting the creation of their own personal libraries through a package called 'Create Your Own Library at Home' so that they can encounter various worlds and establish proper values through books.



#### Support for Youth Cultural Experiences, Encountering Diverse Cultures

190 institutions, 3,696 persons

We provide cultural experience kits that combine online education and experiential activities, as well as funding for in-depth learning activities, to not only support children's intellectual growth but also expand their cultural horizons. We aim to offer the gift of cultural inspiration along with the wealth of experiences.





Social Contribution Achievements

Culture of Sharing

Mirae Asset Securities' Hope Chain Volunteers Group carries out a new form of social contribution activities in which not only employees but also their families can participate together. As part of the mandatory training for interns and new employees, social contribution activities are incorporated to clarify their responsibilities and roles as members of society, and to encourage the practice of sharing in their daily lives.

Han River Forest Cultivation

Greenhouse gas reduction of 8,088kgCO<sub>2</sub>eq

Since 2019, employees and their families have been participating in the cultivation of the 'Mirae Asset Securities Forest' in the vicinity of the Hangang Park in Ichon. Through the sustainable urban forest creation, the forest cultivation project has contributed to reducing PM10 and mitigating carbon dioxide emissions. By planting a total of 1,011 trees until 2022, it has reduced 8,088kgCO<sub>2</sub>eq of GHG emission and a particulate matter reduction effect of approximately 36kg. Starting from this year, we plan to significantly expand the activity area to approximately 6 times its current size, reaching 4,350m<sup>2</sup>. This expansion aims to promote biodiversity and wetland conservation through various activities.

Plogging Activity

734 persons, 2,290 km

To promote environmental cleanup in the area where the Mirae Asset Securities headquarters is located and enhance communication among employees, a total of 734 employees participated in 10 environmental campaigns, walking a combined distance of 2,290 kilometers in locations such as Euljiro and Yeouido nearby. In addition, the number of employees who voluntarily participated in the campaign was calculated, and matching donations were made to forest restoration organizations in the areas affected by the Uljin and Samcheok wildfires. Furthermore, the program that allows employees to utilize their lunchtime for both local environmental cleanup and donations will be continued on an ongoing basis.

Employee-participatory ESG Social and Environmental Campaigns

Goods Donation Campaign

Donation of 11,835 saleable items

The goods donation campaign, which has been ongoing since 2021, is being expanded to nationwide regions to promote the circular economy for the environment and create job opportunities for persons with disabilities. In 2022, a total of 11,835 items were donated, and the converted donation amount reached KRW 30,611,500. This resulted in the social value creation of reducing carbon emissions by 24,854 kg and providing one month's salary support for approximately 20 employees with disabilities. Furthermore, through company matching donations based on the number of participants, a forklift was donated to a workplace for persons with disabilities, enabling them to collect items.



Social Contribution Achievements

Employee-participatory ESG Social and Environmental Campaigns

Support for Artists with Developmental Disabilities

In order to improve awareness and support the independence of artists with developmental disabilities, and to promote a culture of donation among employees, we held a 'Exhibition of Artworks by Artists with Developmental Disabilities' and invited an orchestra comprising musicians with developmental disabilities for a lunch concert in the lobby of our headquarters.

The artworks and music created by artists with developmental disabilities served as a source of healing not only for employees but also for customers, creating a meaningful opportunity. It led to the expansion of a culture of donation through various methods such as matching donations based on participant comments and voluntary contributions.



Lunch Concert by Orchestra Comprising Musicians with Developmental Disabilities

Contributions by the Mirae Asset Securities Table Tennis Team

Starting with the 'Joint Training and Exchange Matches with the National Paralympic Team' planned in collaboration with the Korean Para Table Tennis Association in 2021, the Mirae Asset Securities Table Tennis Team has been organizing various contribution events.

In September 2022, in collaboration with the Seoul Regional Office of the Ministry of Patriots and Veterans Affairs, an enjoyable and rewarding time was provided for the students of Bumyeong High School in Bucheon. The program included table tennis life stories shared by Director Kim Taek-soo, table tennis practice with the players, quiz competitions, and the opportunity for students to experience the fun of table tennis and sportsmanship.



미래에셋증권 × ESG사회공헌활동

그림이 전하는 따뜻한 위로  
발달장애 예술가 작품전시회

2022.7.4(월)~7.6(수) 센터원 빌딩 2층 로비, IPTV 동시 송출

총 23점의 작품들이 3일간 센터원 로비를 밝혀줍니다.  
발달장애 예술가들의 작품을 통해 힐링의 시간을 보내시길 바랍니다.



Exhibition of Artworks by Artists with Developmental Disabilities



A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are arranged in a way that they appear to converge towards the top center of the frame, creating a strong sense of height and architectural scale. The sky is a clear, pale blue. The overall color palette is dominated by the blues and greys of the glass and steel, with a bright orange curved shape in the top right corner.

# 03 COMPANY PERFORMANCE & STRATEGY



# Business Overview, Performance and Strategy



Mirae Asset Securities leads the wealth management market through carefully selected products, diversified investment portfolios, and customized consulting services tailored to customers.



### Customized Comprehensive Financial Consulting Services

We offer competitive financial products such as domestic and international stocks, ETFs, ELS/DLS, mutual funds, and even globally recognized alternative assets, in order to provide our customers with tailored portfolios that align with their investment preferences and objectives. Our aim is to ensure successful wealth management for our clients. We also provide comprehensive consulting services from real estate, legal, and tax experts to address the complex needs of our customers, such as donation, inheritance, and business succession.

### Top-level VIP Services

We operate the 'Mirae Asset Sage Club Membership' for our top-level VIP clients who seek wealth, prestige, and values beyond that. We provide more than just financial services by offering a range of exclusive cultural and artistic programs, premium lifestyle experiences, and impeccable service, ensuring a refined and luxurious rest for our clients.

### No. 1 Pension Provider

As the top provider in the securities industry for retirement savings, we offer the best pension solutions with the largest dedicated team of pension experts in Korea. We support corporate clients in introducing retirement pension systems and provide assistance with issues related to accounting, labor management, administration, and tax matters. Additionally, we enhance pension returns through the provision of carefully selected products and continuous education for plan participants.

### Digital Wealth Management Service

We operate a comprehensive financial platform that meets all of our customers' investment-related needs, such as asset management, yield management, and advisory services. This platform is implemented in a digital environment based on AI technology.

## 2022 Achievements

### Protecting Client Profitability During Market Downturns

In 2022, as global financial market volatility increased, Mirae Asset Securities provided asset allocation through a global model portfolio and continuous access to quality investment information. Through timely product management, we contributed to reducing customer's yield volatility and enhancing the stability of their assets. As a result, our wealth management clients achieved a yield performance\* of -20.1%, outperforming the market indexes.

\* Target: 1.06 million individual clients with assets of more than KRW 10 million as of the end of December (time-weighted rate of return).

### WM Assets

Unit: KRW 1 trillion

| Classification               |                 | 2021         | 2022         | Increase/decrease |
|------------------------------|-----------------|--------------|--------------|-------------------|
| WM assets                    | Fund            | 70.1         | 73.4         | 3.3               |
|                              | Non-fund        | 89.1         | 77.8         | -11.3             |
|                              | Subtotal        | 159.2        | 151.1        | -8.1              |
| Entrusted assets*            | Domestic stocks | 222.1        | 175.2        | -46.9             |
|                              | Overseas stocks | 24.0         | 14.3         | -9.7              |
|                              | Subtotal        | 246.1        | 189.5        | -64.7             |
| <b>Total customer assets</b> |                 | <b>405.3</b> | <b>340.6</b> | <b>-64.7</b>      |

\* Including deposits, based on valuation amount

### Pension Assets\*

Unit: KRW 100 million

| Classification     |                                     | 2020           | 2021           | 2022           |
|--------------------|-------------------------------------|----------------|----------------|----------------|
| Retirement pension | Defined benefit (DB)                | 60,519         | 64,692         | 68,410         |
|                    | Defined contribution (DC)           | 44,570         | 61,265         | 70,627         |
|                    | Individual retirement pension (IRP) | 25,354         | 43,941         | 56,372         |
|                    | Total                               | 130,443        | 169,898        | 195,409        |
| Private pension    |                                     | 53,604         | 74,448         | 72,204         |
| <b>Grand total</b> |                                     | <b>184,047</b> | <b>244,346</b> | <b>267,613</b> |

\* Retirement pension and private pension reserves are based on market value

### Pension Rate of Return (as of the end of 2022)

Unit: %, based on integrated system

| Classification | 1-year rate of return | 3-year rate of return | 5-year rate of return | 7-year rate of return | 10-year rate of return |
|----------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|
| DC             | -9.78                 | 0.98                  | 1.30                  | 1.69                  | 2.05                   |
| IRP            | -9.54                 | 0.91                  | 1.10                  | 1.47                  | 1.87                   |

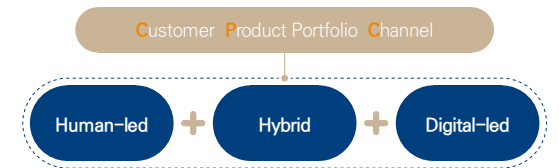
## 2023 Strategy

### Business Model Innovation



### Redefinition of Customers, Value, and Channels for Sustainable Growth

#### CPC-based business model innovation



#### Customer

We will go beyond simple categorization of mass and VIP (HNW) and further segment the entire customer base based on specific characteristics. We will strengthen digital business for diversified customer segments.

#### Product Portfolio

We will expand investment product types beyond traditional offerings such as stocks, bonds, and funds. We will explore options such as direct indexing, private market, digital assets, and ESG. We will provide customized products tailored to the rapidly changing market conditions and customer needs.

#### Channel

We will lead the investment platform market by building an advanced mobile platform that integrates data, technology, and investment. Through this comprehensive solution, we will provide a leading-edge platform that combines investment capabilities with advanced mobile features.



Platformization through Modular Multilayer Structure



# Business Overview, Performance and Strategy

## IB Investment Banking

We foster mutual growth with our customers by providing financial solutions to corporate clients, while building a business model that allows investors to share in the success of the Company's growth.



### Providing Comprehensive Corporate Consulting and Financial Services

We provide optimal funding solutions tailored to the specific needs of each company and customer, based on the expertise and skilled know-how of our professionals. While performing comprehensive consulting tasks such as mergers and acquisitions, divestitures, and corporate governance improvements, we also provide financial services utilizing various funding techniques, including initial public offerings (IPOs), corporate bonds, equity-linked bonds, global bonds, rights issues, real estate project financing (PF), asset-backed securities, and more.

### Diversified Asset Investment and Product Offerings

We engage in alternative investments related to physical assets such as aircraft, ships, power generation, and infrastructure, leveraging our own capital. Additionally, we participate in non-listed equities (pre-IPO) of innovative venture companies, as well as mezzanine investments, both domestically and internationally. We supply a variety of products within the capital market utilizing various vehicles such as private equity funds (PEFs), special purpose companies (SPCs), real estate investment trusts (REITs), and more.

## 2022 Achievements

### Initial Public Offering (IPO) and Corporate Finance

Despite the challenging IPO market environment characterized by market downturns and increased investor demand for returns, Mirae Asset Securities achieved notable results by handling 16 lead-managed listings on KOSDAQ and securities. We also took on big deals such as EcoPro Materials, Seoul Guarantee Insurance Company, and LG CNS.

Furthermore, we provided stable returns to corporate clients through various solutions that meet their needs, including rights issues, mezzanine financing, advisory services for corporate governance and divestitures.

### Infrastructure, Investment Development, Project Finance

Despite the challenges posed by factors such as interest rate hikes by the Bank of Korea and funding constraints in the real estate market, such as the LEGO Land fund-squeeze, we continued our financial underwriting and funding activities by proactively responding to market risks and preemptively addressing potential crises.

Moreover, we contributed to sustainable finance through various projects, including providing loans for energy-efficient data management at the Mok-dong KT Data Center, financing for the development of youth housing at Seolleung Station, bridge loans related to the construction of integrated industrial water supply facilities in Ulsan, and priority loans for the development of secondary by-product hydrogen fuel cells in Yeosu.

### Global Investment Banking

In 2022, we achieved solid performance in alternative investments and acquisition financing by expanding synergies with overseas subsidiaries.

We experienced increased revenue through financial advisory services for overseas investment positions, such as providing refinancing advice for Novo Nordisk's North American headquarters.

In the domestic market, we achieved significant results by signing MOUs with highly creditworthy conglomerates such as Lotte Group, enabling us to jointly pursue projects.

## 2023 Strategy

### Leap to become a Global Top-tier Investment Bank

We will restructure our existing integrated system into a business unit system based on specialized fields, enhancing responsibility management and proactively responding to market conditions.

IB Division 1 and IB Division 2 will each handle traditional investment banking and alternative investments such as real estate project financing. In addition, we will establish a Global IB department within the Global Business Division to strengthen our global capabilities in investment banking operations.

### Providing Customized Financial Solutions for Each Company

We aim to generate sustainable new revenue streams by expanding our consulting business, offering solutions for corporate restructuring, corporate governance, and financial structure improvements. We will also provide funding solutions utilizing the high-quality assets owned by the companies.

Furthermore, we plan to enhance trustworthiness for technology-based listing companies through institutional reforms, which are expected to expand listing opportunities through technology evaluations. We aim to actively expand our business operations and activate pre-IPO investments in emerging growth unicorn companies.

In addition, we plan to strengthen partnerships with reputable real estate developers and construction companies that are pursuing global expansion. We aim to secure diversified revenue streams and long-term growth momentum through deal sourcing via overseas subsidiaries.

### Support for Sustainable Finance

It is expected that the South Korean government will actively foster a private sector-driven ESG ecosystem in accordance with the 'ESG Infrastructure Enhancement Plan.'

In line with this, we will support the establishment of theme-based private equity (PE) funds targeting general corporate groups in need of infrastructure investment to promote the construction of a sustainable economy. We will also support the transition to renewable energy through financial advisory and underwriting services for global climate crisis response.

# Business Overview, Performance and Strategy

## TRADING

We supply a wide range of financial products that meet the investment needs of our customers and strive for stable and sustainable profit generation through proactive management that utilizes market volatility.



### Product Development and Management

The Bonds, Derivatives, and S&T (Sales and Trading) departments, under the direct supervision of the CEO, utilize global networks and financial infrastructure to develop financial products with underlying assets in equity and FICC(Fixed Income, Currency, Commodity), and provide our customers with a wide range of investment products and services. We engage in integrated management of customer products for both domestic and foreign currency bonds, as well as capital management. Through continuous process improvements, we strive to generate stable returns. We are expanding our coverage by developing new profit models in collaboration with local subsidiaries based on meticulous risk management.

### Market Making and Intermediation

We contribute to the vitalization of the capital market by providing liquidity and acting as market makers, leveraging our specialized workforce and infrastructure. Furthermore, we provide custody and brokerage services for Korean and international stocks, bonds, and derivatives, as well as over-the-counter derivative trading services for hedging interest rate, currency, equity, and credit-related risks. This is to construct investment portfolios that align with customers' risk preferences.

Additionally, we are expanding the retail bond brokerage market as a new source of revenue. We provide a differentiated product lineup and investment convenience to our customers.

## 2022 Achievements

### Pursuing Stable Returns through Risk Management and Trading Strategies

In an unstable international environment, we have achieved stable profits by focusing on rigorous risk management. We have employed a conservative approach to derivative-linked securities management and flexible hedging strategies to ensure stability in our earnings. We have pursued the efficiency of in-house operation fund limits, improving the competitiveness of structured products. In addition, we have built a portfolio that can secure stable profits independent of market conditions by developing new products. Furthermore, we have expanded our domestic and international arbitrage trading positions through diversification of trading assets. We have also upgraded our position monitoring system to enhance risk management.

### Business Process Innovation Utilizing New Technologies

We have made continuous efforts to innovate our business processes and generate new revenue streams by utilizing advanced technologies such as an algorithmic trading system (LPGO) for market making and arbitrage trading. Furthermore, we have enhanced our fixed income, currency, and commodity (FICC) management strategies through the development of global trading platforms, such as the ETF market-making system in Hong Kong, and the development of real-time monitoring systems for the bond market, such as THOR.

### Providing ESG Investment Solutions and Contributing to the Activation of the Capital Market

We provide ESG investment solutions, including corporate bonds, financial holding company bonds, power generation company bonds, and corporate bonds of specialized credit finance businesses. Despite the challenging market environment, our performance as a lead manager for ESG bond issuances in 2022 increased to KRW 1.6 trillion, representing a market share of 79%. Furthermore, we expanded online retail bond sales through multi-trading system (MTS), enhancing the financial accessibility for individual customers. We support the expansion of investments through active swap trading of Eco-friendly green-themed underlying assets and providing liquidity for domestically and internationally listed 'ESG-related overseas index-tracking ETFs.' We have entered into market-making agreements with the Korea Exchange and provide liquidity in the stock and gold futures markets. Additionally, we supply liquidity for the industry's only risk-free reference rate (KOFR) futures, contributing to the vitalization of the capital market.

## 2023 Strategy

### Expansion of Global Trading Business

We aim to contribute to the global expansion of the group by applying the domestic S&T business model to overseas subsidiaries. Additionally, we seek to ensure the stability and scalability of our flow trading business. We continue to pursue the globalization of delta one strategies through the utilization of Qualified Foreign Institutional Investor (QFII) status, which allows us to directly purchase Chinese investment-only stocks in the Shanghai and Shenzhen stock markets. We also aim to launch retail overseas stock lending pool and contract for difference (CFD) businesses within this year, leveraging our overseas subsidiary network. Furthermore, we have established a prime brokerage service (PBS) direct custody system to monitor the operations of private equity funds and counter banks' refusal of custody. We plan to secure stable returns by further activating bank-sponsored pension fund ETF trading and global underlying asset ETF trading.

### Market Response and Risk Management

We anticipate a potential shift in the monetary policy stance of the Bank of Korea towards interest rate hikes, possibly as early as the second half of this year. We are closely monitoring the interest rate trends and preparing for upward movement in the first half and downward movement in the second half. We are analyzing the potential risk of deteriorating credit quality for certain vulnerable companies, considering the continued lack of liquidity in the credit bond market compared to the past. In response, we are formulating a conservative investment strategy and aiming to secure stable returns through rigorous risk management and strengthening internal controls.

### Providing Financial Solutions for ESG Management Practices

We expect an expansion in the proportion of retirement investment products through ETN due to the revision of the retirement pension supervision regulations. In line with this, we aim to take a market-leading position by strengthening our lineup of ETNs that can be included in retirement pension plans and principal-protected derivative-linked corporate bonds. Furthermore, we are preparing for the expansion of our scope into the private-led 'voluntary carbon credit market.' Via permission for the brokerage and proprietary trading management of the futures in relation to the regulated carbon credit market, we promote Eco-friendly investments and contribute to the vitalization of carbon credit market. This is expected to contribute to the South Korean government's efforts in greenhouse gas reduction and is expected to enable ESG management practices as well as secure a future growth engine.

# Business Overview, Performance and Strategy

## GLOBAL

Based on our expertise accumulated through extensive experience in global expansion and global network, we are actively exploring and investing in prime assets such as those related to various promising businesses worldwide and building localized business models to become a global investment bank.



### Largest Global Network in the Korea Market

We are currently operating 10 overseas subsidiaries and 3 offices in 10 regions around the world, including the United States, Europe, South America, and Asia. As of December 2022, we have approximately 1,600 employees engaged in various businesses such as global brokerage, investment banking, sales, and trading.

### Localized Business Models

We are committed to thorough localization to create sustainable business models tailored to the specific characteristics of each region, enabling us to adapt flexibly to the rapidly changing economic landscape and business ecosystem.

### Advanced Market Business

We are proactively identifying and investing in high-quality assets in advanced markets such as the United States, United Kingdom, Hong Kong, and Singapore. We are expanding our IB business, including alternative investments, while also strengthening our sales and trading business with a focus on ETFs.

### Emerging Markets Business

We are expanding our business in emerging markets such as Indonesia, Vietnam, India, Brazil, etc. We are leveraging our advanced IT infrastructure to provide brokerage services to local retail and institutional clients, aiming to capture new customer segments and expand our customer base. In addition, we are also expanding our business areas in wealth management, investment banking, and trading.

## 2022 Achievements

### Generating Stable Returns through a Diversified Portfolio

The global financial environment has become significantly challenging due to factors such as high interest rates, high inflation, high exchange rates (referred to as the '3 Highs'), as well as complex geopolitical situations like the U.S.-China trade tensions and the Ukraine-Russia war. Despite the high volatility in the capital markets, Mirae Asset Securities has continued to build a diversified portfolio of global quality assets through selective investments, aiming for stable returns. Since surpassing KRW 200 billion in pre-tax profit for the first time in 2020, we have been steadily growing.

### Continued Growth in the Brokerage Business within Emerging Markets

The Indian subsidiary has shown a promising start, with the launch of an online brokerage platform in April 2022 and surpassing 110,000 customer accounts by the end of the same year. The Indonesian subsidiary, rightfully holding the top position in the industry, has further solidified its presence. In Vietnam, it achieved the top market share among foreign companies by the end of 2022 (jumping from the 2nd place at the previous year and ranking 4th overall), thanks to the opening of a 100% online account opening service. These efforts have allowed the Company to expand its dominance in the brokerage market in emerging countries and grow its customer base.

| Classification   | Business   |
|--|--|
| United Kingdom   | <ul style="list-style-type: none"> <li>Expanding business through various channels such as ETF, sales &amp; trading, and IB</li> </ul>                             |
| Mongolia   | <ul style="list-style-type: none"> <li>Brokerage and IB business expansion</li> </ul>  |
| China  | <ul style="list-style-type: none"> <li>Research on trends in the Chinese financial market</li> </ul>   |
| Hong Kong (Hong Kong Special Administrative Region, China) | <ul style="list-style-type: none"> <li>Global IB business hub</li> <li>Expansion of sales and trading, brokerage business</li> </ul>                               |
| United States  | <ul style="list-style-type: none"> <li>Steady profit generation in the brokerage business</li> <li>Strengthening of IB and sales and trading businesses</li> </ul> |
| India  | <ul style="list-style-type: none"> <li>Market penetration focusing on the local market with a primary emphasis on brokerage and other IB activities</li> </ul>     |
| Vietnam  | <ul style="list-style-type: none"> <li>Market penetration focusing on the local market with a primary emphasis on brokerage and other IB activities</li> </ul>     |
| Singapore  | <ul style="list-style-type: none"> <li>Diversification of business beyond brokerage underway</li> </ul>  |
| Indonesia  | <ul style="list-style-type: none"> <li>Market penetration focusing on the local market with a primary emphasis on brokerage and other IB activities</li> </ul>     |
| Brazil   | <ul style="list-style-type: none"> <li>Securing a competitive edge in brokerage, WM, and IB businesses with a focus on the South American market</li> </ul>        |

## 2023 Strategy

### Enhancing Competitiveness through Expanded Investments in Digital Infrastructure for New Business Ventures

In 2023, we will open up new opportunities for individual investors by launching innovative outbound services that allow them to trade individual stocks in India, where there is rapid growth. Furthermore, we will continue to pursue aggressive investments in digital infrastructure, including the establishment of cloud servers, ledger development, and the development and enhancement of next-generation MTS platforms, as well as innovations in financial services.

### Expanding Our Online Brokerage and Flow Business to Improve Profitability

We will expand our brokerage competitiveness and customer base in emerging markets such as India, Indonesia, and Vietnam, with a focus on rapidly growing ETFs, in order to increase our market dominance in local markets. We will focus on securing core profits through flow business based on sales and trading, including establishing delta one desks and SBL desks between advanced country subsidiaries such as Hong Kong, London, and New York subsidiaries which have excellent expertise in global IB. We will secure collaborative processes for the subsidiaries to cooperate efficiently. In addition, we plan to further expand our ETF LP business and market-making business to diversify our global investment portfolio.

### Strengthening Product Offerings and Promoting Global ESG Management

We will continue to invest in global emerging industries based on proactive risk management through accurate market monitoring. We will carefully select investment opportunities through new business ventures and localization, expand product offerings, and strive to achieve customer satisfaction and loyalty. To implement country-specific ESG management, we will strengthen eco-friendly investments and internal controls related to overseas business. We will also improve employee and customer services to grow together with stakeholders.

# Business Overview, Performance and Strategy

## PI Principal Investment

Based on our extensive network built through domestic and international investment banking deals, as well as our rich experience in corporate finance, we identify and invest in global innovative companies and high-quality assets to provide our clients with stable returns.



### Investment in Emerging Industries and Innovative Companies

We build a long-term investment portfolio in globally innovative companies with sustainable growth potential, focusing on equity investments. We are expanding our investments in competitive and high-quality assets in sectors with abundant growth potential such as the Fourth Industrial Revolution, Web 3.0, and ESG, leveraging our global network. We are supporting industry innovation and fulfilling the role of financial capital through continuous investments in global assets.

### Investments in Global High-quality Alternative Assets

We are investing in competitive assets in various areas such as office, hotel, logistics, and leisure, utilizing our group network. We pursue sustainable and stable income generation with a differentiated investment strategy from a long-term perspective.

## 2022 Achievements

### Continued Investment in Innovative Industries and Companies

Despite the tightening of global liquidity and financial market volatility, we have maintained a solid future revenue base by diversifying our equity investments, with a focus on core innovative industries and companies. In addition, we have established and invested in four domestic groups and new growth funds, securing efficiency and stability in our positions. We have also expanded our ESG investments in stocks and funds of Eco-friendly companies, contributing to the expansion of the domestic ESG market.

|   |   |
|---|---|
| New Investments   | <ul style="list-style-type: none"> <li>• Total of 14 investments</li> <li>• Total committed amount of approx. KRW 715.1 billion</li> </ul>  |
| ESG Investments   | <ul style="list-style-type: none"> <li>• Total of 14 investments</li> <li>• Total committed amount of approx. KRW 113 billion</li> </ul> <ul style="list-style-type: none"> <li>- SsangYong C&amp;E</li> <li>- LS Mirae Asset ESG Fund</li> <li>- Mirae Asset KT&amp;G Fund</li> <li>- JKL Green Mobility Fund</li> </ul> |
| Investment in Korean Group Collaboration for New Growth Funds | <ul style="list-style-type: none"> <li>• Total of 4 funds established and invested in</li> <li>• Total committed amount of approx. KRW 128 billion</li> </ul> <ul style="list-style-type: none"> <li>Collaboration groups</li> <li>- LS Group</li> <li>- Hanwha Life</li> <li>- Emart</li> <li>- KT&amp;G</li> </ul>      |

### Building a Stable Profit Foundation

Since the establishment of short-term financial business in 2021, we have been constructing a stable business foundation by selectively investing in corporate bonds, conducting acquisition financing and focusing on infrastructure finance. We have also actively engaged in venture capital investments. As of the end of 2022, the size of our received commercial paper (CP) has increased to approximately KRW 6 trillion, enabling us to generate stable profits while mitigating risks. Furthermore, we have successfully internalized the business model of short-term finance, contributing to cost savings through the issuance of CPs and corporate bonds. We will continue to focus on risk management to ensure that there are no non-performing assets due to financial market volatility, by strictly adhering to liquidity ratios, real estate regulation ratios, and other relevant regulations.

## 2023 Strategy

### Building a Virtuous Investment Cycle through Proactive Investment and Exit Strategies

Since the second half of 2022, the real estate transaction volume, particularly in the US office and logistics warehouse sectors, has been experiencing a sustained decline. Additionally, the capitalization rate of physical real estate has been increasing, indicating an unfavorable environment for real estate investment. It is expected that such adjustments in real estate value will continue into the first half of 2023. However, it is anticipated that there will be opportunities for active investment through the market correction of undervalued prime real estate after the second half of the year, and we plan to actively seek such investment opportunities. Furthermore, we intend to establish and implement an exit strategy to maximize the value of our existing real estate investment assets through capital expenditure (CapEx) investments aimed at improving their obsolescence, thereby generating stable returns even in an unfavorable real estate market environment.

### Expanding the ESG Investment Portfolio to Establish a Long-Term Profit Base

The Inflation Reduction Act (IRA) enacted by the United States in August 2022 includes tax deduction policies for the transition to renewable energy such as solar power, wind power, and green hydrogen, in order to minimize the impact of climate change caused by fossil fuel industries. The establishment of a clean energy economy and the reduction of environmental pollution are key goals, and it is expected that there will be a significant push to build a 'decarbonized economy.' This will lead to increased investment in renewable energy-related companies and infrastructure within the United States in the future. In line with this, Mirae Asset Securities plans to proactively identify companies that possess innovative technologies capable of significantly reducing carbon emissions, such as clean fuels and clean electricity, and actively engage in equity investments. Furthermore, we aim to establish a global portfolio of high-quality ESG investments by expanding our venture capital provision, infrastructure finance, and alternative investments to meet the growing demand for infrastructure construction, such as terminal construction for maritime transportation.



# Global Financial Market Review and Outlook



Stock Market

## 2022 Review

The stock market experienced a significant correction from early to late autumn due to soaring inflation and aggressive interest rate hikes by the Federal Reserve. The correction primarily affected technology stocks, which had shown high price increases in 2020 and 2021. While many global stock markets rebounded after October, the US Nasdaq Index remained in a bearish trend until the end of the year.

### Annual Changes in Major Global Indices for the Year 2022

| KOSPI  | DOW   | NASDAQ | SSE Composite Index | EURO STOXX 50 |
|--------|-------|--------|---------------------|---------------|
| -24.9% | -8.8% | -33.1% | -15.1%              | -11.7%        |

## 2023 Outlook

Disinflationary pressures and a slowdown in the pace of Federal Reserve interest rate hikes are having a positive impact on the stock market. However, contrary to market expectations, the ongoing tight job situation in the United States is adding strength to the Federal Reserve's commitment to maintaining its interest rate hike stance. This could continue to weigh on concerns of a global economic slowdown in the second half of the year.

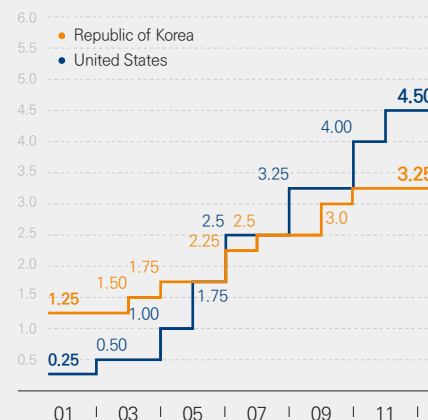
|                          |  |
|--------------------------|--|
| <b>United States</b>     | Selective stock selection is necessary   |
| <b>Asia</b>              | Relative economic recovery or robust growth is expected, with relatively higher profit expectations compared to the US stock market  |
| <b>Republic of Korea</b> | Although corporate profit outlook is showing a continuous decline, the increasing foreign buying in Asian stock markets is expected to have a positive impact in Korea as well, limiting the downside risk in stock prices |



Bond Market

It experienced a significant decline due to rising inflation and the global trend of interest rate hikes led by the Federal Reserve. Global bond yields continued to rise until October 2022; however, as expectations of a slowdown in Federal Reserve interest rate hikes and a perceived easing of tightening policies emerged, interest rates began to decline as a correction.

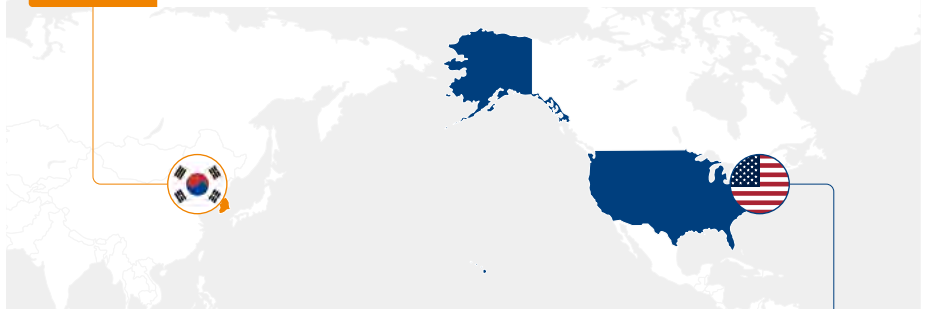
### Trend of Benchmark Interest Rates in 2022 for South Korea and the United States



### Global Major Government Bond 10-Year Yield Rate Changes in 2022

|                          |                |                           |                |
|--------------------------|----------------|---------------------------|----------------|
| <b>Republic of Korea</b> | <b>+148bps</b> | <b>United States</b>      | <b>+236bps</b> |
| <b>United Kingdom</b>    | <b>+270bps</b> | <b>Germany</b>            | <b>+275bps</b> |
| <b>Japan</b>             | <b>+35bps</b>  | <b>Australia Eurobond</b> | <b>+238bps</b> |

**Republic of Korea** There is a pressure to narrow the interest rate gap between South Korea and the United States in response to the Federal Reserve's interest rate hikes, and the possibility of the government implementing a large-scale supplementary budget may lead to a rise in bond yields in the first half of the year. However, it is expected that the economic growth rate for 2023 will be around the mid-1% range, as evidenced by a 10% decline in exports compared to the previous year. Inflation is forecasted to decline rapidly after March 2023. As a result, the overall expectation for the Korean bond market is to remain generally bullish.



**United States** It is expected that the long-term continuation of Federal Reserve interest rate hikes, beyond market expectations at the beginning of the year, could limit the bond market rally or lead to a period of consolidation. However, it is expected that the cumulative effects of interest rate hikes will lead to disinflation and a weakening of economic growth. As a result, it is anticipated that the bond market will show strength in the second half of the year.

# Global Financial Market Review and Outlook

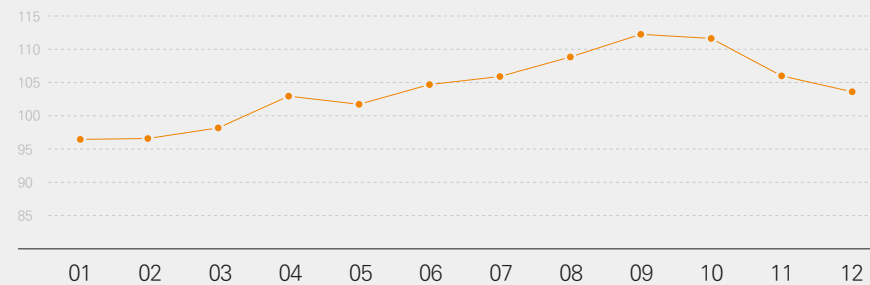


## 2022 Review

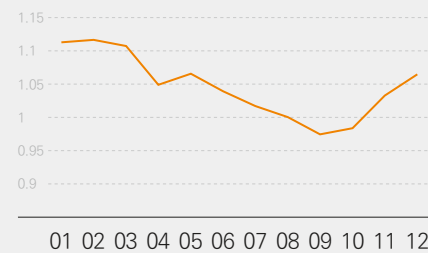
In 2022, the US dollar index maintained a strong upward trend until the third quarter, driven by concerns over the Federal Reserve's intense tightening measures. This resulted in a very pronounced strong dollar bias.

Subsequently, expectations of a slowdown in Federal Reserve interest rate hikes, anticipation of China's economic recovery, and easing concerns about the Eurozone economy contributed to the rebound of the Chinese Yuan, Euro, and other currencies.

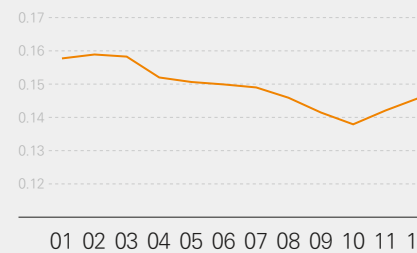
### Dollar Index



### Euro

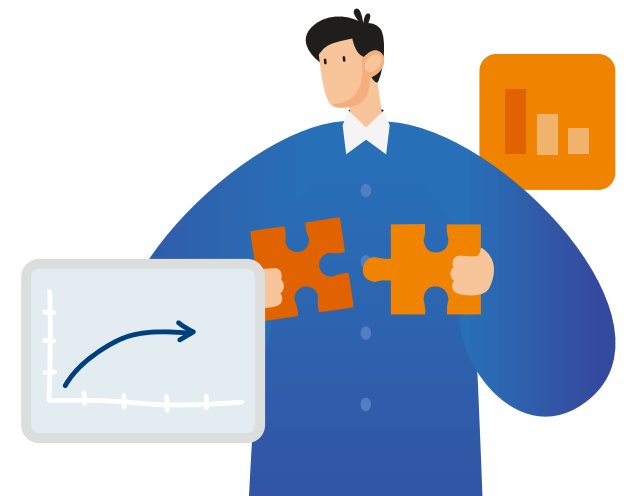


### Chinese Yuan



## 2023 Outlook

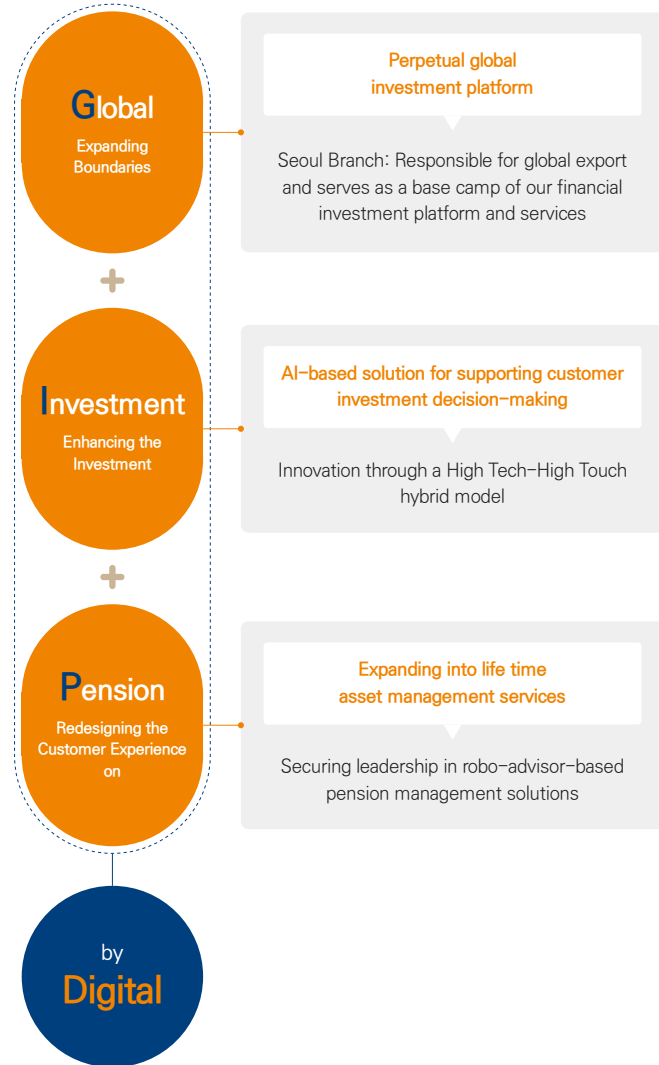
The continued weakness of the US dollar persisted into 2023, but it showed signs of rebounding starting from February. This is believed to be due to inflation in the United States not slowing down as quickly as expected by the market and concerns about Federal Reserve interest rate hikes resurfacing. It is expected that the preference for the safe-haven asset, the US dollar, will continue; however, the perception that the Federal Reserve's interest rate hikes will come to an end and the possibility of interest rate cuts later in the year suggest that the strength of the dollar may weaken somewhat after the third quarter. Additionally, with the expected economic recovery in China and robust growth in India and ASEAN countries, there is anticipation of capital inflows into Asia, leading to relatively lower currency volatility in the region.



# Digital

Mirae Asset Securities is leading digital business innovation by expanding the boundaries of investment based on digital and AI technologies, enhancing the essence of companies, and providing customers with new investment experiences.

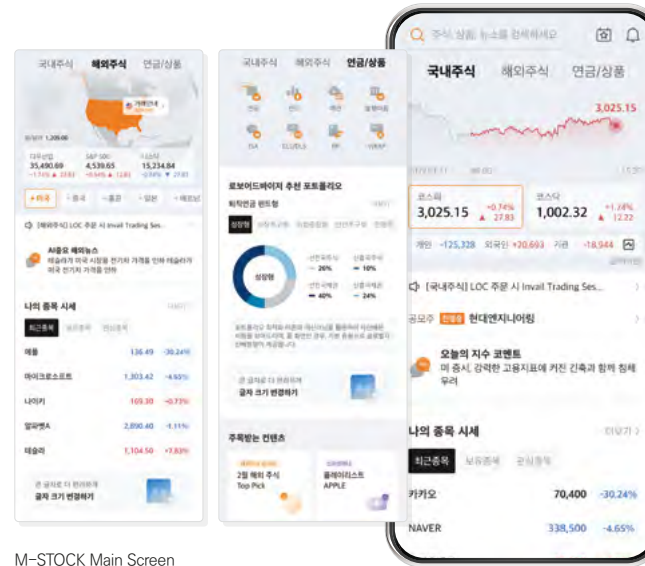
## No. 1 Global Investment Platform



## Digital Platform: All About Investment, the Complete Investment Experience

### Integration of Digital Channels, Launching 'M-STOCK'

In June 2022, a new mobile trading system (MTS) called 'M-STOCK' was launched. The service has integrated the digital channels, which were previously separated by functionality, such as Korean stocks with m.Stock, overseas stocks with m.Global, and pension/financial products with m.ALL, into a single platform. Under the slogan 'All About Investment,' the platform is designed to connect all domestic and international investment products with a single app, allowing users to discover investment ideas and manage their assets 24/7. It aims to be the leading financial investment platform in Korea.

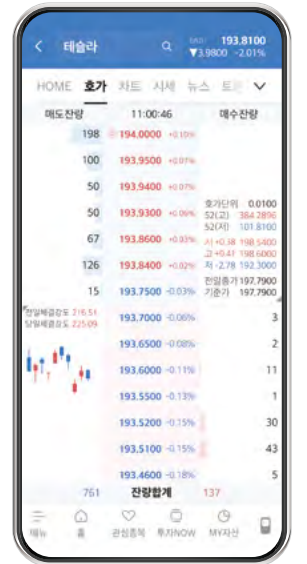


### Expansion of Digital Experience (DX)

'M-STOCK' provides UX/UI centered around investment flows and customer experience. The home screen of M-STOCK has been redesigned to serve as an investment information gateway, allowing users to easily access financial products and investment information in one place. It offers a variety of services, including AI-powered robo-advisors, research reports, investment analysis, and more.

### Expansion into Global Markets and Spatial Domains

With the use of Day Market services, investors can now trade U.S. stocks without the constraint of time, enabling them to actively respond to market volatility. Furthermore, the industry-first introduction of 'NASDAQ Total View' provides expanded access to one price and 20 levels of order book information, supporting successful investment decision-making.



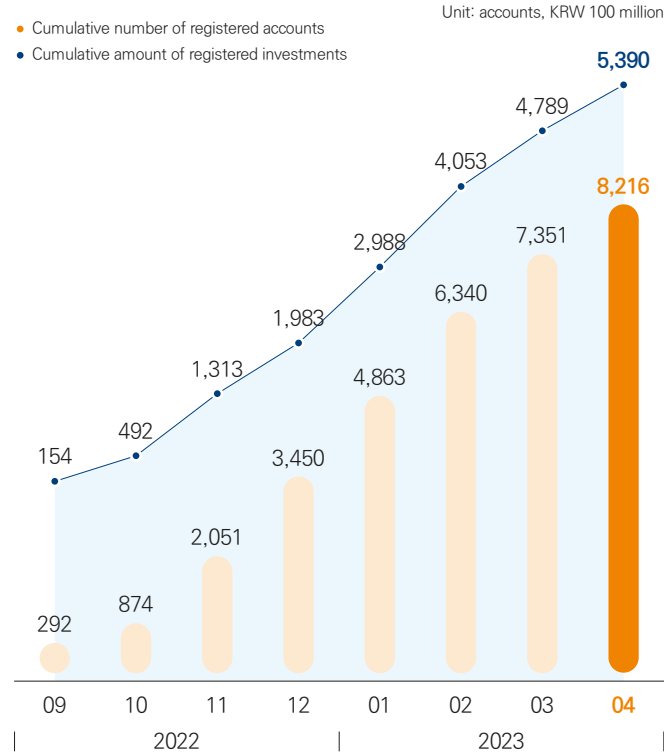
# Digital

## Cutting-edge AI Services Based on Innovative Technologies: Providing Highly Personalized Investment Information and Asset Management Services

### Launch of AI Asset Management Service 'Robo-Advisor'

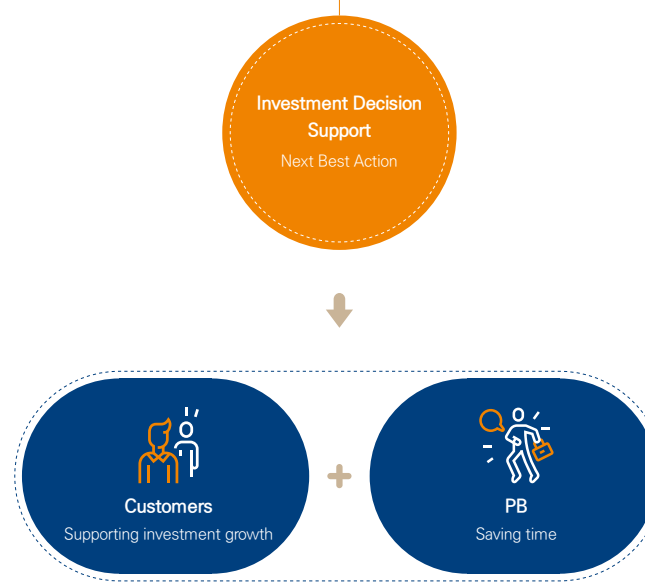
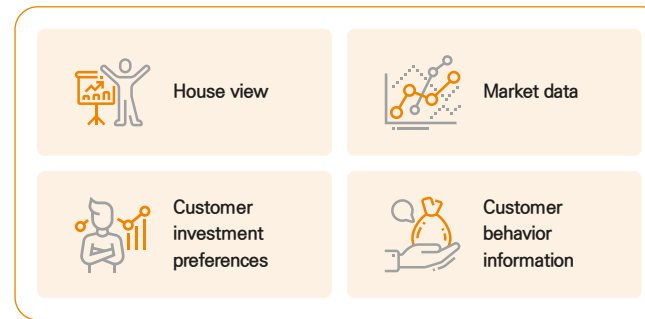
The 'Retirement Pension Robo-Advisor' service, which analyzes investment preferences and current holdings to provide customized portfolios, was launched in September 2022. This service, equipped with self-developed investment algorithms resulting from 6 years of research and development since 2016, attracted 7,500 subscribers within 7 months of its launch and achieved a total subscription amount of KRW 500 billion. The investment algorithm, designed to generate stable returns through a systematic investment approach considering the long-term nature of pension funds, monitors all accounts independently on a daily basis and provides timely investment proposals. It is a highly personalized 1:1 tailored pension asset management solution.

### Trends in Pension Robo-Advisor Subscribers



### Building AI-powered Private Banking (AI PB)

The investment decision support engine (Next Best Action), 'AI PB,' supports customers in focusing on asset management by providing timely customized investment information and recommendations. We plan to provide a differentiated hybrid advisory service by combining asset allocation support solutions such as robo-advisors and direct indexing with personalized human services in the future.



### AI Reports that Read the Market and Individual Stocks

'AI Reports' is a service that combines investment information with AI services, providing investors with a wide range of stock and market information. It helps reduce the time and cost associated with publishing research reports, allowing customers to quickly access stock and market information. It is designed in an interactive web page format, allowing access through various devices such as PCs and smartphones. It comprehensively analyzes the market, sectors, themes, and individual stocks, providing summarized results to enhance readability.

### Real-Time Translation And Summarization Service For Overseas Stock News

In February 2023, we launched a free service using generative AI technology (the technology utilized by ChatGPT), to automatically translate and summarize Reuters and SCMP news alerts every 5 minutes. This marks the industry's first utilization of generative AI technology for such purposes. Furthermore, we are using Naver's language model to provide additional information such as importance (positive, negative), sentiment analysis, and tag classification. This aims to support Korean investors in making quick decisions when it comes to overseas investments.





## Digital Solution Activities: Expanding the Boundaries of Investment

### Security Token Offering (STO) Issuance

With the rapid increase in demand for digital asset investments, the market competition for financial institutions in issuing STOs is intensifying. To expand the business scope into the field of STO issuance, collaboration with companies possessing blockchain technology or businesses holding assets that can be tokenized is essential. We have designated 2023 as the inaugural year for the commercialization of our digital asset business, focusing our capabilities on building a token ecosystem. As a starting point, Mirae Asset Securities internally launched a task force centered around digital asset experts, making the Company the first securities company to do so. Externally, we signed an MOU with SK Telecom, a leading ICT company, to foster the development of the tokenized securities ecosystem. The collaboration involves jointly discovering foundational assets for tokenized securities and further cooperating to create synergy through linked services.

### My Data

Mirae Asset Securities is focusing on the advancement of My Data services. Following the launch of new investment idea series utilizing My Data, such as 'Raising Your Credit Score' and 'IPO Investment Planner,' Mirae Asset Securities is currently preparing for the launch of a second income management service called 'Financial Profits Planner.' 'Raising Your Credit Score,' developed as the industry's first, is a service that allows customers to receive additional credit score points by utilizing My Data, which collects information on their financial assets and pension. Even customers who have already received credit score points through other services can still improve their credit scores through this service. 'IPO Investment Planner' integrates scattered IPO investment information from various securities firms, allowing users to easily access all the necessary information for exploration, preparation, and subscription stages. It provides a one-stop platform for investment, enabling users to invest conveniently. Moving forward, Mirae Asset Securities plans to continue developing new investment idea series utilizing My Data, aiming to provide more personalized and customized asset management services that alleviate the costs, time, and risks of investment.

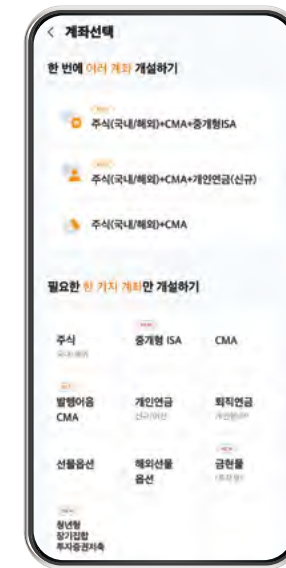
### 'From Consumption to Investment,' Launch of Stock Investment Exclusive Private Label Credit Card (PLCC)

Mirae Asset Securities, in collaboration with Hyundai Card, has launched the stock investment exclusive Private Label Credit Card (PLCC) in April 2023, aiming to provide customers with a new financial lifestyle. Customers can accumulate Mirae Asset Securities Stock Mileage based on their card usage and invest it in desired stocks. Moreover, it is possible to support monthly accumulation of stocks, aiming to lead a new culture where consumption is connected to investment rather than being an end in itself.



### Fractional Trading of Overseas Stocks in Korea

We provide fractional trading services for overseas stocks to increase accessibility for small-scale investors. Our service allows investors to invest the desired amount of money rather than based on quantity, enabling real-time order placement and execution for overseas stocks similar to traditional stock trading. Additionally, for Korean stocks, orders can be placed and executed in 10-minute intervals, further enhancing investment accessibility. We plan to provide an accumulation-style service in the future, allowing Korean investors to invest in overseas stocks similar to savings plans.



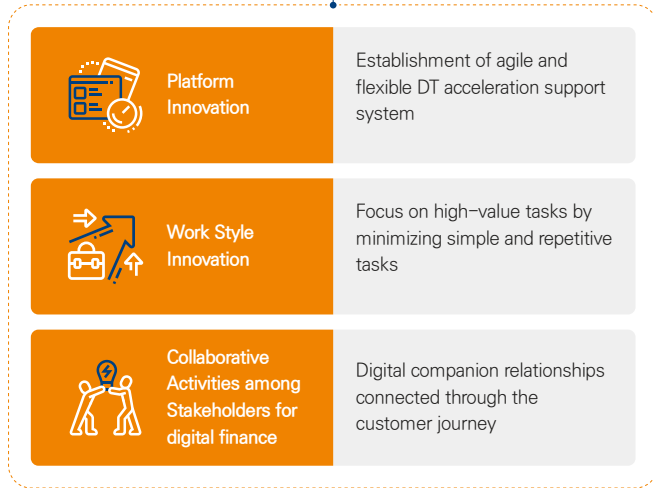
### Mobilization of Work Tasks

We have expanded and improved mobile support services such as opening real accounts, conducting abnormal financial transactions, and providing mobile services to resolve the inconvenience of customers having to visit for business purposes. We are also prioritizing the digitalization of tasks that typically require visits to branches or frequent communication over the phone, such as issuing balance and payment certificates, and providing printouts of overseas stock transfer income tax records. As a result, our employees are able to focus more on customer management activities, leading to increased customer satisfaction.

# Digital

## Digital Transformation 2.0 Strategy

Mirae Asset Securities is vigorously pursuing enterprise-wide digital transformation (DT) to take the lead in the rapidly changing digital environment and stand shoulder to shoulder with global investment banks.



Digital ◀

## Collaborative Activities among Stakeholders for Digital Finance

### Hosting of Financial Big Data Festival

The Financial Big Data Festival is an algorithm competition held annually since 2017, targeting university students. As part of its corporate social responsibility, the final teams of the festival are provided with benefits such as internship programs and exemption from document screening process.

In 2022, it was jointly organized with Google Cloud under the themes of 'ESG' and 'Investment,' attracting participation from diverse students from 55 global universities. For the participating university students, support was provided to analyze data directly using ESG evaluation information and financial information. In addition, Google Cloud sessions were conducted to enable them to learn how to use the cloud platform.

### Mirae Asset Securities University Student Supporters 2nd Generation

The 'Mirae Asset Securities Supporters 2nd' program was conducted targeting university students interested in finance and marketing. Under the theme of 'Let's Talk about Mirae Asset Securities,' this event featured the production of various content such as the creation of the logo of the Mirae Asset Securities Supporters 2nd and short-form videos showcasing different aspects of Mirae Asset Securities. This program provided a platform for sharing new ideas and perspectives from the Millennials and Generation Z, and the outstanding teams were rewarded with cash prizes, internship programs, and exemptions from the document screening process.



The logo is in the shape of a paper airplane, representing the aspirations of university students who want to fly high, along with the 'M' of Mirae Asset Securities.





# 04 FINANCIAL REVIEW



# Independent Auditor's Report (Consolidated)



To the Board of Directors and Shareholders of  
Mirae Asset Securities Co., Ltd.

## Opinion

We have audited the accompanying consolidated financial statements of Mirae Asset Securities Co., Ltd. and its subsidiaries (collectively referred to as the 'Group'), which comprise the consolidated statements of financial position as at December 31, 2022 and 2021, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (K-IFRS).

## Basis for Opinion

We conducted our audits in accordance with Korean Standards on Auditing (KSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### 1. Assessment of the Fair Value of Over-the-counter Derivatives Classified under Level 2 and 3

#### Reasons Determined as Key Audit Matters

The Group calculates the fair value of most over-the-counter derivatives through its own evaluation system. The Group's evaluation of over-the-counter derivatives was selected as a key audit matter in consideration of the complex evaluation technique and the inclusion of management's estimation and judgment in input and assumptions. The Group's over-the-counter derivatives classified as Level 2 or 3 are derivative assets, equity-linked-securities and other derivative-linked-securities (see Note 9), derivative liabilities, equity-linked-securities in short position and other derivative-linked-securities in short position (see Note 20), and the amount is ₩ 15,385,497 million.

### The Primary Audit Procedures We Performed to Address the Above Key Audit Matters Included

We obtained an understanding and evaluated the fair value assessment process and control of over-the-counter derivatives established by management. In particular, we paid attention to whether the change in the over-the-counter derivatives evaluation model and input is appropriate and whether the over-the-counter derivatives' evaluation amount is accurately calculated.

In order to verify the accuracy of the trade details and valuation inputs in the valuation system used in the valuation of over-the-counter derivatives, we tested the appropriateness of control to verify the trade details and valuation inputs in the valuation system, and the appropriateness of access control to input trade details in the valuation system. In addition, we tested the accuracy of trade details in the system used in the valuation of over-the-counter derivatives by examining supporting document, such as contracts.

In order to verify the appropriateness of the changes the valuation models and inputs used in the valuation of over-the-counter derivatives, we tested the appropriateness of control to change the valuation models and inputs, and appropriateness of access control to change the valuation models and inputs in the valuation system.

In order to verify the valuation of the over-the-counter derivatives, we tested the management's control to periodically review the value calculated in the valuation system, and we used experts to independently estimate the derivatives' fair value using the independent models and input developed by the experts.

### 2. Revenue Recognition of Commission Fee from Non-standard Transactions

#### Reasons Determined as Key Audit Matters

K-IFRS 15 (Revenue from Contracts with Customers) requires judgement of the timing of revenue recognition and the amount recognised. The timing of revenue recognition and the amount of recognition of non-standard commission income recognised in the financial statements were selected as key audit matters considering that related transactions are complex and include significant accounting judgements by management. The Group recognized commission revenues of ₩ 1,216,764 million for the year ended December 31, 2022, which includes revenues derived from non-standard transactions of ₩ 333,424 million (see Note 33).

### The Primary Audit Procedures We Performed to Address the Above Key Audit Matters Included

We obtained an understanding and evaluated the process and control of revenue recognition timing and recognition amount of non-standard commission established by management.

We evaluated the control of the management to identify the performance obligation of the contract with the customer, review the timing of the revenue recognition and review the recognized amount of non-standard commission by using the revenue recognition checklist.

We tested the appropriateness of the timing of revenue recognition and the recognized revenue amount, and tested the occurrence of the revenue and relating amount through the review of the relevant evidence, such as contract, on a sampling basis.

## Other matter

Auditing standards and their application in practice vary among countries. The procedures and practices used in the Republic of Korea to audit such consolidated financial statements may differ from those generally accepted and applied in other countries.



# Independent Auditor's Report (Consolidated)

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with K-IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Korean Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with KSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used in the preparation of the consolidated financial statements and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Yeob Yu, Certified Public Accountant.



Seoul, Korea  
March 14, 2023

This report is effective as of March 14, 2023, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying consolidated financial statements and notes thereto. Accordingly, the readers of the audit report should understand that the above audit report has not been updated to reflect the impact of such subsequent events or circumstances, if any

# Consolidated Financial Statements

## Consolidated Statements of Financial Position

As of December 31, 2022 and 2021

Mirae Asset Securities Co., Ltd. and its subsidiaries

In Korean won

|  | Notes                              | 2022                       | 2021                       |
|--|------------------------------------|----------------------------|----------------------------|
| <b>Assets</b>  |                                    |                            |                            |
| Cash and cash equivalents  | 19, 38, 40                         | 2,847,879,554,739          | 3,796,550,690,436          |
| Financial assets measured at fair value through profit or loss             | 5, 6, 8, 9, 12, 19, 26, 27, 38, 40 | 39,179,062,699,121         | 42,566,515,691,448         |
| Financial assets measured at fair value through other comprehensive income | 5, 6, 10, 12, 19, 38, 40           | 15,913,019,493,755         | 13,306,110,706,924         |
| Financial assets measured at amortized cost                                | 5, 8, 11, 12, 19, 38, 40, 49       | 40,906,990,050,430         | 41,549,458,859,618         |
| Investments in associates  | 6, 14                              | 1,710,944,722,592          | 1,888,453,738,605          |
| Property and equipment   | 15                                 | 536,724,225,520            | 434,533,671,218            |
| Investment properties  | 16, 19                             | 3,910,113,531,072          | 4,000,787,675,291          |
| Intangible assets  | 17                                 | 480,001,975,205            | 500,110,468,432            |
| Other assets   | 18                                 | 45,286,809,750             | 180,699,654,065            |
| Current tax asset  | 45                                 | 24,475,843,661             | 6,202,689,453              |
| Deferred tax assets  | 45                                 | 658,751,788,024            | 412,369,468,469            |
| <b>Total assets</b>  |                                    | <b>106,213,250,693,869</b> | <b>108,641,793,313,959</b> |
| <b>Liabilities</b>   |                                    |                            |                            |
| Financial liabilities measured at fair value through profit or loss        | 5, 12, 20, 26, 27, 38, 40          | 14,963,604,687,714         | 12,555,939,031,917         |
| Deposits due to customers  | 5, 12, 21, 38, 40                  | 9,650,956,350,952          | 14,550,891,285,100         |
| Borrowings   | 5, 6, 12, 22, 38, 40               | 52,059,468,190,276         | 50,330,076,808,955         |
| Debentures   | 5, 12, 23, 38, 40, 49              | 8,685,790,192,144          | 7,911,389,187,250          |
| Provisions   | 24                                 | 26,193,170,638             | 19,157,224,980             |
| Other liabilities  | 5, 6, 12, 25, 38, 40, 48, 49       | 10,375,406,280,468         | 12,218,021,036,785         |
| Current tax liability  | 45                                 | 68,892,036,982             | 438,352,384,835            |
| Deferred tax liabilities   | 45                                 | 22,564,249,948             | 8,006,942,601              |
| <b>Total liabilities</b>   |                                    | <b>95,852,875,159,122</b>  | <b>98,031,833,902,423</b>  |

|   | Notes | 2022                       | 2021                       |
|---|-------|----------------------------|----------------------------|
| <b>Equity</b>   |       |                            |                            |
| Capital stock   |       | 4,101,960,790,000          | 4,101,960,790,000          |
| Capital surplus   |       | 2,159,663,932,101          | 2,159,465,630,814          |
| Retained earnings   |       | 4,561,192,340,026          | 4,282,775,759,412          |
| (Regulatory reserve for credit losses)                                  |       | (110,260,415,325)          | (120,318,934,866)          |
| (Estimated reversal(provision) of regulatory reserve for credit losses) |       | 41,527,226,177             | 10,058,519,541             |
| Capital adjustment  |       | (371,993,301,371)          | (441,125,484,000)          |
| Accumulated other comprehensive income (loss)                           |       | (212,294,694,067)          | 403,722,822,168            |
| Non-controlling interests   |       | 121,846,468,058            | 103,159,893,142            |
| <b>Total equity</b>   |       | <b>10,360,375,534,747</b>  | <b>10,609,959,411,536</b>  |
| <b>Total liabilities and equity</b>                                     |       | <b>106,213,250,693,869</b> | <b>108,641,793,313,959</b> |

Consolidated Financial Statements ◀

# Consolidated Financial Statements

## Consolidated Statements of Comprehensive Income

As of December 31, 2022 and 2021

Mirae Asset Securities Co., Ltd. and its subsidiaries

In Korean won

|   | Notes  | 2022               | 2021               |
|---|--------|--------------------|--------------------|
| <b>Operating revenue</b>  |        | 19,161,174,666,050 | 13,152,001,580,324 |
| Commissions   | 33, 49 | 1,216,764,073,359  | 1,592,864,424,281  |
| Gains on financial instruments measured at fair value through profit or loss              | 26, 34 | 12,959,407,316,689 | 8,328,049,706,235  |
| Gains on financial instruments measured at fair value through other comprehensive income  | 35     | 2,430,356,560      | 34,780,860,687     |
| Interest income   | 7, 36  |                    |                    |
| Financial assets measured at amortized cost   |        | 1,400,382,295,341  | 813,437,131,673    |
| Financial assets measured at fair value through other comprehensive income                |        | 307,182,771,085    | 137,826,488,736    |
| Financial assets measured at fair value through profit or loss                            |        | 464,309,728,517    | 369,085,786,199    |
| Reversal of allowances on credit loss   | 37     | 327,497,402        | 7,204,453,743      |
| Gains on foreign currency transactions  | 38     | 2,139,475,401,877  | 1,335,771,112,441  |
| Others  | 39, 49 | 670,895,225,220    | 532,981,616,329    |
| <b>Operating expenses</b>   |        | 18,325,615,078,713 | 11,666,525,925,362 |
| Commissions expense   | 33, 49 | 265,254,129,357    | 259,495,805,785    |
| Losses on financial instruments measured at fair value through profit or loss             | 26, 34 | 12,641,501,410,056 | 7,675,230,838,700  |
| Losses on financial instruments measured at fair value through other comprehensive income | 35     | 19,331,627,177     | 23,265,902,210     |
| Interest expense  | 7, 36  | 1,672,214,046,154  | 552,720,398,276    |
| Losses on financial instruments measured at amortized cost                                | 11     | -                  | 263,818,124        |
| Provision of allowances on credit loss  | 37     | 61,140,217,944     | 19,506,738,417     |
| Losses on foreign currency transactions   | 38     | 2,070,701,389,956  | 1,409,736,423,367  |
| Employee costs  | 41, 49 | 692,154,775,658    | 903,788,792,515    |
| Selling and administrative expense  | 42, 49 | 648,298,584,389    | 587,451,599,833    |
| Others  | 39, 49 | 255,018,898,022    | 235,065,608,135    |
| <b>Operating profit</b>   |        | 835,559,587,337    | 1,485,475,654,962  |
| <b>Non-operating income, net</b>  |        | (9,290,926,251)    | 156,707,732,840    |
| Non-operating income  | 7,43   | 232,026,008,173    | 267,735,358,184    |
| Non-operating expense   | 7,44   | 241,316,934,424    | 111,027,625,344    |

|   | Notes  | 2022              | 2021              |
|---|--------|-------------------|-------------------|
| <b>Profit before income tax expense</b>   |        | 826,268,661,086   | 1,642,183,387,802 |
| <b>Income tax expense</b>   | 7, 45  | 166,609,651,267   | 458,744,955,594   |
| <b>Profit for the year</b>  |        | 659,659,009,819   | 1,183,438,432,208 |
| Equity holders of the Company   |        | 639,453,072,890   | 1,152,715,706,020 |
| Non-controlling interests   |        | 20,205,936,929    | 30,722,726,188    |
| <b>Other comprehensive income for the year</b>  |        | (614,958,737,275) | 421,736,955,551   |
| Items that may be subsequently reclassified to profit or loss:  |        |                   |                   |
| Valuation loss on financial asset measured at fair value through other comprehensive income                     | 10, 45 | (256,661,720,700) | (74,097,515,815)  |
| Equity in other comprehensive income of associates  | 14, 45 | (133,579,165,478) | 26,010,213,887    |
| Hedges of net investment in foreign operations  | 27     | (27,272,676,460)  | (25,058,718,750)  |
| Foreign currency translation adjustments for foreign operations   |        | 173,647,248,978   | 379,860,159,817   |
| Items that will not be reclassified to profit or loss:  |        |                   |                   |
| Valuation gain(loss) on financial asset designated as measured at fair value through other comprehensive income | 10, 45 | (392,719,144,128) | 108,573,388,946   |
| Changes in own credit risk on financial liabilities designated as measured at fair value through profit or loss | 20, 45 | 12,743,214,529    | 3,706,144,616     |
| Remeasurement of the defined benefit liabilities  | 25, 45 | 8,883,505,984     | 2,743,282,850     |
| <b>Total comprehensive income for the year</b>  |        | 44,700,272,544    | 1,605,175,387,759 |
| Equity holders of the Company   |        | 24,555,634,979    | 1,574,317,699,763 |
| Non-controlling interests   |        | 20,144,637,565    | 30,857,687,996    |
| <b>Earnings per share</b>   |        |                   |                   |
| Basic and diluted earnings per share  |        |                   |                   |
| Common stock  |        | 1,033             | 1,803             |
| 2 preferred stock   |        | 1,033             | 1,803             |

Consolidated Financial Statements ◀

# Consolidated Financial Statements

## Consolidated Statements of Changes in Equity

As of December 31, 2022 and 2021

Mirae Asset Securities Co., Ltd. and its subsidiaries

In Korean won

|   | Attributable to equity holders of the Company |                   |                    |  |                   |                    | Non-controlling interests | Total              |
|---|---|-------------------|--------------------|--|-------------------|--------------------|---------------------------|--------------------|
|   | Capital stock                                 | Capital surplus   | Capital adjustment | Accumulated other comprehensive income(loss) | Retained earnings | Sub-Total          |                           |                    |
| <b>Balance at January 1, 2021</b>   | 4,101,960,790,000                             | 2,160,200,243,552 | (317,927,404,833)  | (2,234,421,026)                              | 3,326,873,590,651 | 9,268,872,798,344  | 77,406,711,602            | 9,346,279,509,946  |
| <b>Total comprehensive income for the year:</b>   |   |                   |                    |  |                   |                    |                           |                    |
| Profit for the year   | -   | -                 | -                  | -  | 1,152,715,706,020 | 1,152,715,706,020  | 30,722,726,188            | 1,183,438,432,208  |
| Valuation of financial assets measured at fair value through other comprehensive income                         | -   | -                 | -                  | 18,831,122,582                               | 15,644,750,549    | 34,475,873,131     | -                         | 34,475,873,131     |
| Equity in other comprehensive income of associates  | -   | -                 | -                  | 26,010,213,887                               | -                 | 26,010,213,887     | -                         | 26,010,213,887     |
| Changes in own credit risk on financial liabilities designated as measured at fair value through profit or loss | -   | -                 | -                  | 3,706,144,616                                | -                 | 3,706,144,616      | -                         | 3,706,144,616      |
| Hedges of net investment in foreign operations  | -   | -                 | -                  | (25,058,718,750)                             | -                 | (25,058,718,750)   | -                         | (25,058,718,750)   |
| Foreign currency translation adjustments for foreign operations   | -   | -                 | -                  | 379,725,198,009                              | -                 | 379,725,198,009    | 134,961,808               | 379,860,159,817    |
| Remeasurements of the net defined benefit liability   | -   | -                 | -                  | 2,743,282,850                                | -                 | 2,743,282,850      | -                         | 2,743,282,850      |
| <b>Transaction with owners, etc.:</b>   |   |                   |                    |  |                   |                    |                           |                    |
| Dividends paid  | -   | -                 | -                  | -  | (130,124,380,600) | (130,124,380,600)  | (2,746,683,478)           | (132,871,064,078)  |
| Changes in treasury stocks  | -   | -                 | (205,531,986,375)  | -  | -                 | (205,531,986,375)  | -                         | (205,531,986,375)  |
| Retirement in treasury stocks   | -   | -                 | 82,333,907,208     | -  | (82,333,907,208)  | -                  | -                         | -                  |
| Exercise in stock options   | -   | -                 | -                  | -  | -                 | -                  | 890,638,600               | 890,638,600        |
| Changes in investments in subsidiaries  | -   | (1,175,960,034)   | -                  | -  | -                 | (1,175,960,034)    | (2,807,114,282)           | (3,983,074,316)    |
| Others  | -   | 441,347,296       | -                  | -  | -                 | 441,347,296        | (441,347,296)             | -                  |
| <b>Balance at December 31, 2021</b>   | 4,101,960,790,000                             | 2,159,465,630,814 | (441,125,484,000)  | 403,722,822,168                              | 4,282,775,759,412 | 10,506,799,518,394 | 103,159,893,142           | 10,609,959,411,536 |
| <b>Balance at January 1, 2022</b>   | 4,101,960,790,000                             | 2,159,465,630,814 | (441,125,484,000)  | 403,722,822,168                              | 4,282,775,759,412 | 10,506,799,518,394 | 103,159,893,142           | 10,609,959,411,536 |
| <b>Total comprehensive income for the year:</b>   |   |                   |                    |  |                   |                    |                           |                    |
| Profit for the year   | -   | -                 | -                  | -  | 639,453,072,890   | 639,453,072,890    | 20,205,936,929            | 659,659,009,819    |
| Valuation of financial assets measured at fair value through other comprehensive income                         | -   | -                 | -                  | (650,500,943,152)                            | 1,120,078,324     | (649,380,864,828)  | -                         | (649,380,864,828)  |
| Equity in other comprehensive income of associates  | -   | -                 | -                  | (133,579,165,478)                            | -                 | (133,579,165,478)  | -                         | (133,579,165,478)  |
| Changes in own credit risk on financial liabilities designated as measured at fair value through profit or loss | -   | -                 | -                  | 12,743,214,529                               | -                 | 12,743,214,529     | -                         | 12,743,214,529     |
| Hedges of net investment in foreign operations  | -   | -                 | -                  | (27,272,676,460)                             | -                 | (27,272,676,460)   | -                         | (27,272,676,460)   |
| Foreign currency translation adjustments for foreign operations   | -   | -                 | -                  | 173,708,548,342                              | -                 | 173,708,548,342    | (61,299,364)              | 173,647,248,978    |
| Remeasurements of the net defined benefit liability   | -   | -                 | -                  | 8,883,505,984                                | -                 | 8,883,505,984      | -                         | 8,883,505,984      |
| <b>Transaction with owners, etc.:</b>   |   |                   |                    |  |                   |                    |                           |                    |
| Dividends paid  | -   | -                 | -                  | -  | (188,136,570,600) | (188,136,570,600)  | (1,440,857,258)           | (189,577,427,858)  |
| Changes in treasury stocks  | -   | -                 | (85,661,837,270)   | -  | -                 | (85,661,837,270)   | -                         | (85,661,837,270)   |
| Retirement in treasury stocks   | -   | -                 | 174,020,000,000    | -  | (174,020,000,000) | -                  | -                         | -                  |
| Retirement in stock options   | -   | 158,503,125       | (158,503,125)      | -  | -                 | -                  | -                         | -                  |
| Others  | -   | 39,798,162        | (19,067,476,976)   | -  | -                 | (19,027,678,814)   | (17,205,391)              | (19,044,884,205)   |
| <b>Balance at December 31, 2022</b>   | 4,101,960,790,000                             | 2,159,663,932,101 | (371,993,301,371)  | (212,294,694,067)                            | 4,561,192,340,026 | 10,238,529,066,689 | 121,846,468,058           | 10,360,375,534,747 |

Consolidated Financial Statements ◀



# Consolidated Financial Statements

## Consolidated Statements of Cash Flows

As of December 31, 2022 and 2021

Mirae Asset Securities Co., Ltd. and its subsidiaries

In Korean won

|  | 2022                | 2021                |
|--|---------------------|---------------------|
| <b>Cash flows from operating activities</b>  |                     |                     |
| Profit for the year  | 659,659,009,819     | 1,183,438,432,208   |
| Adjustments:   |                     |                     |
| Interest income  | (2,171,874,794,943) | (1,320,349,406,608) |
| Dividend income  | (145,668,244,217)   | (132,884,058,059)   |
| Interest expense   | 1,672,214,046,154   | 552,720,398,276     |
| Income tax expense   | 166,609,651,267     | 458,744,955,594     |
| Loss on valuation of financial assets measured at fair value through profit or loss                    | 1,299,274,406,853   | 731,706,223,358     |
| Loss on valuation of financial liabilities measured at fair value through profit or loss               | 9,028,039,772       | 22,784,199,613      |
| Loss on valuation of financial liabilities designated as measured at fair value through profit or loss | 153,300,408,542     | 266,652,553,369     |
| Loss on valuation of derivatives   | 2,545,167,329,490   | 1,030,225,511,361   |
| Loss on disposal of financial assets measured at fair value through other comprehensive income         | 19,331,627,177      | 23,265,902,210      |
| Impairment loss on financial assets measured at fair value through other comprehensive income          | 3,577,627,799       | 1,540,448,293       |
| Loss on valuation of investments in associates   | 123,351,045,438     | 2,641,400,756       |
| Loss on disposal of investments in associates  | -                   | 127,781,857         |
| Impairment of investments in associates  | -                   | 247,452,128         |
| Loss on disposal of investments in subsidiaries  | 14,305,964,542      | 1,569,897,750       |
| Impairment of investment properties  | 93,507,179,866      | 40,215,033,611      |
| Depreciation on property and equipment   | 76,575,574,205      | 72,829,471,194      |
| Depreciation on investment properties  | 72,568,212,136      | 55,578,819,364      |
| Loss on disposal of property and equipment   | 110,911,264         | 99,417,139          |
| Amortization   | 33,353,839,594      | 36,976,749,302      |
| Loss on disposal of intangible assets  | 34,851,600          | 22,098,940          |
| Loss on impairment of intangible assets  | 232,903,333         | 56,812,545,526      |
| Provision of allowances on credit losses   | 44,914,741,123      | 15,835,661,876      |
| Provision of allowances on credit losses of other financial assets                                     | 5,246,188,889       | 227,993,932         |
| Loss on foreign currency translation   | 332,844,249,124     | 295,628,328,172     |
| Loss on foreign currency transaction   | 26,160,000,000      | 29,160,000,000      |
| Allowances of provisions   | 10,030,490,358      | 1,928,777,584       |
| Other operating expenses   | 188,870,275,620     | 212,257,589,886     |
| Other non-operating expenses   | 108,539,168         | 36,129,676          |
| Gain on valuation of financial assets measured at fair value through profit or loss                    | (1,121,230,044,750) | (823,008,437,848)   |
| Gain on disposal of financial assets measured at fair value through profit or loss                     | (16,473,448,604)    | -                   |
| Gain on valuation of financial liabilities measured at fair value through profit or loss               | (106,909,622,580)   | (56,883,497,419)    |

|  | 2022                     | 2021                       |
|--|--------------------------|----------------------------|
| Gain on valuation of financial liabilities designated as measured at fair value through profit or loss | (959,156,697,322)        | (486,646,199,925)          |
| Gain on valuation of derivatives   | (2,253,246,042,421)      | (849,603,421,841)          |
| Gain on disposal of financial assets measured at fair value through other comprehensive income         | (2,430,356,560)          | (34,780,860,687)           |
| Gain on valuation of investments in associates   | (190,531,137,554)        | (195,903,080,232)          |
| Gain on disposal of investments in associates  | (210,471,625)            | (4,149,349,589)            |
| Gain on disposal of investments in subsidiaries  | (25,139,652,921)         | (2,918,443,803)            |
| Gain on disposal of property and equipment   | (54,480,608)             | (11,215)                   |
| Gain on disposal of investment properties  | -                        | (419,696,212)              |
| Gain on disposal of intangible assets  | -                        | (940,065,430)              |
| Reversal of credit loss allowance  | (291,700,711)            | (6,267,164,974)            |
| Reversal of provision on credit losses of other financial assets                                       | (35,796,691)             | (76,449,159)               |
| Gain on foreign currency translation   | (206,821,712,861)        | (178,725,748,035)          |
| Gain on foreign currency transaction   | (91,035,982,810)         | -                          |
| Reversal of provisions   | (3,326,358,130)          | (1,066,233,743)            |
| Other operating income   | (54,973,550,710)         | (45,549,644,149)           |
| Other non-operating income   | (129,087,454)            | (191,914,705)              |
|  | 200,837,929,661          | 952,910,089,342            |
| Changes in:  |                          |                            |
| Deposit  | 86,214,085,588           | 1,156,796,728,482          |
| Financial assets measured at fair value through profit or loss   | 2,994,920,922,317        | (928,178,183,467)          |
| Financial assets measured at amortized cost  | 3,018,912,597,493        | 2,966,818,825,845          |
| Other assets   | 16,674,423,910           | (33,515,719,460)           |
| Financial liabilities measured at fair value through profit or loss                                    | 2,591,765,995,840        | (484,563,605,795)          |
| Financial liabilities designated as measured at fair value through profit of loss                      | 757,765,255,523          | (3,334,289,428,908)        |
| Deposits due to customers  | (4,882,292,743,091)      | 2,203,013,220,790          |
| Other liabilities  | (2,182,828,455,288)      | (4,361,474,650,766)        |
| Provisions   | (1,028,329,978)          | (44,042,392,376)           |
|  | 2,400,103,752,314        | (2,859,435,205,655)        |
| Interest received  | 2,026,313,274,238        | 1,338,028,208,933          |
| Interest paid  | (1,626,324,556,179)      | (541,730,064,273)          |
| Dividends received   | 187,250,301,478          | 168,723,863,593            |
| Income taxes paid  | (593,085,895,052)        | (297,490,435,422)          |
| <b>Net cash inflow (outflow) from operating activities</b>   | <b>2,595,094,806,460</b> | <b>(1,238,993,543,482)</b> |

# Consolidated Financial Statements

## Consolidated Statements of Cash Flows

As of December 31, 2022 and 2021

Mirae Asset Securities Co., Ltd. and its subsidiaries

In Korean won

|  | 2022                       | 2021                       |
|--|----------------------------|----------------------------|
| <b>Cash flows from investing activities</b>  |                            |                            |
| Decrease in financial assets measured at fair value through other comprehensive income | 8,205,287,825,581          | 10,964,519,847,863         |
| Decrease in investments in subsidiaries  | 12,817,846,151             | 111,404,547,504            |
| Decrease in investments in associates  | 159,719,363,449            | 21,379,395,570             |
| Proceeds from disposal of property and equipment                                       | 198,184,552                | 1,917,404                  |
| Proceeds from disposal of investment properties  | -                          | 620,000,000                |
| Proceeds from disposal of intangible assets  | 1,722,856,867              | 2,970,000,000              |
| Decrease in leasehold deposits provided  | 3,623,067,879              | 7,605,364,521              |
| Increase in financial assets measured at fair value through other comprehensive income | (11,660,143,675,789)       | (13,035,322,399,410)       |
| Cash flows of derivatives for hedging, net   | (9,790,975,445)            | -                          |
| Increase in investments in associates  | (92,437,911,359)           | (163,928,355,854)          |
| Acquisition of property and equipment  | (21,220,662,379)           | (27,156,403,637)           |
| Acquisition of investment properties   | (3,460,979,194)            | (159,346,998,260)          |
| Acquisition of intangible assets   | (7,834,376,435)            | (7,032,273,305)            |
| Increase in advanced payments  | (10,799,006,800)           | (3,167,217,600)            |
| Increase in leasehold deposits provided  | (1,843,138,826)            | (10,079,251,018)           |
| <b>Net cash outflow from investing activities</b>                                      | <b>(3,424,161,581,748)</b> | <b>(2,297,531,826,222)</b> |
| <b>Cash flows from financing activities</b>  |                            |                            |
| Increase in borrowings, net  | -                          | 6,030,190,241,690          |
| Increase in debentures, net  | 1,505,899,258,800          | 636,250,159,530            |
| Increase in electronic short-term bonds, net   | 1,168,523,198,359          | 293,020,032,603            |
| Proceeds from stock options  | -                          | 890,638,600                |
| Increase in leasehold deposits received  | 4,140,500,518              | 31,523,693,370             |
| Increase in other liabilities  | 257,962,618,906            | 221,366,454,869            |
| Decrease in borrowings, net  | (947,279,744,835)          | -                          |
| Repayment of debentures  | (1,700,589,483,312)        | (1,146,860,187,476)        |
| Decrease in lease liabilities, net   | (42,833,478,910)           | (40,418,385,791)           |
| Dividends paid   | (189,577,427,858)          | (132,871,064,078)          |
| Acquisition of treasury stock  | (85,679,042,661)           | (209,997,380,625)          |
| Decrease in leasehold deposits received  | (800,353,488)              | (728,614,240)              |
| Decrease in other liabilities  | (265,219,089,400)          | (169,061,298,401)          |
| <b>Net cash inflow (outflow) from financing activities</b>                             | <b>(295,453,043,881)</b>   | <b>5,513,304,290,051</b>   |

|  | 2022                     | 2021                     |
|--|--------------------------|--------------------------|
| Effect of exchange rate fluctuations on cash and cash equivalents held | 175,848,683,472          | 128,979,390,668          |
| <b>Net increase (decrease) in cash and cash equivalents</b>            | <b>(948,671,135,697)</b> | <b>2,105,758,311,015</b> |
| <b>Cash and cash equivalents at the beginning of the year</b>          | <b>3,796,550,690,436</b> | <b>1,690,792,379,421</b> |
| <b>Cash and cash equivalents at the end of the year</b>                | <b>2,847,879,554,739</b> | <b>3,796,550,690,436</b> |

Consolidated Financial Statements ◀

# Independent Auditor's Report (Separate)



To the Board of Directors and Shareholders of  
Mirae Asset Securities Co., Ltd.

## Opinion

We have audited the accompanying separate financial statements of Mirae Asset Securities Co., Ltd. (the 'Company'), which comprise the separate statements of financial position as at December 31, 2022 and 2021, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the separate financial position of the Company as at December 31, 2022 and 2021, and its separate financial performance and its separate cash flows for the years then ended in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (K-IFRS).

We also have audited, in accordance with Korean Standards on Auditing (KSA), the Company's Internal Control over Financial Reporting as of December 31, 2022, based on Conceptual Framework for Designing and Operating Internal Control over Financial Reporting, and our report dated March 14, 2023 expressed an unqualified opinion.

## Basis for Opinion

We conducted our audits in accordance with Korean Standards on Auditing (KSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### 1. Assessment of the Fair Value of Over-the-counter Derivatives Classified under Level 2 and 3

#### Reasons Determined as Key Audit Matters

The Company calculates the fair value of most over-the-counter derivatives through its own evaluation system. The Company's evaluation of over-the-counter derivatives was selected as a key audit matter in consideration of the complex evaluation technique and the inclusion of management's estimation and judgment in input and assumptions. The Company's over-the-counter derivatives classified as Level 2 or 3 are derivative assets, equity-linked-securities and other derivative-linked-securities (see Note 9), derivative liabilities, equity-linked-securities in short position and other derivative-linked-securities in short position (see Note 20), and the amount is ₩ 15,324,179 million.

#### The Primary Audit Procedures We Performed to Address the Above Key Audit Matters Included:

We obtained an understanding and evaluated the fair value assessment process and control of over-the-counter derivatives established by management. In particular, we paid attention to whether the change in the over-the-counter derivatives evaluation model and input is appropriate and whether the over-the-counter derivatives' evaluation amount is accurately calculated.

In order to verify the accuracy of the trade details and valuation inputs in the valuation system used in the valuation of over-the-counter derivatives, we tested the appropriateness of control to verify the trade details and valuation inputs in the valuation system, and the appropriateness of access control to input trade details in the valuation system. In addition, we tested the accuracy of trade details in the system used in the valuation of over-the-counter derivatives by examining supporting document, such as contracts.

In order to verify the appropriateness of the changes the valuation models and inputs used in the valuation of over-the-counter derivatives, we tested the appropriateness of control to change the valuation models and inputs, and appropriateness of access control to change the valuation models and inputs in the valuation system.

In order to verify the valuation of the over-the-counter derivatives, we tested the management's control to periodically review the value calculated in the valuation system, and we used experts to independently estimate the derivatives' fair value using the independent models and input developed by the experts.

### 2. Revenue Recognition of Commission Fee from Non-standard Transactions

#### Reasons Determined as Key Audit Matters

K-IFRS 15 (Revenue from Contracts with Customers) requires judgement of the timing of revenue recognition and the amount recognised. The timing of revenue recognition and the amount of recognition of non-standard commission income recognised in the financial statements were selected as key audit matters considering that related transactions are complex and include significant accounting judgements by management. The Company recognized commission revenues of ₩ 1,102,583 million for the year ended December 31, 2022, which includes revenues derived from non-standard transactions of ₩ 324,321 million (see Note 33).

#### The Primary Audit Procedures We Performed to Address the Above Key Audit Matters Included:

We obtained an understanding and evaluated the process and control of revenue recognition timing and recognition amount of non-standard commission established by management.

We evaluated the control of the management to identify the performance obligation of the contract with the customer, review the timing of the revenue recognition and review the recognized amount of non-standard commission by using the revenue recognition checklist.

We tested the appropriateness of the timing of revenue recognition and the recognized revenue amount, and tested the occurrence of the revenue and relating amount through the review of the relevant evidence, such as contract, on a sampling basis.

## Other matter

Auditing standards and their application in practice vary among countries. The procedures and practices used in the Republic of Korea to audit such financial statements may differ from those generally accepted and applied in other countries.

# Independent Auditor's Report (Separate)

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with K-IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Korean Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with KSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used in the preparation of the financial statements and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Yeob Yu, Certified Public Accountant.



Seoul, Korea  
March 14, 2023

This report is effective as of March 14, 2023, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying separate financial statements and notes thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.



# Separate Financial Statements

## Separate Statements of Financial Position

As of December 31, 2022 and 2021

Mirae Asset Securities Co., Ltd. and its subsidiaries

In Korean won

|  | Notes                          | 2022                      | 2021                      |
|--|--------------------------------|---------------------------|---------------------------|
| <b>Assets</b>  |                                |                           |                           |
| Cash and cash equivalents  | 38, 40                         | 1,312,897,339,137         | 1,084,370,248,641         |
| Financial assets measured at fair value through profit or loss             | 5, 6, 8, 9, 12, 19, 26, 38, 40 | 33,707,998,861,690        | 38,103,586,692,591        |
| Financial assets measured at fair value through other comprehensive income | 5, 6, 10, 12, 19, 38, 40       | 15,779,931,433,839        | 13,243,406,168,639        |
| Financial assets measured at amortized cost                                | 5, 8, 11, 12, 19, 38, 40, 49   | 17,741,167,385,102        | 22,218,935,089,296        |
| Investments in subsidiaries  | 13                             | 6,370,947,371,169         | 6,837,585,659,602         |
| Investments in associates  | 14                             | 936,970,623,396           | 1,013,593,479,180         |
| Property and equipment   | 15                             | 228,219,049,328           | 175,704,003,541           |
| Investment properties  | 16, 19                         | 242,879,031,584           | 246,740,118,361           |
| Intangible assets  | 17                             | 472,603,030,353           | 492,470,096,718           |
| Other assets   | 18                             | 29,122,026,211            | 130,825,217,060           |
| Deferred tax asset   | 45                             | 706,001,785,505           | 476,947,674,477           |
| <b>Total assets</b>  |                                | <b>77,528,737,937,314</b> | <b>84,024,164,448,106</b> |
| <b>Liabilities</b>   |                                |                           |                           |
| Financial liabilities measured at fair value through profit or loss        | 5, 12, 20, 26, 38, 40          | 14,145,247,309,098        | 12,519,883,756,647        |
| Deposits due to customers  | 5, 12, 21, 38, 40              | 9,484,178,468,023         | 14,354,386,589,258        |
| Borrowings   | 5, 6, 12, 22, 38, 40           | 29,182,050,816,176        | 29,869,297,330,020        |
| Debentures   | 5, 12, 23, 38, 40, 49          | 7,901,003,282,652         | 7,346,433,408,287         |
| Provisions   | 24                             | 28,390,325,953            | 18,480,908,686            |
| Other liabilities  | 5, 6, 12, 25, 38, 40, 49       | 7,650,645,021,604         | 9,933,079,946,535         |
| Current tax liability  | 45                             | 41,643,254,102            | 400,957,571,290           |
| <b>Total liabilities</b>   |                                | <b>68,433,158,477,608</b> | <b>74,442,519,510,723</b> |

|   | Notes | 2022                      | 2021                      |
|---|-------|---------------------------|---------------------------|
| <b>Equity</b>   |       |                           |                           |
| Capital stock   |       | 4,101,960,790,000         | 4,101,960,790,000         |
| Capital surplus   |       | 2,159,366,591,005         | 2,159,168,289,718         |
| Retained earnings   |       | 3,365,686,549,324         | 3,330,268,680,145         |
| (Regulatory reserve for credit losses)                                  |       | (110,260,415,325)         | (120,318,934,866)         |
| (Estimated reversal(provision) of regulatory reserve for credit losses) |       | 41,527,226,177            | 10,058,519,541            |
| Capital adjustment  |       | (362,891,113,384)         | (432,045,433,337)         |
| Accumulated other comprehensive income                                  |       | (168,543,357,239)         | 422,292,610,857           |
| <b>Total equity</b>   |       | <b>9,095,579,459,706</b>  | <b>9,581,644,937,383</b>  |
| <b>Total liabilities and equity</b>                                     |       | <b>77,528,737,937,314</b> | <b>84,024,164,448,106</b> |

Separate Financial Statements ◀

# Separate Financial Statements

## Separate Statements of Comprehensive Income

As of December 31, 2022 and 2021

Mirae Asset Securities Co., Ltd. and its subsidiaries

In Korean won

|   | Notes     | 2022               | 2021               |
|---|-----------|--------------------|--------------------|
| <b>Operating revenue</b>  |           | 16,761,431,114,978 | 11,812,882,603,704 |
| Commissions income  | 7, 33, 49 | 1,102,582,661,012  | 1,439,022,000,622  |
| Gains on financial instruments measured at fair value through profit or loss              | 34        | 12,131,294,371,665 | 7,559,918,197,381  |
| Gains on financial instruments measured at fair value through other comprehensive income  | 35        | 2,430,356,560      | 34,706,977,081     |
| Interest income   | 7, 36     |                    |                    |
| Financial assets measured at amortized cost   |           | 579,512,629,731    | 533,516,684,038    |
| Financial assets measured at fair value through other comprehensive income                |           | 304,754,208,551    | 137,177,016,481    |
| Financial assets measured at fair value through profit or loss                            |           | 423,878,983,769    | 331,712,281,196    |
| Reversal of allowances on credit loss   | 37        | 2,306,388          | 1,329,491,128      |
| Gains on foreign currency transactions  | 38        | 1,937,833,765,583  | 1,244,443,359,382  |
| Others  | 39, 49    | 279,141,831,719    | 531,056,596,395    |
| <b>Operating expenses</b>   |           | 16,213,041,133,349 | 10,254,145,415,186 |
| Commissions expense   | 7, 33, 49 | 207,018,620,476    | 208,452,609,520    |
| Losses on financial instruments measured at fair value through profit or loss             | 34        | 12,009,770,053,168 | 7,002,014,268,494  |
| Losses on financial instruments measured at fair value through other comprehensive income | 35        | 19,329,837,077     | 20,725,081,251     |
| Interest expense  | 7, 36     | 928,651,551,933    | 405,728,782,565    |
| Losses on financial instruments measured at amortized cost                                | 11        | -                  | 263,818,124        |
| Provision of allowances on credit loss  | 37        | 31,074,299,233     | 3,445,370,847      |
| Losses on foreign currency transactions   | 38        | 2,016,180,684,740  | 1,364,326,253,271  |
| Employee costs  | 41        | 566,176,190,939    | 787,508,349,604    |
| Selling and administrative expense  | 42        | 422,809,445,397    | 448,490,486,579    |
| Others  | 39, 49    | 12,030,450,386     | 13,190,394,931     |
| <b>Operating profit</b>   | 7         | 548,389,981,629    | 1,558,737,188,518  |
| <b>Non-operating income, net</b>  | 7         | 4,818,450,197      | (380,767,504,612)  |
| Non-operating income  | 43        | 120,534,767,504    | 63,312,120,761     |
| Non-operating expense   | 44        | 115,716,317,307    | 444,079,625,373    |

|   | Notes     | 2022              | 2021              |
|---|-----------|-------------------|-------------------|
| <b>Profit before income tax expense</b>   | 7, 45     | 553,208,431,826   | 1,177,969,683,906 |
| <b>Income tax expense</b>   | 7, 45     | 155,633,992,047   | 352,805,117,042   |
| <b>Profit for the year</b>  | 7, 32, 46 | 397,574,439,779   | 825,164,566,864   |
| <b>Other comprehensive income for the year</b>  |           | (590,835,968,096) | 120,443,956,270   |
| Items that may be subsequently re-classified to profit or loss:   |           |                   |                   |
| Valuation gain(loss) on financial asset measured at fair value through other comprehensive income               | 10        | (249,062,237,887) | (73,487,168,711)  |
| Items that will not be reclassified to profit or loss:  |           |                   |                   |
| Valuation gain(loss) on financial asset measured at fair value through other comprehensive income               | 10        | (363,400,450,722) | 187,481,697,515   |
| Changes in own credit risk on financial liabilities designated as measured at fair value through profit or loss | 20        | 12,743,214,529    | 3,706,144,616     |
| Remeasurement of the defined benefit liabilities  | 25        | 8,883,505,984     | 2,743,282,850     |
| <b>Total comprehensive income for the year</b>  |           | (193,261,528,317) | 945,608,523,134   |
| <b>Earnings per share</b>   |           |                   |                   |
| Basic and diluted earnings per share  | 46        |                   |                   |
| Common stock  |           | 642               | 1,291             |
| 2 preferred stock   |           | 642               | 1,291             |

# Separate Financial Statements

## Separate Statements of Changes in Equity

As of December 31, 2022 and 2021

Mirae Asset Securities Co., Ltd. and its subsidiaries

In Korean won

|  | Capital stock     | Capital surplus   | Capital adjustment | Accumulated other comprehensive income(loss) | Retained earnings | Total             |
|--|-------------------|-------------------|--------------------|--|-------------------|-------------------|
| <b>Balance at January 1, 2021</b>  | 4,101,960,790,000 | 2,159,168,289,718 | (308,847,354,170)  | 301,848,654,587                              | 2,717,562,401,089 | 8,971,692,781,224 |
| <b>Total comprehensive income for the year:</b>  |                   |                   |                    |  |                   |                   |
| Profit for the year  | -                 | -                 | -                  | -  | 825,164,566,864   | 825,164,566,864   |
| Valuation of financial assets measured at fair value through other comprehensive income                          | -                 | -                 | -                  | 113,994,528,804                              | -                 | 113,994,528,804   |
| Changes in own credit risk on fi-nancial liabilities designated as measured at fair value through profit or loss | -                 | -                 | -                  | 3,706,144,616                                | -                 | 3,706,144,616     |
| Remeasurement factors of de-fined benefit liabilities  | -                 | -                 | -                  | 2,743,282,850                                | -                 | 2,743,282,850     |
| <b>Transaction with owners, etc.:</b>  |                   |                   |                    |  |                   |                   |
| Dividends paid   | -                 | -                 | -                  | -  | (130,124,380,600) | (130,124,380,600) |
| Changes in treasury stocks   | -                 | -                 | (205,531,986,375)  | -  | -                 | (205,531,986,375) |
| Retirement in treasury stocks  | -                 | -                 | 82,333,907,208     | -  | (82,333,907,208)  | -                 |
| <b>Balance at December 31, 2021</b>  | 4,101,960,790,000 | 2,159,168,289,718 | (432,045,433,337)  | 422,292,610,857                              | 3,330,268,680,145 | 9,581,644,937,383 |
| <b>Balance at January 1, 2022</b>  | 4,101,960,790,000 | 2,159,168,289,718 | (432,045,433,337)  | 422,292,610,857                              | 3,330,268,680,145 | 9,581,644,937,383 |
| <b>Total comprehensive income for the year:</b>  |                   |                   |                    |  |                   |                   |
| Profit for the year  | -                 | -                 | -                  | -  | 397,574,439,779   | 397,574,439,779   |
| Valuation of financial assets measured at fair value through other comprehensive income                          | -                 | -                 | -                  | (612,462,688,609)                            | -                 | (612,462,688,609) |
| Changes in own credit risk on fi-nancial liabilities designated as measured at fair value through profit or loss | -                 | -                 | -                  | 12,743,214,529                               | -                 | 12,743,214,529    |
| Remeasurement factors of de-fined benefit liabilities  | -                 | -                 | -                  | 8,883,505,984                                | -                 | 8,883,505,984     |
| <b>Transaction with owners, etc.:</b>  |                   |                   |                    |  |                   |                   |
| Dividends paid   | -                 | -                 | -                  | -  | (188,136,570,600) | (188,136,570,600) |
| Changes in treasury stocks   | -                 | -                 | (85,661,837,270)   | -  | -                 | (85,661,837,270)  |
| Retirement in treasury stocks  | -                 | -                 | 174,020,000,000    | -  | (174,020,000,000) | -                 |
| Retirement in stock option   | -                 | 158,503,125       | (158,503,125)      | -  | -                 | -                 |
| Others   | -                 | 39,798,162        | (19,045,339,652)   | -  | -                 | (19,005,541,490)  |
| <b>Balance at December 31, 2022</b>  | 4,101,960,790,000 | 2,159,366,591,005 | (362,891,113,384)  | (168,543,357,239)                            | 3,365,686,549,324 | 9,095,579,459,706 |

Separate Financial Statements ◀

# Separate Financial Statements

## Separate Statements of Cash Flows

As of December 31, 2022 and 2021

Mirae Asset Securities Co., Ltd. and its subsidiaries

In Korean won

|  | 2022                | 2021                |
|--|---------------------|---------------------|
| <b>Cash flows from operating activities</b>  |                     |                     |
| Profit for the period  | 397,574,439,779     | 825,164,566,864     |
| Adjustments:   |                     |                     |
| Interest income  | (1,308,145,822,051) | (1,002,405,981,715) |
| Dividend income  | (127,167,431,320)   | (120,217,466,644)   |
| Interest expense   | 928,651,551,933     | 405,728,782,565     |
| Income tax expense   | 155,633,992,047     | 352,805,117,042     |
| Loss on valuation of financial assets measured at fair value through profit or loss                    | 1,044,456,937,146   | 385,547,474,764     |
| Loss on valuation of financial liabilities measured at fair value through profit or loss               | 9,028,039,772       | 16,069,899,613      |
| Loss on valuation of financial liabilities designated as measured at fair value through profit or loss | 153,300,408,542     | 266,652,553,369     |
| Loss on valuation of derivatives   | 2,529,789,194,424   | 1,008,503,560,168   |
| Loss on disposal of financial assets measured at fair value through other comprehensive income         | 19,329,837,077      | 20,725,081,251      |
| Impairment loss on financial assets measured at fair value through other comprehensive income          | 3,563,210,451       | 1,487,189,069       |
| Impairment loss of investments in subsidiaries   | 73,623,845,755      | 376,119,283,419     |
| Impairment loss of investments in associates   | -                   | 252,000,000         |
| Loss on disposal of investments in subsidiaries  | 38,224,908,339      | 3,371,021,750       |
| Depreciation on property and equipment   | 59,865,060,250      | 58,523,441,427      |
| Depreciation on investment properties  | 4,741,100,896       | 4,746,206,217       |
| Loss on disposal of property and equipment   | 99,228,886          | 88,037,322          |
| Amortization   | 31,844,291,465      | 34,380,113,811      |
| Impairment loss of intangible assets   | -                   | 56,614,287,388      |
| Loss on disposal of intangible assets  | 34,851,600          | 22,098,940          |
| Provisions of allowances on credit losses  | 12,019,298,711      | -                   |
| Provisions of allowances on credit losses of other financial assets                                    | 5,173,146,526       | 287,002,826         |
| Loss on foreign currency translation   | 305,286,520,141     | 259,216,046,772     |
| Loss on foreign currency transaction   | 26,160,000,000      | 29,160,000,000      |
| Provisions   | 12,488,905,782      | -                   |
| Other operating expenses   | 19,811,661,861      | 24,427,217,140      |
| Other non-operating expenses   | 108,539,168         | 1,707,308,628       |
| Gain on valuation of financial assets measured at fair value through profit or loss                    | (599,248,572,939)   | (433,095,101,980)   |
| Gain on valuation of financial liabilities measured at fair value through profit or loss               | (106,909,622,580)   | (56,883,497,419)    |
| Gain on valuation of financial liabilities designated as measured at fair value through profit or loss | (959,156,697,322)   | (486,646,199,925)   |
| Gain on disposal of financial assets measured at fair value through profit or loss                     | (16,473,448,604)    | -                   |

|  | 2022                     | 2021                       |
|--|--------------------------|----------------------------|
| Gain on valuation of derivatives   | (2,230,647,359,663)      | (832,887,684,072)          |
| Gain on disposal of financial assets measured at fair value through other comprehensive income | (2,430,356,560)          | (34,706,977,081)           |
| Gain on disposal of investments in subsidiaries  | (115,202,800,104)        | (278,539,026)              |
| Gain on disposal of investments in associates  | (6,680,000)              | (3,473,056,951)            |
| Gain on disposal of property and equipment   | (53,476,967)             | -                          |
| Gain on disposal of investment properties  | -                        | (419,696,212)              |
| Gain on disposal of intangible assets  | -                        | (940,065,430)              |
| Reversal of allowances on credit losses  | -                        | (417,325,479)              |
| Reversal of allowances on credit losses of other financial assets                              | (2,306,388)              | (51,326,039)               |
| Gain on foreign currency translation   | (171,220,416,422)        | (126,412,605,181)          |
| Reversal of provisions   | (3,326,358,130)          | (1,066,233,743)            |
| Other operating incomes  | (217,447,766)            | (213,352,505)              |
| Other non-operating incomes  | (129,087,454)            | (156,168,334)              |
|  | 190,471,086,281          | 1,031,327,012,609          |
| Changes in:  |                          |                            |
| Deposits   | 111,469,044,838          | 109,563,678,251            |
| Financial assets measured at fair value through profit or loss                                 | 3,571,886,545,878        | (575,826,248,121)          |
| Financial assets measured at amortized cost  | 4,443,069,220,788        | 2,328,829,467,544          |
| Other assets   | 14,586,653,227           | (97,305,516,616)           |
| Financial liabilities measured at fair value through profit or loss                            | 1,788,511,772,211        | (456,149,782,937)          |
| Financial liabilities designated as measured at fair value through profit of loss              | 757,765,255,523          | (3,334,289,428,908)        |
| Deposits due to customers  | (4,839,159,265,649)      | 2,107,987,831,003          |
| Other liabilities  | (2,466,967,432,499)      | (3,918,217,126,088)        |
| Provisions   | (541,902,260)            | (44,347,044,088)           |
|  | 3,380,619,892,057        | (3,879,754,169,960)        |
| Interest received  | 1,233,372,986,831        | 1,011,973,471,617          |
| Interest paid  | (890,785,998,915)        | (392,783,641,025)          |
| Dividends received   | 127,160,361,185          | 120,430,815,824            |
| Income tax paid  | (540,135,982,850)        | (236,914,519,384)          |
| <b>Net cash inflow (outflow) from operating activities</b>                                     | <b>3,500,702,344,589</b> | <b>(2,345,721,030,319)</b> |

Separate Financial Statements ◀



# Separate Financial Statements

## Separate Statements of Cash Flows

As of December 31, 2022 and 2021

Mirae Asset Securities Co., Ltd. and its subsidiaries

In Korean won

|  | 2022                       | 2021                       |
|--|----------------------------|----------------------------|
| <b>Cash flows from investing activities</b>  |                            |                            |
| Decrease in financial assets measured at fair value through other comprehensive income | 8,204,013,984,967          | 10,676,638,945,941         |
| Decrease in investments in subsidiaries  | 1,309,165,426,545          | 726,177,862,635            |
| Decrease in investments in associates  | 158,224,654,948            | 20,529,395,570             |
| Proceeds from disposal of property and equipment                                       | 89,180,834                 | -                          |
| Proceeds from disposal of investment properties  | -                          | 620,000,000                |
| Proceeds from disposal of intangible assets  | 1,564,800,000              | 2,970,000,000              |
| Decrease in leasehold deposits provided  | 3,596,886,160              | 6,402,058,851              |
| Increase in financial assets measured at fair value through other comprehensive income | (11,572,693,053,001)       | (12,983,251,498,222)       |
| Increase in investments in subsidiaries  | (707,352,429,098)          | (370,064,956,574)          |
| Increase in investments in associates  | (81,393,399,164)           | (160,713,294,878)          |
| Acquisition of property and equipment  | (12,957,678,735)           | (22,415,183,652)           |
| Acquisition of intangible assets   | (6,234,072,700)            | (4,366,171,510)            |
| Increase in advanced payments  | (10,799,006,800)           | (3,167,217,600)            |
| Acquisition of investment properties   | (752,180,000)              | (189,629,220)              |
| Increase in leasehold deposits provided  | (1,697,425,778)            | (9,749,200,495)            |
| <b>Net cash outflow from investing activities</b>                                      | <b>(2,717,224,311,822)</b> | <b>(2,120,578,889,154)</b> |
| <b>Cash flows from financing activities</b>  |                            |                            |
| Proceeds from borrowings, net  | -                          | 5,458,150,184,839          |
| Increase in debentures   | 1,495,899,258,800          | 636,250,159,530            |
| Increase in electronic short-term bonds, net   | 600,000,000,000            | 120,000,000,000            |
| Increase in leasehold deposits received  | 993,991,418                | 211,628,100                |
| Increase in other liabilities  | 62,786,104,110             | -                          |
| Decrease in borrowings, net  | (734,588,049,569)          | -                          |
| Repayment of debentures  | (1,671,810,000,000)        | (975,560,000,000)          |
| Decrease in lease liabilities  | (33,216,393,429)           | (31,686,905,748)           |
| Dividends paid   | (188,136,570,600)          | (130,124,380,600)          |
| Acquisition of treasury stocks   | (85,661,837,270)           | (205,531,986,375)          |
| Decrease in leasehold deposits received  | (800,353,488)              | (719,242,722)              |
| <b>Net cash inflow (outflow) from financing activities</b>                             | <b>(554,533,850,028)</b>   | <b>4,870,989,457,024</b>   |

|   | 2022                     | 2021                     |
|---|--------------------------|--------------------------|
| Effect of exchange rate fluctuations on cash and cash equivalents | (417,092,243)            | (417,092,243)            |
| <b>Net increase in cash and cash equivalents</b>                  | <b>228,527,090,496</b>   | <b>228,527,090,496</b>   |
| <b>Cash and cash equivalents at the beginning of the period</b>   | <b>1,084,370,248,641</b> | <b>1,084,370,248,641</b> |
| <b>Cash and cash equivalents at the end of the period</b>         | <b>1,312,897,339,137</b> | <b>1,312,897,339,137</b> |

Separate Financial Statements ◀

# 05 ESG FACTBOOK



# Economic and Social Performance

## Economic Achievements

### Tax Reporting by Overseas Subsidiaries

Unit: KRW

| Overseas subsidiary                           | No. of employees | Revenue <sup>1)</sup> | Profit(loss) before tax <sup>1)</sup> | Income tax accrued <sup>2)</sup> | Income tax paid <sup>1)</sup> |
|---|------------------|-----------------------|---------------------------------------|----------------------------------|-------------------------------|
| Mirae Asset Securities (HK) Limited           | 64               | 117,998,764,063       | 88,974,010,349                        | 272,721,150                      | 553,195,435                   |
| Mirae Asset Securities (UK) Ltd.              | 18               | 25,872,590,700        | 16,337,999,700                        | 2,516,144,424                    | 2,118,607,631                 |
| Mirae Asset Securities (USA) Inc.             | 82               | 684,838,416,676       | 35,607,771,149                        | 3,434,952,018                    | 7,400,431,715                 |
| Mirae Asset Securities (Singapore) Pte. Ltd.  | 9                | 3,868,501,943         | -3,018,509,047                        | -                                | - <sup>3)</sup>               |
| Mirae Asset Securities (Vietnam) LLC          | 510              | 142,871,520,879       | 49,995,724,081                        | 8,429,842,784                    | 11,292,847,847                |
| PT. Mirae Asset Sekuritas Indonesia           | 592              | 66,230,045,926        | 15,694,832,272                        | 9,895,011                        | 7,663,291,368                 |
| Mirae Asset Capital Markets (India) Pvt. Ltd. | 192              | 49,096,789,757        | 35,812,334,484                        | 5,054,902,513                    | 5,827,172,442 <sup>4)</sup>   |
| Mirae Asset Wealth Management (Brazil) CCTVM  | 94               | 20,752,839,290        | 12,531,842,535                        | 4,153,175,208                    | 4,153,269,171                 |
| Mirae Asset Securities Mongolia UTsK LLC      | 5                | 500,773,281           | 655,758,356                           | 56,009,272                       | 13,270,827                    |

\* Based on audit reports in accordance with different accounting standards for each country

\*\* Mirae Asset Capital Markets (India) Pvt. Ltd. is the March settlement which is before the disclosure of FY2022 audit report

1) Average annual exchange rate applied

2) Year-end exchange rate applied

3) Recorded net loss in 2022

4) Tax paid on business in 2021

### Value Distribution Among Stakeholders

Unit: KRW 100 million

| Stakeholders (value distribution method)                    | Amount        |
|---|---------------|
| Customers (interest expenses)                               | 16,722        |
| Shareholders and investors (total amount of cash dividends) | 1,234         |
| Employees (wages)   | 6,922         |
| Local community and NGOs (donations)                        | 33            |
| Government (corporate taxes and various other taxes)        | 1,666         |
| <b>Total</b>  | <b>26,577</b> |

## Social Achievements

Unit: persons

| Classification                                      | 2020                      |                    | 2021  |        | 2022  |        |       |       |       |
|---|---------------------------|--------------------|-------|--------|-------|--------|-------|-------|-------|
|   | Male                      | Female             | Male  | Female | Male  | Female | Total |       |       |
| All employees <sup>1)</sup>                         | 2,249                     | 1,787              | 2,159 | 1,650  | 2,015 | 1,570  | 3,585 |       |       |
| Newly hired employees                               | 58                        | 24                 | 119   | 92     | 111   | 53     | 164   |       |       |
| Total number of retirees                            | 230                       | 53                 | 191   | 131    | 274   | 129    | 403   |       |       |
| Number of employees on parental leave <sup>2)</sup> | 10                        | 130                | 12    | 126    | 22    | 120    | 142   |       |       |
| By region   | Korea                     | 2,235              | 1,787 | 2,154  | 1,650 | 2,010  | 1,570 | 3,580 |       |
|   | Overseas                  | 14                 | -     | 5      | -     | 5      | -     | 5     |       |
| By position/<br>rank                                | Managerial position       | Executive officers | 227   | 24     | 298   | 34     | 274   | 38    | 312   |
|   |                           | PB executives      | 45    | 16     | 44    | 17     | 52    | 17    | 69    |
|   |                           | General manager    | 664   | 115    | 601   | 112    | 580   | 127   | 707   |
|   | Non-managerial position   | Senior manager     | 951   | 508    | 867   | 517    | 798   | 531   | 1,329 |
|   |                           | Manager            | 284   | 866    | 279   | 764    | 270   | 726   | 996   |
|   |                           | Assistant manager  | 21    | 254    | 31    | 202    | 26    | 127   | 153   |
| Other <sup>3)</sup>                                 | 57                        | 4                  | 39    | 4      | 15    | 4      | 19    |       |       |
| By employment type                                  | Full-time employment      | 1,685              | 1,690 | 1,564  | 1,527 | 1,440  | 1,432 | 2,872 |       |
|   | Non-regular employment    | 564                | 97    | 595    | 123   | 575    | 138   | 713   |       |
| By age group  | Under 30                  | 98                 | 223   | 78     | 120   | 65     | 92    | 157   |       |
|   | 30 to 50                  | 1,729              | 1,518 | 1,518  | 1,396 | 1,370  | 1,327 | 2,697 |       |
|   | Over 50                   | 422                | 46    | 563    | 134   | 580    | 151   | 731   |       |
| By nationality                                      | Korean nationals          | Republic of Korea  | 2,231 | 1,781  | 2,147 | 1,643  | 2,003 | 1,563 | 3,566 |
|   |                           | Canada             | 5     | 1      | 3     | 1      | 5     | 1     | 6     |
|   | Non-Korean nationals      | United States      | 5     | 1      | 4     | 1      | 3     | 1     | 4     |
|   |                           | France             | 4     | -      | 1     | 2      | 1     | 2     | 3     |
|   |                           | Others             | 4     | 1      | 4     | 3      | 3     | 3     | 6     |
| Social minorities                                   | Non-Korean nationals      | 18                 | 3     | 12     | 7     | 12     | 7     | 19    |       |
|   | Persons with disabilities | 23                 | 2     | 22     | 2     | 20     | 2     | 22    |       |
| Revenue-generating departments <sup>4)</sup>        | Managerial positions      | 1,371              | 461   | 1,301  | 502   | 1,189  | 515   | 1,704 |       |
|   | Non-managerial positions  | 69                 | 41    | 82     | 47    | 83     | 50    | 133   |       |
| STEM <sup>5)</sup>                                  | Managerial positions      | 178                | 43    | 185    | 53    | 189    | 61    | 250   |       |
|   | Non-managerial positions  | 69                 | 41    | 82     | 47    | 83     | 50    | 133   |       |

1) Excluding registered executives and employees on leave (parental leave, sick leave, petition leave), starting from 2021 according to the revised regular disclosure standards

2) The number of employees eligible for parental leave is calculated as an accumulated total each year, and the specific number of eligible individuals is not reported.

3) Including stock consultants and expert committee members

4) IB, WM (incl. PB executives) senior manager or above in the sales department as per managerial criteria

5) Science, technology, engineering, math (STEM): IT, digital positions (excl. digital PB, Customer Service Center)



# Economic and Social Performance

## Social Achievements

| Classification       | Unit   | 2020    | 2021  | 2022  |       |
|----------------------|--|---------|-------|-------|-------|
| Employment           | Overall retirement rate  | %       | 6.0   | 8.4   | 11.2  |
|                      | Turnover rate <sup>1)</sup>  | %       | 5.0   | 6.1   | 8.1   |
| Diversity            | Percentage of domestic nationals in managerial positions   | %       | 99.6  | 99.7  | 99.7  |
|                      | Percentage of foreign nationals in managerial positions  | %       | 0.4   | 0.3   | 0.3   |
|                      | Percentage of women in managerial positions in revenue-generating departments                            | %       | 25.2  | 27.8  | 30.2  |
|                      | Percentage of women in STEM positions at all levels  | %       | 25.4  | 31.1  | 29.0  |
| Employees            | Number of employees who returned after taking parental leave   | persons | 179   | 156   | 138   |
|                      | Percentage of employees who returned to work after taking parental leave and completed 12 months of work | %       | 92.0  | 92.2  | 93.9  |
|                      | Percentage of starting salaries for new employees to the minimum wage <sup>2)</sup>                      | %       | 230.7 | 227.3 | 227.6 |
|                      | Number of employees subject to performance evaluation <sup>3)</sup>                                      | %       | 94.0  | 95.2  | 94.9  |
|                      | Labor union membership rate <sup>4)</sup>  | %       | 62.0  | 58.7  | 57.2  |
| Industrial accidents | Number of employees absent due to illness or injury <sup>5)</sup>  | persons | 22    | 17    | 20    |
|                      | Number of days of work loss  | days    | 5,113 | 995   | 982   |
|                      | Number of injuries <sup>6)</sup>   | persons | 2     | 0     | 0     |

- 1) Voluntary termination + Dispatch + Early retirement
- 2) Manager (J) annual salary compared to the minimum wage of KRW 9,160 in 2022
- 3) Excluding employees on leave (parental leave, sick leave, etc.) from the evaluation target among all employees
- 4) Including employees on leave: collective bargaining items apply to 100% of employees
- 5) Employees on sick leave due to work-related or non-work-related reasons (excl. sick leave for personal illness)
- 6) Number of industrial accident approvals by the Korea Workers' Compensation & Welfare Service

### Employee Training

| Classification           | Unit            | 2020    | 2021    | 2022    |
|--------------------------|-----------------|---------|---------|---------|
| Total training hours     | hours           | 218,105 | 257,027 | 320,220 |
| Total number of trainees | persons         | 27,815  | 43,830  | 54,130  |
| Total cost               | KRW 100 million | 28.0    | 33.0    | 34.0    |

\* Training conducted by the Talent Development Team, focused on the growth and support of employees, including mandatory legal training

### Status of Professional Workforce

| Classification                            | Unit    | 2020  | 2021  | 2022  |
|---|---------|-------|-------|-------|
| AFPJ <sup>1)</sup>                        | persons | 1,457 | 1,400 | 1,323 |
| CFP <sup>2)</sup>                         | persons | 269   | 256   | 249   |
| Certified Investment Manager (integrated) | persons | 1,488 | 1,545 | 1,476 |
| Total number of employees                 | persons | 4,036 | 3,809 | 3,585 |

- 1) AFPJ: Associate Financial Planner Korea
- 2) CFP: Chartered Financial Planner

### Human Rights and Ethics Training

| Classification  | Unit    | 2020  | 2021  | 2022  |
|---|---------|-------|-------|-------|
| Mandatory legal training (prevention of sexual harassment, improving awareness of disabilities, prevention of workplace harassment) | persons | 4,255 | 4,299 | 3,967 |
| Ethical management training   | times   | 38    | 25    | 23    |
| Ethics and compliance training  | persons | 3,971 | 3,785 | 3,545 |
| Information security training   | persons | 3,881 | 3,821 | 3,770 |

\* Entire employees (incl. part-time workers, overseas subsidiaries/offices, independent directors, consultants, contract workers, and employees on leave)

### Social Contribution Investment Amount and Number of Participants

| Classification                                      | Unit            | 2020 | 2021  | 2022  |
|---|-----------------|------|-------|-------|
| Social contribution investment amount <sup>1)</sup> | KRW 100 million | 27.0 | 31.0  | 37.4  |
| Volunteer participation hours <sup>2)</sup>         | hours           | 680  | 2,479 | 3,438 |
| Number of participants in volunteer activities      | persons         | 555  | 1,587 | 2,288 |

- 1) Cash and in-kind donations, as well as employee-engagement social contribution activity expenses (incl. the average hourly wage per participant multiplied by the number of volunteer participation hours)
- 2) Including ESG environmental and social campaign activity hours (applying one hour per participant)

### Status of Relevant Association Fee Expenses

| Classification   | Unit            | 2020        | 2021        | 2022        |
|--|-----------------|-------------|-------------|-------------|
| Korea Financial Investment Association                   |                 | 42.2        | 43.9        | 46.7        |
| Financial Security Institute                             |                 | 7.7         | 8.6         | 9.3         |
| Bank of Korea  |                 | 10.8        | 8.3         | 6.9         |
| Korea Capital Market Institute                           | KRW 100 million | 3.9         | 3.9         | 4.1         |
| Korea Financial Telecommunications & Clearings Institute |                 | 3.7         | 11.5        | 2.6         |
| Others   |                 | 9.4         | 12.7        | 12.7        |
| <b>Total</b>   |                 | <b>77.7</b> | <b>88.9</b> | <b>82.3</b> |

\* Mirae Asset Securities strictly prohibits any donations or support to political campaigns, election funds, political and lobbying organizations in accordance with its management principles and relevant laws and regulations.



# Tax Policy

Mirae Asset Securities understands that compliance with tax laws and responsible, transparent tax payments that go beyond observance of laws is an important factor in contributing to national finance, enhancing shareholder value, and maximizing stakeholder profits, and that it is a fundamental condition that needs to be met for the company's long-term growth. We have therefore established tax rules and policy, and pursue cooperative, constructive relations with taxation authorities for faithful implementation of our tax policy. We make transparent tax payments and disclose relevant information according to the following rules.

## Principles on Tax

- We recognize that compliance with tax laws and transparent tax payments are important parts of management.
- We faithfully report and pay taxes in accordance with responsible tax rules.
- We do not abuse differences in tax laws among countries to avoid taxes.
- We evaluate the adequacy of transfer price in accordance with the arm's length principle in transactions with persons with special relationship.
- We avoid use of tax structures for the purpose of avoiding taxes, and do not manage a legal entity at tax havens where sharing of tax information is impossible and where we do not have any economic activity.
- We make utmost efforts to fulfill cooperation obligations that are stipulated in tax laws to maintain constructive and cooperative relations with taxation authorities.
- We conduct preemptive management and monitoring to reduce tax risks.
- We document and store tax reports, documentary evidence, and materials related to decision-making on accounting issues.

## Disclosure of Tax Payment Information

In Korea, we responsibly disclose income tax-related details through an audit report which is available on the Financial Supervisory Service's electronic official notice system (Dart.fss.or.kr). Disclosed content includes the following.

1. Accounting criteria for calculating income taxes
2. Deferred tax asset and liability details
3. Composition details regarding temporary differences
4. Income tax expense composition details and tax rate information

In addition, through our annual Integrated Report and Audited Financial Statement, we disclose revenue and tax payment amount information by country, the difference between the valid tax rate and statutory tax rate of income taxes, and the reason for this difference.

## Tax Management Organization

Tax issues are monitored on a regular basis at the working level across all businesses. When an issue is identified, an additional review is conducted by a financial team with expertise for a CFO report process. For significant tax issues, we apply a prudent review process that goes through an outside expert's advice, and submit an issue to the BOD if decision-making is needed.

### Base Erosion and Profit Shifting

Taxation authorities have made it mandatory to submit a report by country, which is Action 13 (Transfer Pricing Documentation) of the Base Erosion and Profit Shifting (BEPS) Project, for multinational companies through the Adjustment of International Taxes Act. Parties obligated to submit a report, such as a controlling entity in Korea of a multinational company with sales exceeding KRW 1 trillion based on consolidated financial statements of the preceding tax year, is obligated to submit a report by country that includes revenue details, pretax profits and losses, and other such information by country for affiliated companies within the multinational company group. Mirae Asset Securities is faithfully fulfilling this obligation.

# Greenhouse Gas Assurance Statement

## Introduction

DNV Business Assurance Korea Ltd. ("DNV") was commissioned by Mirae Asset Securities.Co.,Ltd. ("Mirae Asset Securities") to verify the Mirae Asset Securities' Greenhouse Gas Inventory Report ("the report") in the calendar year 2022, based upon a limited level of assurance. Mirae Asset Securities is responsible for the preparation of the GHG emissions data on the basis set out within the 'ISO 14064-1:2018 (Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals), WRI/WBCSD GHG Protocol:2004', 'Corporate Value Chain (Scope 3) Accounting Standard Accounting and Reporting Standard' and '2006 IPCC Guidelines for National Greenhouse Gas Inventories'. Our responsibility in performing this work is to the management of Mirae Asset Securities only and in accordance with terms of reference agreed with them. DNV expressly disclaims any liability or responsibility for any decisions, whether investment or otherwise, based upon this assurance statement.

## Scope of Assurance

The reported emissions cover Direct emissions (Scope 1), Indirect emissions (Scope 2) and Other indirect emissions (Scope 3) from Mirae Asset Securities boundary of the report (Scope 1 and 2 for owned offices, and scope 2 for leased offices were considered):

- Organizational and operational Boundary: Scope 1 (Emissions from Stationary combustion and Mobile combustion), Scope 2 (Emissions from purchased Electricity and Steam), Scope 3 (3 categories of upstream activities – 1.Purchased goods and services (Water and Paper), 5.Waste generated in operations and 6. Business travels)

## Verification Approach

The verification has been conducted by DNV from 3rd April to 12th April 2023 and performed in accordance with the verification principles and tasks outlined in the 'ISO 14064-3:2019 (Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions)'. We planned and performed our work so as to obtain all the information and explanations deemed necessary to provide us with sufficient evidence to provide a verification opinion, concerning the completeness of the emission inventory as well as the reported emission figures in ton CO<sub>2</sub> equivalent. As part of the verification process:

- We have reviewed and verified the Mirae Asset Securities GHG inventory report (including activity data, GHG emission calculation results, emission factors, and other parameters)
- We have reviewed and verified the process to generate, aggregate and report the emissions data

## Conclusions

Based on the above verification of core elements, it is the DNV's opinion that nothing comes to our attention to suggest that GHG Emissions are not properly calculated, and a significant uncertainty and error are included in the GHG Emissions of Mirae Asset Securities in the year 2022 below.

### Greenhouse Gas Emissions of Mirae Asset Securities for Yr 2022

Unit: ton CO<sub>2</sub> equivalent

|                        | Direct emissions<br>Scope 1 | Indirect emissions<br>Scope 2 | Other Indirect emissions<br>Scope 3 | Total emissions |
|------------------------|-----------------------------|-------------------------------|-------------------------------------|-----------------|
| Mirae Asset Securities | 1,002                       | 10,018                        | 384                                 | 11,404          |

\* In order to report the GHG emissions as an integer, the rounded number on the statement might be different from the number on the system with  $\pm 1$  tCO<sub>2</sub>-eq

\* Total emissions = Direct emissions(Scope 1) + Energy indirect emissions(Scope 2) + Other indirect emissions(Scope 3)

13 April 2023  
Seoul, Korea



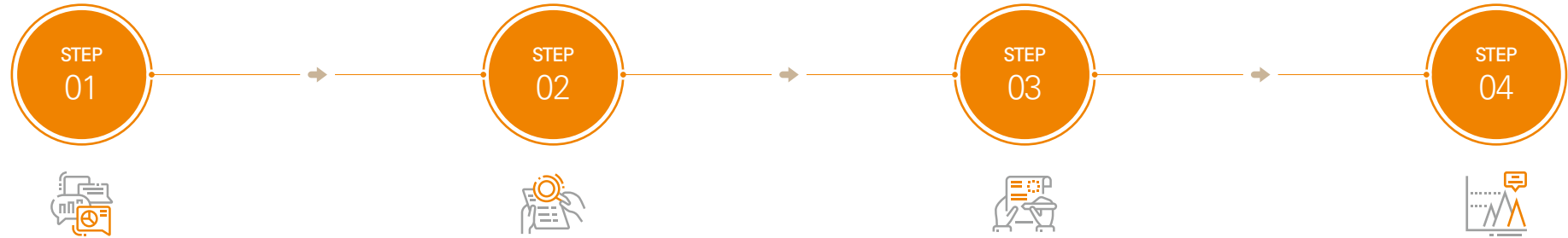
Country Manager Jang-Sub Lee  
DNV Business Assurance Korea Ltd

# 06 APPENDIX

# Double Materiality Assessment

Mirae Asset Securities conducts double materiality assessment annually to measure the sustainability and social impact of the Company. We have selected key issues that require focused management in the financial and non-financial areas, and we derive major issues by referring to global trends and the ESG performance of domestic and international competitors based on the revised guidelines of the Global Reporting Initiative (GRI). To determine the priority among the key issues, we conducted media research based on big data analysis and surveys of various stakeholders. Through this process, we identified sustainability issues with high levels of interest and concern. Each key issue was evaluated on two dimensions of significance by applying weights to 'business relevance' and 'stakeholder impact.'

## Double Materiality Test Process



Double Materiality Assessment ◀

### Issue Identification and Solution Formulation

#### Internal Issue Identification

- Analysis of existing sustainable management issues and collection of internal issues
- Analysis of ESG policy frameworks, environmental and social policy statements, and revisions to sustainable finance taxonomy

#### External Issue Identification

- Analysis of key issues and activities of domestic and international peer companies in the financial services sector and diversified financial sectors
- Review of new issues raised in global disclosure indices such as GRI Standards, SASB, DJSI, ISO 26001, TCFD, and examination of global ESG trends
- Analysis of the Company's ESG issues through media research

### Gathering Stakeholders' Opinions

- Conducting a survey targeting key stakeholders such as employees, customers, trading counterparties and partners, shareholders and investors, and the local community (NGOs) to assess the level of sustainable management and impact of Mirae Asset Securities. Surveys were conducted from Jan. 16 to Jan. 20, 2023
- Creating a questionnaire categorized into economy, people (society, employees), and environment based on the pool of 28 issues

### Conducting Double Materiality Test

#### Evidence of Relevance

Business relevance

- Utilizing the results of the internal employee survey conducted at Mirae Asset Securities
- Aggregating key ESG issues of peer companies in the financial services sector and diversified financial sectors

#### Evidence of Impact

Stakeholder influence or impact

- Utilizing the results of the surveys conducted with key stakeholders such as customers, trading institutions and partners, shareholders and investors, and the local community (NGOs)
- Analyzing approximately 1,373 articles of big data from media exposure between January 2022 and December 2022

### Scoring of Key Issues

- Evaluating the level of impact from the perspectives of management profitability, business operations, and brand reputation, and incorporating weighted factors
- Distinguishing the issues that need ongoing management and seeking approval from the top decision-making body

New issues added, integrating duplicate issues to form a pool of 28 issues closely related to Mirae Asset Securities



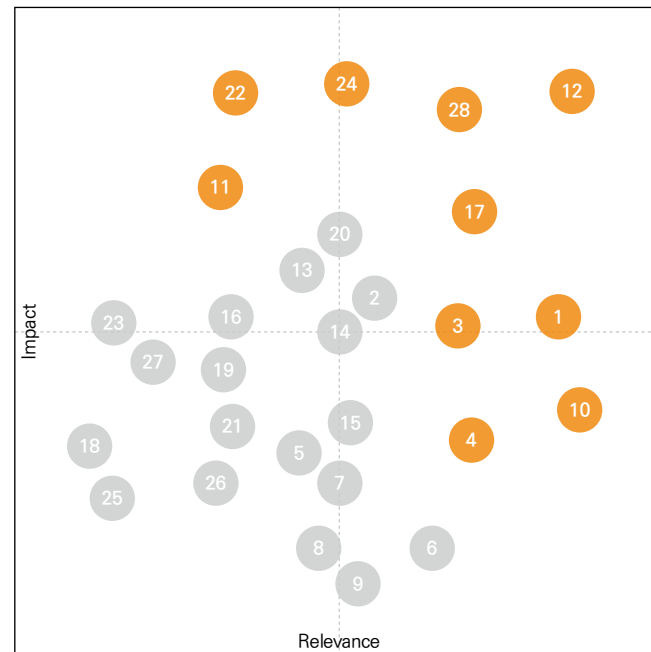
# Double Materiality Assessment

## Selecting Key Sustainable Management Issues




Mirae Asset Securities believes that integrating key sustainable management issues into the Company's strategy will have a long-term impact on management profitability, business operations, and brand reputation.

Mirae Asset Securities has selected 10 key issues from the 28 major issues derived through the double materiality test, applying weights based on the Company's business relevance and direct/indirect stakeholder impact. The Company discloses these issues, along with its strategies, targets, performance, and assessments, through an integrated report.

### Key Sustainable Management Issues



### List of 28 Issues Related to Economy, People, And Environment

| Classification  | No. | Issue   |
|---|-----|---|
|  Economy (10)      | 1   | <b>Expansion of global business</b> (expanding new sources of revenue and strengthening market dominance through global investments)  |
|   | 2   | <b>Enhancement of customer asset management capabilities</b> (providing long-term and stable asset management services to customers)  |
|   | 3   | <b>Creation of sustainable economic performance</b> (generating economic value through domestic and international market analysis and utilizing various sales channels)   |
|   | 4   | <b>Leadership in investment digitization</b> (pioneering digital finance through the utilization of technologies such as big data, artificial intelligence, blockchain, etc.)   |
|   | 5   | <b>Stabilization of financial transaction systems</b> (ensuring stability in financial transactions through the establishment of innovative systems)  |
|   | 6   | <b>Continuous monitoring and response to government policies/regulations</b> (ensuring fair and stable investment practices)  |
|   | 7   | <b>Integrated risk management of economy, society, and environment</b> (exploring new investment opportunities through ensuring financial soundness)  |
|   | 8   | <b>Establishing sound governance</b> (ensuring independence, diversity, and expertise of the BOD and establishing a transparent governance structure)   |
|   | 9   | <b>Compliance with ESG information disclosure regulations</b> (proactively expanding the scope of disclosure)   |
|   | 10  | <b>Ethical management and compliance</b> (preventing corruption, tax evasion, and ensuring fair and transparent business operations)  |
|  People (15)      | 11  | <b>Sustainable value chain management</b> (generating sustainable economic value throughout the entire business process, including product development, sales, customer management, investment, and asset management)         |
|   | 12  | <b>Expanding investment for inclusive growth</b> (expanding socially responsible investments as an investment professional)   |
|   | 13  | <b>Improving customer accessibility and convenience</b> (enhancing efficiency through the expansion of non-face-to-face channels)   |
|   | 14  | <b>Expanding social contribution and measuring outcomes for the improvement of local communities</b> (conducting various activities such as community donations and support for financially vulnerable groups)                |
|   | 15  | <b>Improving financial consumer satisfaction</b> (enhancing consumer rights and promoting customer-centric thinking and empathy)  |
|   | 16  | <b>Protection of financial consumer personal data</b> (recognizing cybercrime and personal data breaches as information security risks, establishing information security regulations and operational guidelines)             |
|   | 17  | <b>Providing customer-centric products and services</b> (offering high-quality products that reflect market conditions and customer investment preferences, and supporting customers in making informed investment decisions) |
|   | 18  | <b>Expanding stakeholder communication channels</b> (operating various communication channels to capture stakeholder requirements and incorporate them into sustainable management activities)                                |
|   | 19  | <b>Protection of stakeholders' human rights</b> (respecting international standards and principles related to labor rights, strengthening human rights management processes)  |
|   | 20  | <b>Recruiting global talents and providing growth opportunities</b> (employing fair recruitment principles, considering job-specific characteristics, and providing education for growth)                                     |
|   | 21  | <b>Expanding women's leadership</b> (promoting a culture of non-discrimination and gender equality)   |
|   | 22  | <b>Improving organizational culture for work-life balance</b> (establishing a healthy work environment through measures such as flextime, flexible lunchtime options, and promoting the use of annual leave)                  |
|   | 23  | <b>Collaborative and harmonious labor-management relations</b> (building trust between labor and management based on employees' freedom to join unions and engage in association activities)                                  |
|   | 24  | <b>Fair performance evaluation and compensation</b> (fair assessment of employees' competencies based on transparent procedures and reasonable justifications)  |
|   | 25  | <b>Systematizing employee health and safety management</b> (preventing and managing industrial accidents through the certification of occupational health and safety management systems)                                      |
|  Environment (3) | 26  | <b>Strengthening greenhouse gas emissions reduction management</b> (implementing company-wide carbon reduction activities and improving the efficiency of energy consumption tracking)  |
|   | 27  | <b>Public disclosure of climate change response strategies and targets</b> (participating in global initiatives for climate change risk management and practicing Eco-friendly management)                                    |
|   | 28  | <b>Climate risk management and expansion of Eco-friendly investment opportunities</b> (with a focus on building business capabilities for carbon neutrality implementation)   |

\* The above numbering is not a ranking but a numbering of individual issues for each item

# Double Materiality Assessment

## Management of Key Reasons for Sustainable Management

### Top 10 Key Issues

| Ranking | Key issues  | GRI Topic Standards  | Key stakeholders  | Impact of the issues   | Reporting page | Comparison with key issues from the previous year                                    |
|---------|---|--|---|--|----------------|--|
| 1       | Expanding investments for inclusive growth                                      | GRI 203 Indirect Economic Impacts                                      | Customers, shareholders/investors, local communities                                    | Operational impact on business                                   | 33, 43         | Previous year's #7: Expansion of socially responsible investments                    |
| 2       | Managing climate risks and expanding opportunities for Eco-friendly investments | GRI 302 Energy, GRI 305 Emissions                                      | Government, local communities   | Reputational impact on the brand                                 | 33-42          | Previous year's #9: Climate change response and environmental performance management |
| 3       | Expansion of global business  | GRI 201 Economic Performance   | Employees, shareholders/investors, trading institutions and partners                    | Impact on business profitability                                 | 64-68          | Previous year's #2: Establishing future growth foundations such as overseas business |
| 4       | Fair performance evaluation and compensation                                    | GRI 405 Diversity and Equal Opportunity, GRI 406 Non-discrimination    | Employees, trading institutions, and partners   | Impact on business profitability, operational impact on business | 53             | Previous year's #10: Providing equal opportunity and non-discrimination              |
| 5       | Creating sustainable economic performance                                       | GRI 201 Economic Performance   | Employees, shareholders/investors   | Operational impact on business                                   | 11             | Previous year's #1: Strengthening market dominance and creating economic value       |
| 6       | Improving organizational culture for work-life balance                          | GRI 403 Occupational Health and Safety, GRI 404 Training and Education | Employees   | Reputational impact on the brand                                 | 54-57          | New  |
| 7       | Providing customer-centric products and services                                | GRI 417 Marketing and Labeling   | Customers   | Reputational impact on the brand                                 | 44-50          | Previous year's #6: Protection of financial consumer rights                          |
| 8       | Ethical management and compliance adherence                                     | GRI 205 Anti-corruption  | Employees, trading institutions and partners, local communities                         | Reputational impact on the brand                                 | 19-24          | Previous year's #5: Ethics/compliance adherence                                      |
| 9       | Sustainable value chain management  | GRI 203 Indirect Economic Impacts                                      | Customers, shareholders/investors, trading institutions and partners, local communities | Impact on business profitability, operational impact on business | 12             | Previous year's #4: Integrated risk management of economy, society, and environment  |
| 10      | Leadership in digitalization of investments                                     | Non-GRI  | Customers, shareholders/investors   | Operational impact on business                                   | 71-74          | Previous year's #3: Leading digital finance  |

Double Materiality Assessment ◀

### Management of Materiality Issues

| Classification | Materiality issues                   | Background of strategy establishment  | Mid-to Long-term Goals  | Performance and evaluation   |
|----------------|--------------------------------------|---|---|--|
| Economy        | Securing global economic performance | During the pandemic, the world underwent a rapid transformation into digitalization and ESG management. Customers are now demanding stable returns through thorough risk management. Global investment expansion has established itself as an essential element for the long-term implementation of sustainable business from a global perspective. As Investment Banking firms with differentiated portfolios based on overseas investments and global networks that can lead to financial exports, financial investment companies are expected to lead the change in paradigm.                              | <ul style="list-style-type: none"> <li>Global, investment, digital, pension (GDP) gap strategy</li> <li>Leading in global asset allocation and pension asset growth</li> <li>Continued strengthening of overseas corporate IB capabilities and investment in innovative companies</li> <li>Strengthening global ESG management</li> </ul> | <ul style="list-style-type: none"> <li>Increase of KRW 1.8 trillion in overseas stocks</li> <li>Increase of KRW 5.1 trillion in pension assets</li> </ul>  |
| People         | Sustainable inclusive growth         | Financial companies have been emphasizing their growth as integral parts of society and investors, along with various stakeholders. The securities industry is also being required to play a role as a part of a sustainable value chain and an organic intermediary. As a result, it is expected that socially responsible investment and investment in sustainable themes, which are necessary for inclusive growth, will be established as key areas.  | <ul style="list-style-type: none"> <li>Development of various investment solutions that align with the increasing demand for ESG investment</li> <li>Expansion of ESG bond underwritings and IPO, M&amp;A advisory services</li> <li>Launch of various funds and ETFs applying ESG investment strategies</li> </ul>                       | <ul style="list-style-type: none"> <li>Sustainable finance of KRW 23.91 trillion</li> <li>57% increase compared to the previous year</li> </ul>  |
|                | Work-life balance                    | Companies are being demanded to foster a work culture that achieves a balance between work and life, and to establish a reasonable compensation system that employees can understand and accept. It is expected that there will be ongoing improvements in performance evaluation and compensation systems that reflect the demands of the growing Millennials and Generation Z workforce, who prioritize work-life balance and fairness, gradually becoming the main focus of organizations.   | <ul style="list-style-type: none"> <li>Continued global talent recruitment and digital workforce development programs</li> <li>Creating a healthy work environment and implementing maternity protection policies</li> <li>Transparent performance evaluation principles for fair promotion and compensation</li> </ul>                   | <ul style="list-style-type: none"> <li>18% increase in childcare leave ratio compared to the previous year</li> <li>Total employee training hours: 320,220 hours</li> </ul>  |
| Environment    | Climate risk management              | Accelerated climate change is heralding the strengthening of global policies and regulations through international cooperation. In particular, Eco-friendly management, which has placed importance on enhancing corporate reputation, is expanding its concept to include climate risk management encompassing carbon neutrality, physical risks, and renewable energy investments. It is expected that financial institutions will play a crucial role in the transition to a sustainable economy by providing capital through green finance and investment activities, along with climate risk management. | <ul style="list-style-type: none"> <li>Expansion of support for global initiatives and declarations</li> <li>Implementation of goals to reduce greenhouse gas emissions and energy consumption</li> <li>Expansion of renewable energy finance advisory and arrangement services</li> </ul>  | <ul style="list-style-type: none"> <li>PCAF (Partnership for Carbon Accounting Financials) endorsement</li> <li>Release of RE100 Roadmap</li> <li>Progress in SBTi (Science-Based Targets initiative) target verification</li> </ul> |

# Stakeholder Engagement

## Stakeholder Management System

### Definition of Stakeholders






Mirae Asset Securities defines its key stakeholders as the individuals or groups that can exert direct or indirect influence on the company and vice versa. They are shareholders, group institutions with legal, financial and operational responsibilities, the media, labor union, NGOs, social organizations, local community, competitors, opinion leaders, and academia.

### Classification of Stakeholders

Stakeholders of Mirae Asset Securities are categorized based on their role, level of impact, and relation to the firm. We have designated clients, employees, shareholders & investors, business partners & collaborating institutions, local communities, and the government and capital market as key stakeholders, and manage them in a systematic manner. We identify key issues and events for each stakeholder group, as reflected in our business activities.

### Stakeholder Communication Activities and Channels

In order to identify the opinions and requirements of stakeholders and reflect them in our sustainability management activities, Mirae Asset Securities operates various communication channels for each stakeholder year-round or on a regular basis. In particular, we undertake stakeholder interviews and surveys to identify core issues, and disclose them in our integrated reports as one of the ways by which we actively communicate with stakeholders.

| Stakeholder  | Communication activities  | Communication channels   |
|--|---|--|
|  <p>Clients<br/>individual/institutional clients, consumer organizations</p>      | <p>These stakeholders purchase and use Mirae Asset Securities' financial products and services through transactions with the company. We do our utmost efforts to leverage our expertise in which financial consumers can undertake convenient and safe transactions.</p>                                 | <ul style="list-style-type: none"> <li>• Client panel</li> <li>• Independent expert panel</li> <li>• Customer Service Improvement Council</li> <li>• Voice of Customers (VOC)</li> <li>• Website</li> <li>• Investment forums</li> </ul> |
|  <p>Employees</p>   | <p>Based on a culture of respect and consideration, Mirae Asset Securities builds a culture of mutual respect and free communication among employees. We provide competency development programs to strengthen the expertise of all employees, and reward their performance through fair evaluation.</p>  | <ul style="list-style-type: none"> <li>• Labor-Management Council</li> <li>• WM Community</li> <li>• Grievance handling system</li> </ul>  |
|  <p>Shareholders &amp; Investors<br/>(stockholders, evaluation organizations)</p> | <p>These stakeholders own shares of Mirae Asset Securities and take part in the company's decision-making process. Mirae Asset Securities strives to maximize the value of shareholders and investors by generating sustainable economic performance based on sound corporate governance.</p>             | <ul style="list-style-type: none"> <li>• Shareholders' meeting</li> <li>• Public disclosure</li> <li>• Company briefing</li> <li>• IR</li> </ul>   |
|  <p>Transaction Counterparties &amp; Partners</p>                               | <p>Mirae Asset Securities considers our partners as companions for mutual growth. We expand the communication channels to listen to and reflect on grievances and voices of counterparties and partners, and comply with fair trade principles, thereby contributing to creating a healthy ecosystem.</p> | <ul style="list-style-type: none"> <li>• Regular partner council</li> <li>• Partner satisfaction survey</li> </ul>   |
|  <p>Local Communities</p>   | <p>Mirae Asset Securities conducts its social contributions by selecting organizations in need of social support. By collaborating with various organizations, including NGOs, we strive to fulfill our role as a member of local communities and implement corporate social responsibility.</p>          | <ul style="list-style-type: none"> <li>• Social contribution activities</li> <li>• Partner institutions</li> <li>• Website</li> </ul>  |

# Independent Assurance Statement

To: The Stakeholders of Mirae asset securities Co., Ltd.

## Introduction and Objectives of Work

BSI Group Korea (hereinafter 'the Assurer') was asked to verify Mirae asset securities 2023 Integrated Report (hereinafter 'the Report'). This assurance statement applies only to the relevant information contained in the scope of the assurance. Mirae asset securities is solely responsible for all information and assertion contained in the report. The responsibility of the assurance is to provide independent assurance statement with expert opinions to Mirae asset securities by applying the verification methodology and to provide this information to all stakeholders of Mirae asset securities.

## Assurance Standards and Levels

This assurance was based on the AA1000AS v3 (2020) Assurance Standard and confirmed that the report was prepared in accordance with the GRI Standards, the international standards guidelines of sustainability reports. The assurance level was based on the Type 2 that confirmed compliance with the four principles of AA1000 AP (2018) in accordance with the AA1000 AS.

Type 2 was limitedly verified based on the data information provided by the reporting organization, for energy consumption, waste throughput, direct GHG emissions (Scope 1), Indirect GHG emissions (Scope 2), and other indirect GHG emissions (Scope 3), quantity of water usage, basic salary rate for women to men, absenteeism rate, equivalent wage evaluation, and gender wage gap ratio among GRI Topic Standards and external evaluation indicators for domestic operations.

## Scope of Assurance

**The Scope of Assurance Applied to this Report is as Follows:**

- Based on the period from January 1st to December 31st 2022 included in the report, some data included 2023
- Major assertion included in the report, such as sustainability management policies and strategies, goals, projects, and performance, and the report contents related to material issues determined as a result of materiality assessment
- Conformity, appropriateness and consistency of internal processes and systems for information, data collection, analysis and review

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

- Financial information presented in the report
- Disclosures in the international standards and initiatives index excluding GRI presented in the report
- Other related additional information such as the website, business annual report

## Methodology

As part of its independent assurance, the assurer has used the methodology developed to collect relevant evidence to comply with the verification criteria and to reduce errors in the reporting, and has performed the following activities:

- Review of the system for sustainability management strategy process and implementation
- Review of materiality issue analysis process and verification of the result to determine verification priorities
- Review of the evidence to support the material issues through interviews with senior managers with responsibility for them
- Verification of data generation, collection and reporting for each performance index

## Limitation

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

## Assurance Opinion

On the basis of our methodology and the activities described above, it is our opinion that

- The information and data included in the report are accurate and reliable and the assurer cannot point out any substantial aspects of material with mistake or misstatement.
- The report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards)
- The assurance opinion on the four principles presented by the AA1000 AP (2018) is as follows.

## AA1000 AP (2018)

**Inclusivity : Stakeholder Engagement and Opinion**

Mirae asset securities defined customers, employees, external stakeholders, and experts as key stakeholders groups, and operates communication channels for each group for stakeholder engagement. Mirae asset securities reflected key issues drawn through stakeholder channels in sustainability management decisions and disclosed the process in the report.

**Materiality : Identification and Reporting of Material Sustainability Topics**

Mirae asset securities established a strategy related to sustainable management and established a process to derive reporting issues and evaluate business relevance and social impact across 20 major ESG issues pools to determine the importance of the issue, select 10 critical issues and publish the process in the report.



# Independent Assurance Statement

## Responsiveness : Responding to Material Sustainability Topics and Related Impacts

Mirae asset securities established the management process for key reporting issues determined by the materiality assessment. In order to respond appropriately to the expectations of stakeholders, Mirae asset securities disclosed the process including policy, indicator, activity and response performance on key reporting issues in the report.

## Impact : Impact of an Organization's Activities and Material Sustainability Topics on the Organization and Stakeholders

Mirae asset securities established the process to identify and evaluate the impact on organizations and stakeholders related to key reporting issues. Mirae asset securities used impacts, risk and opportunity factor analysis results for key reporting issues to make decisions to develop response strategies for each issue, and disclosed the process in the report.

## Key Areas for Ongoing Development

- Mirae asset securities manages the organization's sustainability issues through the establishment and operation of ESG management governance. Continuing to operate ESG management governance (ESG Committee, ESG Executive Council, ESG Working Committee, ESG Promotion Team) activities can be helpful to advance the sustainability management.
- The report describes Mirae asset securities' key sustainability performance in 2022 and expresses its efforts to advance its activities. At the same time, deriving underperforming sustainability issues and specifying related mid- to long-term strategies and goals can help ensure a balanced reporting.

## Statement of Independence and Competence

The assurer is an independent professional institution that specializes in quality, environment, safety and health, energy and anti-bribery, compliance related ESG management with almost 120 years history in providing independent assurance services. No member of the assurance team has a business relationship with Mirae asset securities. The assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as AA1000AS assurer, have a lot of assurance experience, and understand the BSI Group's assurance standard methodology.

## Evaluation against GRI 'In Accordance' Criteria

The assurer confirmed that this report is prepared in accordance with the GRI Standards, and the disclosures related to the following Universal Standards and Topic Standards Indicators based on the data provided by Mirae asset securities, the sector standard was not applied.

### [Universal Standards]

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

### [Topic Standards]

201-1~2, 202-1, 203-1~2, 205-1~3, 206-1, 207-1~4, 302-1~5, 303-3~5, 305-1~5, 306-3, 401-1~3, 403-1~10, 404-1~3, 405-1~2, 406-1, 407-1, 408-1, 409-1, 411-1, 413-1, 415-1, 417-2~3, 418-1

31th May 2023

BSI Group Korea  
Managing Director S. H. Lim



# GRI Index

• **Statement of Use**

Reporting organization Mirae Asset Securities reports this information by applying the GRI Standards criteria in reporting sustainable management content during the period from January 1, 2022 to December 31, 2022.

• **GRI 1 used**

GRI 1: Foundation 2021

• **Applicable GRI Sector Standards**

N/A

2022 Business Report (KOR ver. Only)  
PDF Download



2022 Annual Report on  
Corporate Governance  
and Compensation PDF  
Download



| Universal Standards(GRI 2, 3)    |  |                                 |  |   |  |   |
|----------------------------------|--|---------------------------------|--|---|--|---|
| GRI Standards                    | Category                                     | Disclosure                      | Indicators   | Page  | Note   |   |
| GRI 2 : General Disclosures 2021 | The organization and its reporting practices | 2-1                             | Organizational details   | 5   | Company Overview   |   |
|                                  |  | 2-2                             | Entities included in the organization's sustainability reporting | 110   | About This Report  |   |
|                                  |  | 2-3                             | Reporting period, frequency and contact point                    | 110   | About This Report  |   |
|                                  |  | 2-4                             | Restatements of information                                      | -   | No significant changes   |   |
|                                  |  | 2-5                             | External assurance   | 94, 100-101   | Greenhouse Gas Assurance Statement, Independent Assurance Statement  |   |
|                                  | Governance                                   | Governance                      | 2-6  | Activities, value chain and other business relationships                    | 11~12, 64~68   | Sustainable Value Chain, Business Overview, Performance and Strategy                        |
|                                  |  |                                 | 2-7  | Employees   | 91~92  | Economic and Social Performance   |
|                                  |  |                                 | 2-8  | Workers who are not employees   | -  | Insufficient information  |
|                                  |  |                                 | 2-9  | Governance structure and composition  | 16   | Composition of BOD  |
|                                  |  |                                 | 2-10   | Nomination and selection of the highest governance body                     | Annual Report on Corporate Governance and Compensation 43~44   | Composition of Corporate Governance & Nomination Committee, Activity Details and Evaluation |
|                                  |  |                                 | 2-11   | Chair of the highest governance body  | 16   | Composition of BOD  |
|                                  |  |                                 | 2-12   | Role of the highest governance body in overseeing the management of impacts | 14, 17, 34   | ESG Committee Roles   |
|                                  |  |                                 | 2-13   | Delegation of responsibility for managing impacts                           | 14, 17, 34   | ESG Committee Roles   |
|                                  |  |                                 | 2-14   | Role of the highest governance body in sustainability reporting             | 14   | ESG Management Governance   |
|                                  |  |                                 | 2-15   | Conflicts of interest   | 15, 18   | Independence of Board, Preventing Conflict of Interest                                      |
|                                  |  | 2-16                            | Communication of critical concerns                               | Annual Report on Corporate Governance and Compensation 154~155              | ESG Committee Activity Details and Evaluation  |   |
|                                  |  | 2-17                            | Collective knowledge of the highest governance body              | 16, 54  | Composition of BOD, Program for Employee Growth ESG part   |   |
|                                  |  | 2-18                            | Evaluation of the performance of the highest governance body     | Annual Report on Corporate Governance and Compensation 108~110              | Evaluation and Compensation of BOD   |   |
|                                  |  | 2-19                            | Compensation policies  | Annual Report on Corporate Governance and Compensation 166~169              | Compensation System  |   |
|                                  |  | 2-20                            | Process to determine compensation                                | Annual Report on Corporate Governance and Compensation 166~169              | Compensation System  |   |
|                                  | 2-21   | Annual total compensation ratio | 18   | Executive Performance Evaluation and Compensation (including CEO)           |  |   |
|                                  | Strategy, policies and practices             | 2-22                            | Statement on sustainable development strategy                    | 10  | ESG Mid-to Long-term Strategies / ESG Policy Framework   |   |
|                                  |  | 2-23                            | Policy commitments   | 10~12, 19~24  | ESG Mid-to Long-term Strategies, Sustainable Value Chain, Ethical Management                                       |   |
|                                  |  | 2-24                            | Embedding policy commitments                                     | 19~24   | Ethical Management   |   |
|                                  |  | 2-25                            | Processes to remediate negative impacts                          | 25~28   | Risk Management  |   |
|                                  |  | 2-26                            | Mechanisms for seeking advice and raising concerns               | 19, 24~26, 56   | Ethical Management, Ethics & Compliance Report, Risk Management, Risk Management System, Grievance Handling System |   |
|                                  |  | 2-27                            | Compliance with laws and regulations                             | Business Report 650~652   | Matters related to sanctions etc   |   |
|                                  | Stakeholder engagement                       | 2-28                            | Membership associations  | 109   | Association Membership Status  |   |
|                                  |  | 2-29                            | Approach to stakeholder engagement                               | 99  | Stakeholders Engagement  |   |
|                                  |  | 2-30                            | Collective bargaining agreements                                 | 56, 92  | Establishing Trust between Employees and Management, Labor union membership rate                                   |   |
| GRI 3 : Material Topics 2021     | Disclosures on material topics               | 3-1                             | Process to determine material topics                             | 96  | Double Materiality Test Process  |   |
|                                  |  | 3-2                             | List of material topics  | 98  | Top 10 Key Issues  |   |
|                                  |  | 3-3                             | Management of material topics                                    | 98  | Management of Materiality Issues   |   |

# GRI Index

## Topic-specific Standards

| Economic Performance(GRI 200)            |            |   |              |   |
|--|------------|---|--------------|---|
| GRI Standards                            | Disclosure | Indicators  | Page         | Note  |
| GRI 201 : Economic Performance 2016      | 201-1      | Direct economic value generated and distributed                                 | 14, 76-89    | Reinforcing Shareholder Return Policy, Improvement of Dividend System, Financial Review     |
|  | 201-2      | Financial implications and other risks and opportunities due to climate change  | 34-42        | TCFD Report   |
| GRI 202 : Market Presence 2016           | 202-1      | Ratios of standard entry level wage by gender compared to local minimum wage    | 92           | Social Achievements (Percentage of starting salaries for new employees to the minimum wage) |
| GRI 203 : Indirect Economic Impacts 2016 | 203-1      | Infrastructure investments and services supported                               | 33, 43       | Climate Engagement, Inclusive Growth  |
|  | 203-2      | Significant indirect economic impacts   | 11~12, 34-42 | Sustainable Value Chain, TCFD Report  |
| GRI 205 : Anti-Corruption 2016           | 205-1      | Operations assessed for risks related to corruption                             | 20-21        | Internal Control System   |
|  | 205-2      | Communication and training about anti-corruption policies and procedures        | 22-23        | Ethics and Compliance Culture   |
|  | 205-3      | Confirmed incidents of corruption and actions taken                             | 24           | Ethics & Compliance Report  |
| GRI 206 : Anti-Competitive Behavior 2016 | 206-1      | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | -            | No such case  |
|  | 207-1      | Approach to tax   | 24, 93       | Fulfillment of Tax Obligations, Tax Policy  |
| GRI 207 : Tax 2019                       | 207-2      | Tax governance, control, and risk management                                    | 93           | Tax Policy  |
|  | 207-3      | Stakeholder engagement and management of concerns related                       | 91, 93       | Economic Achievements (Value Distribution Among Stakeholders), Tax Policy                   |
|  | 207-4      | Contry-by-country reporting   | 91           | Economic Achievements (Regional Corporate Tax Expenses)                                     |

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| Economic Performance(GRI 300)      |            |  |       |   |
|------------------------------------|------------|--|-------|---|
| GRI Standards                      | Disclosure | Indicators   | Page  | Note  |
| GRI 302 : Energy 2016              | 302-1      | Energy consumption within organization                     | 39    | Internal Greenhouse Gas Management Indicators and Targets                                   |
|                                    | 302-2      | Energy consumption outside of the organization             | 39    | Internal Greenhouse Gas Management Indicators and Targets                                   |
|                                    | 302-3      | Energy intensity   | 39    | Energy consumption  |
|                                    | 302-4      | Reduction of energy consumption                            | 40    | Science-based reduction targets for internal greenhouse gases                               |
|                                    | 302-5      | Reductions in energy requirements of products and services | 41-42 | Financed Emission Metrics and Targets of Investment Portfolio                               |
| GRI 303 : Water and Effluents 2018 | 303-3      | Water withdrawal   | 39    | 100% tap water and sewage   |
|                                    | 303-4      | Water discharge  | 39    | Wastewater is treated by a wastewater treatment plant operated by a local autonomous entity |
|                                    | 303-5      | Water consumption  | 39    | Circular economy management   |
| GRI 305 : Emissions 2016           | 305-1      | Direct (Scope 1) GHG emissions                             | 39    | Direct emissions (Scope 1)  |
|                                    | 305-2      | Energy indirect (Scope 2) GHG emissions                    | 39    | Indirect emissions (Scope 2)  |
|                                    | 305-3      | Other indirect (Scope 3) GHG emissions                     | 39    | Other indirect emissions (Scope 3)  |
|                                    | 305-4      | GHG emissions intensity                                    | 39    | Greenhouse Gas Emission   |
|                                    | 305-5      | Reductions of GHG emissions                                | 40    | Science-based reduction targets for internal greenhouse gases                               |
| GRI 306 : Waste 2020               | 306-3      | Waste generated  | 39    | Internal Greenhouse Gas Management Indicators and Targets / Circular economy management     |

# GRI Index

## Topic-specific Standards

| Social Performance(GRI 400)                                    |            |  |                         |  |
|--|------------|--|-------------------------|--|
| GRI Standards  | Disclosure | Indicators   | Page                    | Note   |
| GRI 401: Employment 2016                                       | 401-1      | New employee hires and employee turnover   | 91-92                   | Social Achievements (Newly hired employees, Turnover rate)   |
|  | 401-2      | Benefits provided to full-time employees that are not provided to temporary or part-time employees             | 54-56                   | Talent Development and Support Program   |
|  | 401-3      | Parental leave   | 56, 91-92               | Parenthood Protection System, Social Achievements (parental leave)   |
| GRI 403: Occupational Health and Safety 2018                   | 403-1      | Occupational health and safety management system   | 57                      | Occupational Health and Safety System  |
|  | 403-2      | Hazard identification, risk assessment, and incident investigation   | 57                      | Major Activities for Health and Safety   |
|  | 403-3      | Occupational health services   | 57                      | Major Activities for Health and Safety   |
|  | 403-4      | Worker participation, consultation, and communication on occupational health and safety                        | 57                      | Major Activities for Health and Safety   |
|  | 403-5      | Worker training on occupational health and safety  | 57                      | Major Activities for Health and Safety   |
|  | 403-6      | Promotion of worker health   | 57                      | Major Activities for Health and Safety   |
|  | 403-7      | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships  | 57                      | Major Activities for Health and Safety   |
|  | 403-8      | Workers covered by an occupational health and safety management system   | 57                      | Creating a Safe and Healthy Workplace  |
|  | 403-9      | Work-related injuries  | 92                      | Social Achievements (Industrial accidents)   |
|  | 403-10     | Work-related ill health  | 92                      | Social Achievements (Industrial accidents)   |
| GRI 404: Training and Education 2016                           | 404-1      | Average hours of training per year per employee  | 92                      | Social Achievements (Employee Training)  |
|  | 404-2      | Programs for upgrading employee skills and transition assistance programs                                      | 54-55                   | Talent Development and Support Program, Retiree Support  |
|  | 404-3      | Percentage of employees receiving regular performance and career development reviews                           | 53-55, 92               | Fair Recruitment and Evaluation / Talent Development and Support Program / Social Achievements (Number of employees subject to performance evaluation) |
| GRI 405: Diversity and equal Opportunity 2016                  | 405-1      | Diversity of governance bodies and employees   | 16, 91-92               | Board of Directors Diversity / Social Achievements (Social minority groups, Diversity)   |
|  | 405-2      | Ratios of basic salary and compensation of women to men  | Business Report 618     | 2. Status of employees, etc  |
| GRI 406: Non-discrimination 2016                               | 406-1      | Incidents of discrimination and corrective actions taken   | 52                      | Human Rights Impact Assessment / No such case  |
| GRI 407: Freedom of Association and Collective Bargaining 2016 | 407-1      | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | 52                      | Human Rights Impact Assessment / No such case  |
| GRI 408: Child Labor 2016                                      | 408-1      | Operations and suppliers at significant risk for incidents of child labor                                      | 52                      | Human Rights Impact Assessment / No such case  |
| GRI 409: Forced or Compulsory Labor 2016                       | 409-1      | Operations and suppliers at significant risk for incidents of forced or compulsory labor                       | 52                      | Human Rights Impact Assessment / No such case  |
| GRI 411: Rights of Indigenous Peoples 2016                     | 411-1      | Incidents of violations involving rights of indigenous peoples   | 52                      | Human Rights Impact Assessment / No such case  |
| GRI 413: Local Communities 2016                                | 413-1      | Operations with local community engagement, impact assessments, and development programs                       | 52                      | Human Rights Impact Assessment / Local communities   |
| GRI 415: Public Policy 2016                                    | 415-1      | Political contributions  | 92                      | Comment on Status of Relevant Association Fee Expenses   |
| GRI 417: Marketing and Labeling 2016                           | 417-2      | Requirements for product and service information and labeling  | Business Report 650-652 | Matters related to sanctions, etc. / No such case  |
|  | 417-3      | Incidents of non-compliance concerning product and service information and labeling                            | Business Report 650-652 | Matters related to sanctions, etc. / No such case  |
| GRI 418: Customer Privacy 2016                                 | 418-1      | Substantiated complaints concerning breaches of customer privacy and losses of customer data                   | 30                      | IT/Cybersecurity Violations and Incident Status  |



# GRI Index

## Financial Service Sector Supplement

| Social Performance(GRI 400)   |   |  |  |               |  |
|---|---|--|--|---------------|--|
| GRI Standards   | Category  | Disclosure   | Indicators   | Page          | Note   |
| Financial service additional indicators   | Financial service sector specific disclosure on management approach | FS1  | Specific environmental and social factors applied to the overall business  | 10~12, 33, 43 | ESG Mid-to long-term Strategies, Sustainable Value Chain, Climate Engagement, Inclusive Growth |
|   |   | FS2  | Process to evaluate and detect environmental and social risks in an overall society  | 34, 37~38     | TCFD Report (Mirae Asset Securities' TCFD, Risk Management)                                    |
|   |   | FS3  | Process for monitoring client's implementation of and compliance with environmental and social requirements included in agreements or transactions | 37            | TCFD Report (ESP execution procedure)  |
|   |   | FS4  | Process for improving staff competency to implement the environmental and social policies and procedures as applied to business lines              | 37            | TCFD Report (Climate risk assessment & comprehensive management process)                       |
|   |   | FS5  | Interaction with customers, investees, business partners in relation to environmental and social risks and opportunities                           | 37~42         | TCFD Report  |
|   | Financial service sector specific performance indicator             | FS7  | Monetary value of products and services designed for realizing specific social benefits  | 11~12, 43     | Sustainable Value Chain, Inclusive Growth  |
|   |   | FS8  | Monetary value of products and services designed for realizing specific environmental benefits   | 11~12, 33     | Sustainable Value Chain, Climate Engagement  |
|   |   | Financial service sector specific on product responsibility society performance indicators | Society performance indicators   | FS14          | Plan for improving accessibility of financial services for the economically disadvantaged      |
| Financial service sector specific disclosure on management approach             | Product responsibility performance disclosures                      | FS15   | Fair design and sales policy for financial products and services   | 45            | Client-centric product supply process  |
| Financial service sector specific product responsibility performance indicators | Product responsibility performance indicators                       | FS16   | Plan for improving financial knowledge of beneficiaries by type  | 49            | Cultural Dissemination for Customer Protection   |

GRI Index ◀

# UNGC & UN SDGs

Mirae Asset Securities joined the UN Global Compact (UNGC), a voluntary corporate initiative that calls for corporations to assume social responsibility in 2006. By abiding by its ten principles concerning human rights, labor, the environment, and anti-corruption, we are taking part in global standards on corporate social responsibility and declaring our strong determination to practice sustainability management.

## UNGC

| Classification  | Principles  | Mirae Asset Securities Activities  | Page      |
|-----------------|---|--|-----------|
| Human rights    | • We should support and respect the protection of internationally proclaimed human rights.                  | • Establish human rights protection principles in accordance with global standards and apply them to all business sites  | 51        |
|                 | • We make sure that they are not complicit in human rights abuses.  | • Identify human rights issues across the business activities through the human rights impact evaluation, and carry out corrective measures  | 52        |
| Labor           | • We uphold the freedom of association and the effective recognition of the right to collective bargaining. | • Build trust between labor and business by regular operating the Labor Management Council   | 52, 56    |
|                 | • We eliminate all forms of forced and compulsory labor.  | • Strictly ban and control child labor and forced labor across the business activities   | 51-52     |
|                 | • We effectively abolish child labor.   |  |           |
| Environment     | • We eliminate discrimination in respect of employment and occupation.                                      | • Based on the organizational culture of respect and consideration, respect the autonomy and creativity of all employees and prohibit discrimination according to academic background, gender, religion, age, etc  | 52, 56    |
|                 | • We should support a precautionary approach to environmental challenges.                                   | • Impement ESG environment campaign 5 promises of green office-oriented employees  | 33        |
|                 | • We undertake initiatives to promote greater environmental responsibility.                                 | • Increase social contribution activities such as plogging, forest cultivation, donation of goods for resource circulation, and purchas of promotional materials for eco-friendly-social enterprises   | 33, 61    |
| Anti-corruption | • We encourage the development and diffusion of Eco-friendly technologies.                                  | • Implement impact investment related to eco-friendly projects, advisory services on renewable energy, and provision of eco-friendly financial products  | 11-12, 36 |
|                 | • We work against corruption in all its forms, including extortion and bribery.                             | • Implement management and supervision of ethics & compliance by operating the Internal Control Committee and Compliance Committee<br>• In addition to operation of 'Ethics and Compliance Pledge', an ethical management reinforcement program, carry out activities to spread ethics and compliance culture through regular training for all employees | 19-24     |

UNGC & UN SDGs ◀

## UN SDGs

| Classification | Principles  | Mirae Asset Securities Activities  | Page   |
|----------------|---|--|--------|
| Goal 04        | • Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all  | • Provide financial education to the financially vulnerable (One Company One School, operation of the financial education specialists, posting videos of financial consumer protection education on YouTube) | 43, 49 |
|                |   | • Supporting sholarship programs and future generations  | 59-60  |
| Goal 05        | • Achieve gender equality and empower all women and girls   | • Provide educational opportunities without discrimination of gender, position, and contract type<br>• Provide educational programs for employee growth and work-life balance                                | 54     |
| Goal 07        | • Ensure access to sustainable energy for all   | • Recruitment based on job-oriented competency evaluation without restrictions on gender, age, etc   | 53     |
| Goal 08        | • Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all  | • Participate in renewable energy generation projects and investment in eco-friendly theme such as providing financial advisory services for renewable energy  | 33     |
| Goal 09        | • Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation   | • Expansion of global, IT and digital workforce  | 53     |
| Goal 10        | • Reduce inequality within and among countries  | • Social responsibility investment (invest in potential SMEs and ventures)   | 43     |
| Goal 12        | • Ensure sustainable consumption and production patterns  | • Conduct fair employment and performance evaluation   | 53     |
| Goal 13        | • Take urgent action to combat climate change and its impacts   | • Purchase office supplies and promotional items with eco-friendly products  | 33     |
| Goal 16        | • Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels | • Conduct strategic climate crisis response activities based on global initiatives such as TCFD and PCAF<br>• Implement GHG emissions reduction and energy saving activities through energy management       | 34-42  |
|                |   | • Strictly ban and control issues of child and forced labor and human trafficking  | 51-52  |

# SASB Index



| Asset Management & Custody Activities  |              |  | Mirae Asset Securities Activities   |
|--|--------------|--|---|
| TOPIC  | CODE         | Accounting METRIC  |   |
| Transparent Information & Fair Advice for Customers  | FN-AC-270a.1 | (1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumerinitiated complaints, private civil litigations, or other regulatory proceedings  | • For information related to measures taken on employees, refer to pages 650-652 of the 2022 business report.   |
|  | FN-AC-270a.2 | Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers   | • For information related to major litigations, refer to pages 650-652 of the 2022 business report.   |
|  | FN-AC-270a.3 | Description of approach to informing customers about products and services   | • For information related to financial consumer protection, refer to pages 46-50 of this report.  |
| Employee Diversity & Inclusion   | FN-AC-330a.1 | Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees   | • For information related to employee diversity, refer to pages 91-92 of this report.   |
| Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory | FN-AC-410a.1 | Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing, and (3) screening   | • For information related to the size of ESG financial positions, refer to pages 11, 36 of this report.   |
|  | FN-AC-410a.2 | Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies  | • Mirae Asset Securities is the first Korean securities company to establish the Environmental & Social Policy (ESP) Statement in March 2021, which establishes a process to proactively identify non-financial risks including ESG factors. For detailed information, refer to pages 37-38 of this report. |
| Business Ethics  | FN-AC-510a.1 | Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations | • For information related to major litigations, refer to pages 650-652 of the 2022 business report.   |
|  | FN-AC-510a.2 | Description of whistleblower policies and procedures   | • For information on whistleblowers, refer to page 24 of this report.   |

| Investment Banking & Brokerage  |              |  | Mirae Asset Securities Activities  |
|---|--------------|--|--|
| TOPIC   | CODE         | Accounting METRIC  |  |
| Employee Diversity & Inclusion  | FN-IB-330a.1 | Percentage of gender and racial/ethnic group representation for (1) executive management, (2) nonexecutive management, (3) professionals, and (4) all other employees  | • For information related to employee diversity, refer to pages 91 of this report.   |
| Incorporation of Environmental, Social, and Governance Factors in Investment Banking & Brokerage Activities | FN-IB-410a.1 | Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions incorporating integration of environmental, social, and governance (ESG) factors, by industry   | • Mirae Asset Securities' ESP is applied to all underwriting, arrangement, advisory, investment, and loan activities. For the size of ESG financial positions, refer to page 10-11 of this report and for detailed information, refer to pages 36 of this report.  |
|   | FN-IB-410a.2 | (1) Number and (2) total value of investments and loans incorporating integration of environmental, social, and governance (ESG) factors, by industry  |  |
|   | FN-IB-410a.3 | Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities   |  |
| Business Ethics   | FN-IB-510a.1 | Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations | • For information related to major litigations, refer to pages 650-652 of the 2022 business report.  |
|   | FN-IB-510a.2 | Description of whistleblower policies and procedures   | • For information on whistleblowers, refer to page 24 of this report.  |
| Professional Integrity  | FN-IB-510b.1 | (1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumerinitiated complaints, private civil litigations, or other regulatory proceedings  | • For information related to measures taken on employees, refer to page 650-652 of the 2022 business report.   |
|   | FN-IB-510b.2 | Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party   | • Any matters related to mediation or settlement in terms of work ethics did not occur in the year covered under this  |
|   | FN-IB-510b.3 | Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care  | • For information related to major litigations, refer to page 650-652 of the 2022 business report.   |
|   | FN-IB-510b.4 | Description of approach to ensuring professional integrity, including duty of care   | • Mirae Asset Securities operates the Internal Control Committee and Compliance Council to internalize work ethics at the company-wide level. For detailed information, refer to pages 19-24 of the report.  |
| Activity Metrics  | FN-IB-000.A  | (1) Number and (2) value of (a) underwriting, (b) advisory, and (c) securitization transactions<br>* For syndicate transactions, the entity shall include only the value for which it was accountable                                    | <ul style="list-style-type: none"> <li>• IPO underwriting: 16 cases, KRW 508 billion</li> <li>• Lead underwriter for domestic bonds: 23 cases, KRW 1,469 billion</li> <li>• Rights issues underwriting: 4 cases, KRW 387 billion</li> <li>• Financial advisory on corporate acquisition and sales: 2 cases, KRW 1,049 billion</li> </ul> |

# TCFD Index

| TCFD Recommendation | Required information  | CDP                             | Page  |
|---------------------|---|---------------------------------|-------|
| Governance          | a) Describe the board's oversight of climate-related risks and opportunities  | C1.1a, C1.1b                    | 34    |
|                     | b) Describe management's role in assessing and managing climate-related risks and opportunities   | C1.2                            |       |
| Strategy            | a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term                               | C2.1a, C2.3a, C2.4a             | 35~36 |
|                     | b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning                        | C2.1b, C2.3a, C2.4a             |       |
|                     | c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario | C3.1                            |       |
| Risk Management     | a) Describe the organization's processes for identifying and assessing climate-related risks  | C2.2, C2.2a                     | 37~38 |
|                     | b) Describe the organization's processes for managing climate-related risks   | C2.2, C2.2a                     |       |
|                     | c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management     | C2.2                            |       |
| Metrics & Targets   | a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process    | C4.2                            | 39~42 |
|                     | b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks  | C6.1, C6.3, C6.5                |       |
|                     | c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets                          | C4.1, C4.1a, C4.2, C4.2a, C4.2c |       |

TCFD Index ◀



# Membership & Awards

## Association Membership Status

|    |  |
|----|--|
| 01 | ISDA   |
| 02 | UN Global Compact  |
| 03 | Korea Center for International Finance                   |
| 04 | Korea Financial Telecommunications & Clearings Institute |
| 05 | Financial Security Institute                             |
| 06 | Financial Security Forum                                 |
| 07 | Financial Institute Security Association                 |
| 08 | Committee on Financial Informatization Promotion         |
| 09 | Korea Chamber of Commerce & Industry                     |
| 10 | Seoul IB Forum   |
| 11 | Seoul Financial Forum                                    |
| 12 | Korea Capital Market Institute                           |
| 13 | The Federation of Korean Industries                      |
| 14 | Korea Federation of Banks                                |
| 15 | Association of Compliance Officers                       |
| 16 | Korea Association for Chief Financial Officers           |
| 17 | Korea Enterprises Federation                             |
| 18 | Leading Future Agendas of Business & Society             |
| 19 | Financial Information Society of Korea                   |
| 20 | Korea Financial Investment Association                   |
| 21 | Korea Money and Finance Association                      |
| 22 | Korea Listed Companies Association                       |
| 23 | Korean Pension Association                               |
| 24 | Korean Finance Association                               |
| 25 | Federation of Middle Market Enterprises of Korea         |
| 26 | Korean Securities Association                            |
| 27 | Korea Derivatives Association                            |

Membership & Awards ◀

## Awards Received in 2022

| Month | Award name  | Organizer                           |
|-------|---|-------------------------------------|
| 01    | Awarded the IB Award in the IPO Category at the 11th Yonhap Infomax Financial Awards                          | Yonhap Infomax                      |
|       | Awarded in 5 categories at the 2022 Korea Capital Markets The Bell League Table Awards                        | The Bell                            |
|       | Won the Best Real Estate Finance Leader Category at the 19th Korea IB Awards                                  | Money Today                         |
|       | Awarded the Grand Prize in the Financial Investment Category at the 10th Financial Consumer Protection Awards | Korea Economic Daily                |
| 02    | Awarded the Best Financial Advisory Award in Real Estate IB at the 2022 Real Estate IB Awards                 | e-DNEWS                             |
|       | Won the IPO Category at the 13th Korea IB Awards  | Newsis                              |
|       | Won the Best Sales Company Category at the 21st Korea Fund Awards   | Maeil Business News                 |
|       | Awarded the Retirement Pension House of the Year at the 2022 Korea Wealth Management Awards                   | The Bell                            |
| 03    | Awarded the National Policy Committee Chairman Award at the 4th Job Creation Awards                           | Newsis                              |
|       | Awarded the IT Innovation Award at the 2022 Maeil Business News Securities Awards                             | Maeil Business News                 |
| 04    | Won the Best IB Category at the 10th Capital Market Awards  | NewsPim                             |
|       | Awarded the Grand Prize at the K-NBA 2022 Korea-National Brand Awards   | Chosun Ilbo/New York Festival       |
|       | Awarded the Excellence Prize in the Securities Category at the 2nd Leading Finance ESG Awards                 | MoneyS                              |
|       | Won the ESG Category (Korea Exchange Chairman's Award) at the 2022 Financial Investment Awards                | eDaily                              |
| 05    | Won the Financial Category at the JoongAng ESG Awards for two consecutive years                               | JoongAng Ilbo                       |
|       | Awarded the Financial Consumer Protection Award at the 15th Herald Economy Capital Market Awards in 2022      | Herald Economy                      |
| 06    | Awarded the Special Award at the 2022 ESG Korea Awards  | Hans Biz                            |
|       | Awarded the Grand Prize at the 8th Maeil Business News Retirement Pension Awards                              | Maeil Business News                 |
| 09    | Awarded the Special Award in the Global Research Category at the MTN Best Analyst Awards                      | MTN                                 |
|       | Awarded the WM Excellence Award in the Capital Market Category at the 2022 Global Finance Expo                | Asia Today                          |
|       | Awarded the 1st place in the Securities Company Category at the 2022 Brand Selected by Consumer               | Consumer News                       |
| 10    | Awarded the 1st place in the 2022 Good Securities Company rankings  | Korea Financial Consumer Federation |
|       | Awarded the MTS Grand Prize at the 2022 Asia Smart Finance Awards   | Asia Business Daily                 |
| 11    | Awarded the Grand Prize at the Herald Investment Awards   | Herald Economy                      |
|       | Awarded the Excellence Prize at the 10th Best MTS Awards  | Money Today                         |
|       | Awarded the Grand Prize in the Governance (G) Category at the Board Activities Section at the 2022 ESG Awards | Chosun Biz                          |
|       | Awarded the Excellence Prize in the Smart Finance Category at the 2022 Global Financial Awards                | Korea Business News                 |
| 12    | Awarded the Grand Prize at the 12th Market Leader of the Year Awards  | EToday                              |
|       | Won the Retirement Pension OCIO Category at the 2022 Korea Securities Awards                                  | Seoul Economic Daily                |
|       | Awarded the Best Fund Sales Company Award at the 2022 Korea Fund Awards                                       | Money Today                         |
|       | Awarded the Grand Prize at the 2022 Asia Capital Investment Awards  | Asia Today                          |
|       | Awarded the Excellence Prize at the 11th Financial Consumer Protection Awards                                 | Korea Economic Daily                |

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# About This Report

## About

Mirae Asset Securities has published the '2023 Mirae Asset Securities Integrated Report' to transparently communicate with stakeholders about sustainable management performance.

This Report is the 12th publication since Mirae Asset Securities became the first Korean securities company to publish a Sustainability Report in 2006. Starting from 2018, the report has been published annually in the form of an Integrated Report, which includes the contents of the Annual Report.

Through a double materiality assessment that measures financial impacts and social/environmental impacts, we have provided a more detailed account of the key issues for sustainable management.

## Compilation Standards

This Report was prepared in accordance with the reporting approach of the Global Reporting Initiative (GRI) Standards 2021, which is a global writing standard for sustainability reporting, and reference was made to the Sustainability Accounting Standards Board (SASB) standards. It also reflects the 10 principles of the UN Global Compact.

## Reporting Period

This Report covers the sustainable management activities and performance from Jan. 1, 2022, to Dec. 31, 2022, in accordance with the GRI Standards. It also includes key information from the first half of 2023. For some quantitative items, 3 years of data from 2020 onwards have been disclosed to facilitate trend comparison. Any information that does not comply with the aforementioned criteria has been separately indicated with footnotes.

## Reporting Scope

The non-financial performance included in this Report encompasses information from Mirae Asset Securities' headquarters, customer centers, Korean branches, overseas subsidiaries, and overseas offices, which collectively represent the entire operational activities of Mirae Asset Securities domestically and internationally. However, due to physical limitations in data management and calculation, for overseas operations such as overseas subsidiaries and overseas offices where data collection is challenging, only management performance is reported.

## Report Verification

In order to enhance the internal and external credibility of the Report, a third-party verification process was conducted through the professional verification organization BSI. Detailed verification opinions can be found on pages 100 to 101 of this Report.

## Report-related Inquiries

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# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 1. Reporting Entity

### (1) Parent company

Mirae Asset Securities Co., Ltd. (the "Company") was originally incorporated on September 23, 1970, under the name of Dong Yang Securities Co., Ltd. and changed its name to Daewoo Securities Co., Ltd. on October 20, 1983. The Company merged with Sambo Securities Co., Ltd. on December 19, 1983, and changed its name to Mirae Asset Daewoo Co., Ltd. on May 13, 2016. In addition, the Company merged with Mirae Asset Securities Co., Ltd. on December 29, 2016, and changed its name to Mirae Asset Securities Co., Ltd. on March 24, 2021.

The Company is headquartered in Suha-dong, Jung-gu, Seoul and also operates a network of 78 domestic branches, 3 overseas liaison offices, 11 overseas subsidiaries as of December 31, 2022.

The shares of the Company were initially listed on the Korea Exchange in September 1975, and the Company has increased its capital by issuing new paid-in shares, bonus issue, and stock dividend, etc. The Company's outstanding capital (including preferred shares) as of December 31, 2022, amounted to ₩ 4,101,961 million, and major shareholders of the Company as of December 31, 2022, are as follows:

| Name of shareholder                  | Number of Shares   | Percentage of ownership (%) |
|--------------------------------------|--------------------|-----------------------------|
| Mirae Asset Capital Co., Ltd.        | 169,217,305        | 27.50                       |
| Treasury stock                       | 146,035,874        | 23.73                       |
| Employee stock ownership association | 763,306            | 0.12                        |
| Others                               | 299,299,923        | 48.65                       |
|                                      | <b>615,316,408</b> | <b>100.00</b>               |

### (2) Subsidiaries

#### 1) Mirae Asset Venture Investment Co., Ltd.

Mirae Asset Venture Investment Co., Ltd. was founded on June 8, 1999, to primarily support the establishment of smaller businesses and registered as an Investment Company for the Establishment of Small and Medium Enterprise with the Small and Medium Business Administration on June 28, 1999. The entity is mostly engaged in projects regarding investments and venture capital fund managements for small businesses. The entity's headquarters is located at Seongnam City, Gyeonggi Province. The company was listed on the Korea Exchange in March 2019. The entity had ₩ 10,000 million as capital at the time of establishment, and with issuances of new stocks, the entity has ₩ 48,480 million of common stocks and ₩ 500 million of preferred stocks of paid-in capital, as of December 31, 2022.

#### 2) Mirae Asset Securities (UK) Ltd.

Mirae Asset Securities (UK) Ltd. was established by the Company on May 3, 1991, and it is engaged in securities brokerage, sale, acquisition and arrangement of proprietary assets, etc. The entity changed its name from Daewoo Securities (Europe) Ltd. to Mirae Asset Securities (UK) Ltd. on November 28, 2016.

#### 3) Mirae Asset Securities (USA) Inc.

Mirae Asset Securities (USA) Inc. is wholly owned by Mirae Asset Securities Holdings (USA) Inc. Established on July 7, 1992, it is engaged in securities brokerage, sale of proprietary assets, etc. The entity changed its name from Daewoo Securities (America) Inc. to Mirae Asset Securities (USA) Inc. on November 28, 2016.

#### 4) Mirae Asset Securities (HK) Limited

Mirae Asset Securities (HK) Limited was established by the Company, and it obtained a permission for operation from relevant authorities in Hong Kong on January 11, 2007. It is engaged in securities brokerage, proprietary trading, corporate finance consulting, and asset management etc. Upon the merge with Daewoo Securities (Hong Kong) Ltd., the entity changed its name from Mirae Asset Wealth Management (HK) Limited to Mirae Asset Securities (HK) Limited on March 1, 2017.

#### 5) Mirae Asset Wealth Management (Brazil) CCTVM

Mirae Asset Wealth Management (Brazil) CCTVM was established through a merger between Mirae Asset Brazil Holdings, a holding company controlled by Mirae Asset Securities (HK) Limited in order to operate securities brokerage business in Brazil, and Mirae Asset Securities (Brazil) CCTVM LTDA for overall business on the region on February 25, 2014. The entity was renamed from Mirae Asset Securities (Brazil) CCTVM to Mirae Asset Wealth Management (Brazil) CCTVM on February 9, 2015.

#### 6) PT. Mirae Asset Sekuritas Indonesia

PT. Mirae Asset Sekuritas Indonesia was established by Mirae Asset Securities (HK) Limited on August 1, 2013. It is engaged in securities brokerage, sale, acquisition and proprietary trading, consulting, etc. The entity is renamed from PT. Daewoo Securities Indonesia to PT. Mirae Asset Sekuritas Indonesia on December 26, 2016.

#### 7) Mirae Asset MAPS Frontier US Private Real Estate Investment Trust 6-2

Mirae Asset MAPS Frontier US Private Real Estate Investment Trust 6-2 is a collective investment securities designed to invest in Fairmont Hotel located in San Francisco, USA on September 21, 2015. The Company holds its equity in the amount of ₩ 127,823 million (book value) which is 99.92% of equity interest as of December 31, 2022.

#### 8) Mirae Asset MAPS Frontier US Private Real Estate Investment Trust 7

Mirae Asset MAPS Frontier US Private Real Estate Investment Trust 7 is a collective investment securities designed to invest in Hyatt Regency Waikiki Hotel located Oahu Waikiki beach in Hawaii, USA on May 30, 2016. The Company holds its equity in the amount of ₩ 460,227 million (book value) which is 99.83% of its total shares as of December 31, 2022.

# Notes to the Consolidated Financial Statements

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## 2. Basis of preparation

### (1) The application of the accounting standard

The Company and its subsidiaries (the "Group") maintains its accounting records in Korea won and prepares statutory financial statements in the Korean language (Hangul) in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (K-IFRS). The accompanying consolidated financial statement have been condensed, restructured and translated into English from the Korean language financial statements.

Certain information attached to the Korean language financial statements, but not required for a fair presentation of the Group's financial position, financial performance or cash flows, is not presented in the accompanying consolidated financial statements.

The consolidated financial statements of the Group have been prepared in accordance with K-IFRS as prescribed in the Act on External Audits of Stock Companies in Republic of Korea. These are the standards, subsequent amendments and related interpretations issued by the International Accounting Standards Board (IASB) that have been adopted by the Republic of Korea.

The consolidated financial statements were authorized for issue by the BOD on January 26, 2023, which will be submitted for approval to the stockholder's meeting to be held on March 23, 2023.

### (2) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- Derivative financial instruments
- Financial instruments measured at fair value through profit or loss
- Financial assets measured at fair value through other comprehensive income
- Share-based payments measured at fair value
- Defined benefit liabilities - the net amount of defined benefit obligation

### (3) Functional and presentation currency

The Company's financial statements are prepared using the functional currency that is the respective currency of the primary economic environment in which the Company operates. The Company's consolidated financial statements are presented in Korean Won("₩"), which is the Company's functional and presentation currency.

### (4) Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with K-IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. If estimates and assumptions based on

management's best judgment as of the end of the reporting period differ from the actual environment, these estimates and actual results may differ.

Estimates and underlying assumptions are evaluated on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Information about significant judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

- Note 3. (7) - Non-derivative financial assets
- Note 3. (8) - Derivative financial assets and hedge accounting
- Note 3. (9) - Fair value of financial instruments
- Note 3. (10) - Impairment of financial assets
- Note 3. (14) - Investment property
- Note 3. (16) - Impairment of non-financial assets
- Note 3. (17) - Non-derivative financial liabilities
- Note 3. (18) - Hybrid financial instruments
- Note 3. (20) - Employee benefits
- Note 3. (22) - Provisions
- Note 3. (28) - Income tax

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next fiscal year is included in the following notes:

- Note 3. (20): Employee benefits
- Note 3. (28): Income tax
- Note 11: Financial assets measured at amortized cost
- Note 12: Fair value of financial asset and liability
- Notes 24 and 47: Provisions, commitments and contingencies
- Note 48: Share-based payment

The spread of COVID-19 during 2022 is having a significant impact on domestic and foreign economies. This may have a negative impact on the Group's financial position and financial performance. Significant accounting estimates and assumptions used in preparing consolidated financial statements may be adjusted according to changes in uncertainty caused by the COVID-19, and the ultimate impact of the COVID-19 on the Group's business, financial status, and business performance is unpredictable as of December 31, 2022.



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## 3. Significant accounting policies

Except for the new standards and the amendments to existing standards as described in note 4 to the consolidated financial statements, which were applied from January 1, 2022, the accounting policies applied by the Group in preparing the 2022 consolidated financial statements are consistent with prior year. Significant accounting policies applied by the Group are as follows:

### (1) Basis of consolidation

The consolidated financial statements integrate the financial statements of the company and those of its subsidiaries. The Group controls an investee if the Group has 1) Power over the investee 2) Exposure, or rights, to variable returns from its involvement with the investee, and 3) The ability to use its power over the investee to affect its returns. The Group reevaluates whether it controls over an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The Group with less than a majority of the voting rights has rights that are sufficient to give it power when the investor has the practical ability to direct the relevant activities unilaterally. When assessing whether the Group's voting rights are sufficient to give it power, the Group considers all facts and circumstances, including:

- The size of the investor's holding of voting rights relative to the size and dispersion of holdings of the other vote holders.
- Potential voting rights held by the investor, other vote holders or other parties.
- Rights arising from other contractual arrangements, and
- Any additional facts and circumstances that indicate the investor has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary. The carrying amount of the non-controlling interests is proportionate share of the recognized amount of the identifiable net assets at the acquisition date and the amount of change in equity related to non-controlling interest thereafter. The Group shall also attribute total comprehensive income to the owners of the company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If a subsidiary of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to the subsidiary's financial statements in preparing the consolidated financial statements.

All transactions between the group entities are eliminated upon consolidation.

The transactions of changes in the Group's ownership interest that do not result in a loss of control are accounted for as equity transactions. Changes in equity from subsidiary are accounted for by adjusting book value of controlling interest and non-controlling interest. The differences between the adjusted amount of the non-controlling interest and the fair value of the considerations are directly recognized to equity attributable to the Company.

If the Company loses control of a subsidiary it will recognize gains or losses from the disposal of its subsidiaries at the difference between 1) the fair value of the considerations received and 2) the carrying amounts of the assets (including any goodwill), liabilities of the subsidiary and non-controlling interests at the date when control is lost. If the Company loses control of a subsidiary, the Company shall account for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities. At the date of losing control over subsidiaries, the fair value of investment retained in the former subsidiary shall be regarded as the fair value on initial recognition of a financial asset in accordance with K-IFRS No.1109 or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

### (2) Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the fair values of the assets transferred by the Group at the acquisition date, liabilities incurred by the Group to the former owners of the acquiree and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with K-IFRS No.1012 Income Taxes and K-IFRS No.1019 Employee Benefits respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with K-IFRS No.1102 Share-based Payment at the acquisition date.

Goodwill is measured as the excess of the sum of a) the consideration transferred, b) the amount of any non-controlling interests in the acquiree and c) the fair value of the acquirer's previously held equity interest in the acquiree (if any), over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of a) the consideration transferred, b) the amount of any non-controlling interests in the acquiree and c) the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

# Notes to the Consolidated Financial Statements

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Non-controlling interests that are current ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either 1) at fair value or 2) at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. All other components of non-controlling interests are measured at the fair value at the acquisition date, unless other required by K-IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and is included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement-period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement-period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement-period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with K-IFRS No.1109 Financial Instruments, or K-IFRS No.1037 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognized in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e., the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group recognizes provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognized to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

### (3) Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The net profit or loss and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with K-IFRS No.1105 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and equity changes of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate or a joint venture recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and it undergoes impairment test as a part of the investment assets. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

Upon disposal of an associate or a joint venture that results in the Group losing significant influence over that associate or joint venture, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with K-IFRS No.1109 Financial Instruments. The difference between the previous carrying amount of the associate or joint venture attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate or joint venture on the same basis, the Group would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related

# Notes to the Consolidated Financial Statements

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assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as reclassification adjustment) when it loses significant influence over that associate or joint venture.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities. In addition, the Group applies K-IFRS No.1105 Non-current Assets Held for Sale and Discontinued Operations to a portion of investment in an associate or a joint venture that meets the criteria to be classified as held for sale.

The requirements of K-IFRS No.1109 Financial Instruments are applied to determine whether it is necessary to recognize any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with K-IFRS No.1036 Impairment of Assets by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount; no impairment loss recognized is allocated to any assets forming part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with K-IFRS No.1036 Impairment of Assets to the extent that the recoverable amount of the investment subsequently increases.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate reversely. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group transacts with its associate or a joint venture, profits and losses resulting from the transactions with the associate or joint venture are recognized in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

## (4) Goodwill

Goodwill resulting from an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis

based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

## (5) Foreign currency translation

### 1) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities by using the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency using the reporting date's exchange rate. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation of monetary items are recognized in profit or loss, except for differences arising on the settlement of monetary items, a financial liability designated as a hedge of the net investment in a foreign operation, or in a qualifying cash flow hedge, which are recognized in other comprehensive income. Translation differences on non-monetary items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are also recognized in other comprehensive income or profit or loss, respectively.

### 2) Foreign operations

If the presentation currency of the Group is different from a foreign operation's functional currency, the financial statements of the foreign operation are translated into the presentation currency using the following methods.

Unless the functional currency of foreign operations is in a state of hyperinflation, assets and liabilities of foreign operations are translated at the closing exchange rate at the end of the reporting period. Revenues and expenses on the statement of comprehensive income are translated using the exchange rates at the dates of the transactions. Foreign currency differences that arise from translation are recognized as other comprehensive income, and reclassified as profit or loss when foreign operations are disposed and the disposal profit or loss is recognized.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation. Thus, they are expressed in the functional currency of the foreign operation and translated at the closing rate at the end of the reporting period.

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When a foreign operation is disposed, the relevant amount in the translation which is recognized as other comprehensive income is transferred to profit or loss as part of the profit or loss on disposal.

### 3) Translation of net investment in the foreign operation

Monetary items receivable from or payable to a foreign operation, with none or little possibility of being settled in the foreseeable future, are considered a part of the net investment in the foreign operation. Therefore, the exchange difference is recognized as other comprehensive income in the consolidated financial statement, and reclassified to profit or loss at the disposal point of the related net investment.

## (6) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in their fair value. Equity investments are excluded from cash equivalents unless they are, in substance, cash equivalents, for example, in the case of preferred shares when it has a short maturity with a specified redemption date.

## (7) Non-derivative financial assets

### 1) Classification and measurement

In accordance with K-IFRS No.1109, the Group classifies non-derivative financial assets with financial assets measured at fair value (with changes in fair value changes recognized either in other comprehensive income or in profit or loss) or at amortized cost. In general, the classification is determined based on how the financial instrument is managed within business models and its contractual cash flow characteristics.

The Group assesses the purpose of the business models at the portfolio level of financial assets considering how the business is managed and how the information is provided to management, as follows:

- The account policy and purpose stated for the portfolio, and operation of these policies in practice. Including acquisition of contractual interest, maintenance of specific interest rate, match to the duration of liabilities to fund financial asset with the duration of the financial assets, and management's strategy for an outflow or realization of expected cash flow through disposal of assets.
- How to report the assessment to key management, with assessing the performance of financial assets held by business model
- The risk affecting the performance of business model (and financial assets held by business model) and how to manage the risk
- How management's compensation is determined (e.g., whether based on fair value of assets or contractual cash flows)
- Frequency of sale of financial assets for the past period, amount, timing, reason, the expectation about future sale activity

The Group considers terms and conditions of a contract when assessing whether the contractual cash

flow is composed of solely payments of principal and interest. If non-derivative financial assets include terms and conditions of a contract that change the timing or amount of contractual cash flows, the Group determine whether the contractual cash flow that may arise for the lifetime of the financial assets is composed of solely payments of principal and interest. The Group considers the following:

- The conditional situation that may change the amount or timing of cash flows
- Terms that adjust coupon rate including the characteristics of floating rate
- The characteristics of prepayment or extension
- Terms and conditions that restrict the Group's claim on cash flow from specific assets

Non-derivative financial assets are measured at fair value at initial recognition, and transaction costs directly related to the acquisition of financial assets are added to fair value at initial recognition unless they are measured at fair value through profit or loss.

### ① Financial assets measured at amortized cost

A financial asset shall be measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual term of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, financial assets measured at amortized cost are measured at amortized cost using the effective interest rate method. Amortized cost is reduced by impairment loss. Interest income, profit or loss from translation of foreign currency, impairment losses are recognized in profit or loss.

### ② Financial assets measured at fair value through other comprehensive income

A financial asset shall be measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Profit or loss from all financial assets measured at fair value through other comprehensive income except for the credit losses (reversal), interest income using the effective interest method, and foreign exchange gain or loss, are recognized in other comprehensive income. The cumulative gain or loss previously recognized in other comprehensive income will be reclassified from other comprehensive profit of loss to profit or loss.

Investments in equity instrument that is not held for trading can be irrevocably elected to present the subsequent changes in fair value in other comprehensive income. The election is made at individual financial instruments level. Dividends from equity securities designated as measured at fair value through other comprehensive income, which do not belong to refund of invested capital, is recognized as profit or loss. Other items are recognized with other comprehensive income and will never be reclassified to profit or loss.



# Notes to the Consolidated Financial Statements

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## ③ Financial assets measured at fair value through profit or loss

A financial instrument including derivatives shall be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income. All gains and losses, including interest and dividend income, are recognized in profit or loss.

A financial asset can be irrevocably designated as financial assets measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on a different basis.

## 2) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows of the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. When the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, if the Group does not retain control, the financial asset is derecognised. If the Group retains control, the financial asset is recognised to the extent of its continuing involvement in it and the associated liability is also recognised. If the Group retains substantially all the risks and rewards of ownership of the transferred financial assets, the Group continues to recognize the transferred financial assets and recognizes financial liabilities for the consideration received.

## 3) Offsetting between financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated statement of financial position only when the Group currently has a legally enforceable right to offset the recognized amounts, and there is the intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

## (8) Derivative financial instruments and hedge accounting

Derivatives are initially recognized at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

### 1) Hedge accounting

Derivative instruments are accounted for differently depending on whether hedge accounting is applied, and therefore, are classified into trading purpose derivatives and hedging purpose derivatives. A fair value hedge is a hedge of the exposure to changes in fair value of a recognized asset or an unrecognized firm commitment, or a component of any such item, that is attributable to particular risk and could affect profit or loss. A cash flow hedge is a hedge of the exposure to variability in cash flows that (i) is attributable to a particular risk associated with a recognized asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecasted transaction and (ii) could affect profit or loss. For the

foreign currency risk arising from the foreign operating, the net investment hedge is applied. For trading purpose derivatives transactions, changes in the fair value of derivatives are recognized in profit or loss.

## 2) Embedded derivative instruments

Derivatives may be embedded in another contractual arrangement (a "host contract"). The terms of the embedded derivative would meet the definition of a derivative if they were included in a separate contract, and the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract.

When the non-derivative financial asset is a hybrid contract with an embedded derivative, except the host contract is not a financial asset under certain condition, the Group considers the entire hybrid contract in determining whether the contractual cash flow is composed of solely payments of principal and interest.

When the non-derivative financial liability is a hybrid contract with an embedded derivative, the Group accounts for the embedded derivative separately from the host contract when the host contract is not designated as measured at fair value through profit or loss. Any changes in the fair value of the separated embedded derivatives are recognized in profit or loss.

## 3) Other derivative financial instruments

Changes in the fair value of other derivative financial instrument not designated as a hedging instrument are recognized immediately in profit or loss

## (9) Fair value of financial instruments

The fair values of financial instruments not actively traded in markets (e.g., OTC derivatives) are determined by using valuation techniques. The Group determines valuation methods and assumptions based on significant market conditions at the end of each reporting period. Diverse valuation techniques are used to determine the fair value of financial instruments, from market accepted valuation models to internally developed valuation models using various types of assumptions and inputs.

The Group classifies and discloses fair value of the financial instruments into following three-level hierarchy.

|         |   |
|---------|---|
| Level 1 | Financial instruments measured at quoted prices from active markets are classified as fair value level 1.   |
| Level 2 | Financial instruments measured using valuation techniques where all significant inputs are observable market data are classified as level 2.                      |
| Level 3 | Financial instruments measured using valuation techniques where one or more significant inputs are not based on observable market data are classified as level 3. |

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The method of measuring fair value of financial instruments are as follows:

| Type   | Fair value measurement method  |
|--|--|
| Deposits   | The carrying amount and fair value is the same for cash, and the carrying amount is determined to be the fair value for deposits.  |
| Financial assets measured at fair value through profit or loss             | The quoted prices are applied to financial instruments held for trading traded in active markets, such as listed stocks. If quoted prices are not available, fair values determined by external evaluation agency are applied. The fair values determined by valuation techniques are applied to hybrid financial instruments and loans. |
| Derivatives  | The quoted prices are applied to exchange-traded derivatives. And, for the over-the-counter derivatives, fair values determined by external or internal evaluation methods are applied.  |
| Financial assets measured at fair value through other comprehensive income | The quoted prices are applied to securities traded in active markets, such as listed stocks, and if quoted prices are not available, fair values determined by external evaluation agency are applied.   |
| Financial assets measured at amortized cost                                | The carrying amount is determined to be the fair value. However, the fair value measured using the DCF model is applied to large loans with a maturity of one year or more from the end of the reporting period.   |
| Deposits due to customers  | The carrying amount is determined to be the fair value.  |
| Borrowings   | The carrying amount is determined to be the fair value.  |
| Debentures   | The fair value is measured using discounted cash flow model.   |
| Other financial assets and liabilities                                     | The carrying amount is determined to be the fair value for other financial assets and liabilities that are derived from various transactions, since they are relatively short term.  |

## (10) Impairment of financial assets

The Group assesses the expected credit losses on a debt instrument measured at amortized cost or fair value through other comprehensive income based on the forward-looking. Impairment approach will depend on whether there are significant increases in credit risk. Depending on the degree of increase in credit risk on a financial asset since initial recognition, the Group recognizes the amount for loss allowance at an amount equal to either 12-month credit losses or lifetime expected credit losses by 3 stages as shown in the below table.

| Description | Expected Credit Loss  |
|-------------|---|
| Stage 1     | No significant increase in credit risk since their initial recognition(*)<br>12-month ECL: the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the end of the reporting period. |
| Stage 2     | Significant increase in credit risk since their initial recognition<br>Lifetime ECLs: the expected credit losses that result from all possible default events over the expected life of a financial instrument.   |
| Stage 3     | Credit impaired   |

(\*) The Group may assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the credit risk is low at the end of the reporting period.

The Group recognizes the cumulative changes in lifetime expected credit losses since initial recognition as

a loss allowance for credit-impaired financial assets.

As for financial assets measured at amortized cost or debt securities measured at fair value through other comprehensive income, the Group regards the following indication as evidence for a significant increase in credit risk since initial recognition.

### i) Loans

- Loans classified as precautionary of the Financial Supervisory Service's asset soundness classification.
- Loans whose level of default risk exceeds absolute or relative rating due to significant changes in internal credit rating as of the end of the reporting period after initial recognition(12-month expected credit losses are recognized if external credit rating corresponding to internal credit rating is qualified investment rating)
- Loans for which the principal or interest is overdue for more than 30 days

### ii) Write-off of Loans

- Where the inability to recover bonds is objectively proven due to bankruptcy, default, forced execution, abolition of projects, death or disappearance of debtors.
- Where a lawsuit is lost or the legal right to claim (the completed bond of the statute of limitations) is extinguished.
- Where an external institution specializing in bond recovery notifies that it is impossible to recover it.
- Where the supervisory authorities recognize the write-off.

### iii) Debt securities

- Debt securities whose level of default risk exceeds absolutely or relatively high due to significant changes in external credit rating of the end of the reporting period after initial recognition(12-month expected credit losses are recognized if external credit rating corresponding to internal credit rating is qualified investment rating)
- Debt securities for which the principal or interest is overdue for more than 30 days

The Group considers that credit risk is low if the degree of credit risk rating is at a level that is internationally understood as the definition of 'investment grade'. The Group considers an external credit rating of A0 or higher to have low credit risk.

The Group defines that a default has occurred if there are objective reasons included the following :

- Continuous overdue of principal and interest;
- Deterioration in credit rating such as suspension of overdraft checking accounts of debtor;
- Debtor's bankruptcy or default;
- Occurrence of a significant lawsuit or claim against debtor;
- Debtor's financial situation is poor due to an important factor which is related to a delay in the business schedule; or

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– Occurrence of other events that would significantly impact on the solvency of a debtor.

Also, the Group defined the meaning of default in the same way as the regulatory capital management policies. Therefore, the Group believes that the best estimate could be used for the measurement of financial asset impairment.

## 1) Measurement of expected credit losses

The major inputs used by the Group for measuring expected credit losses are as follows. These credit risk measurement factors were applied to the default rate by period and the loss given default rate defined in the supervisory regulations, and were adjusted through the reflection of forward-looking.

Probability of default by period obtained from independent credit ratings institutions

Probability of loss given default defined by regulatory requirement

The expected exposure at the time of default and the contractual maturity

## 2) Reflection of forward-looking information

The Group reflects the forward-looking information presented by the external credit rating agency based on various information when measuring expected credit losses. For the purpose of forecasting these forward-looking, the external credit rating agency utilizes the economic prospects disclosed by domestic and overseas research institutes or government and public institutions.

## (11) Day 1 profit or loss recognition

In cases where fair value is determined using data which is not observable in the market(level3), the difference between the transaction price and initial value is amortized in the statement of comprehensive income by using the straight line method over a period to maturity.

## (12) Property and equipment

Property and equipment are initially measured at cost and after initial recognition. The cost of property and equipment includes expenditures arising directly from the construction or acquisition of the asset, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent to initial recognition, an item of property and equipment except for land shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Subsequent costs are recognized in the carrying amount of property, plant and equipment at cost or, if appropriate, as separate items if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing are recognized in profit or loss as incurred.

Property and equipment, except for land, are depreciated on a straight-line basis over estimated useful lives that appropriately reflect the pattern in which the asset's future economic benefits are expected to be consumed.

The estimated useful lives of the Group's assets by categories are as follows:

| Descriptions                      | Useful lives (years) |
|-----------------------------------|----------------------|
| Buildings                         | 20, 40               |
| Vehicles                          | 4                    |
| Furniture and fixtures            | 4                    |
| Data processing equipment and etc | 4                    |

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item are depreciated separately. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized in profit or loss.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. The change is accounted for as a change in an accounting estimate.

Property and equipment are impaired when its carrying amount exceeds the recoverable amount. The Group assesses residual value and economic life of its assets at each reporting date and makes adjustments to its useful life when necessary. Any gain or loss arising from the disposal of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in profit or loss.

## (13) Lease

The Group assesses whether the contract is, or contains, a lease at the initial contract date. If a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the contract is, or contains, a lease. In determining whether a contract transfers control of the use of the identified asset, the Group uses the definition in K-IFRS No.1116 Leases.

### 1) Lessee

At the commencement or effective date of the contract that includes the lease element, the Group shall allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease component. However, the Group accounts for non-lease elements related to real estate leases as a single lease element by applying a practical simplification that does not separate non-lease elements.

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The Group is leasing assets including structures and IT assets, and the terms of the lease are negotiated separately and include various terms and conditions.

The Group recognizes a right-of-use asset and a lease liability at the commencement date. The right-of-use asset is measured at cost at the commencement date, and is measured at cost less any accumulated depreciation, any accumulated impairment losses and adjusted for any remeasurement of the lease liability subsequent to initial recognition. The right-of-use asset that meet the definition of investment property is presented as investment property. The right-of-use asset presented as investment property is measured at cost at the initial recognition date, and is measured according to a cost model same way as the accounting policies the Group is applying to investment property subsequent to initial recognition.

A lease liability is measured at the present value of the lease payments that are not paid at the commencement date at the initial recognition using the interest rate implicit in the lease. If the interest rate cannot be readily determined, the present value uses the lessee's incremental borrowing rate. The Group generally uses the Group's incremental borrowing rate.

The lease payments included in the measurement of the lease liability consist of the following amounts:

- Fixed lease payments (including actual fixed lease payments, less incentive to receive)
- Variable lease payments that vary according to an index or a rate (interest rate)
- Amounts expected to be paid by the lessee under a residual value guarantee
- The exercise price under a purchase option that the Group is reasonably certain to exercise
- Amount borne to terminate the lease if the lease period reflects the exercise of the lessee's option to terminate the lease.

After the commencement date, the lease liability increases to reflect interest on the lease liability and reduces to reflect the lease payments made. The lease liability is remeasured, if there is a change in future lease payments resulting from change in an index or a rate, change in the amounts expected to be payable under a residual value guarantee, change in assessment whether the lessee is reasonably certain to exercise an option to extend the lease or to purchase the underlying asset, or not to exercise an option to terminate the lease.

The right-of-use asset is measured at cost comprised of the following items.

- Initial measurement amount of the lease liability
- Lease paid on or before the commencement date of the lease (excluding the lease incentive received)
- Initial direct costs incurred by the lessee
- Estimated costs incurred by the lessee when dismantling and removing the underlying asset, restoring the existing leased properties where the underlying asset is located, or restoring the underlying asset itself

The Group presents right-of-use asset that does not meet the definition of investment property in the

consolidated financial statement as property, plant and equipment, and lease liabilities as borrowings.

The Group has elected not to recognize low-value leases as right-of-use assets and lease liabilities. The Group recognizes the cost associated with those leases expense as lease expense on a straight-line basis for the period of a lease.

## 2) Lessor

The Group shall classify each of its leases as either an operation lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operation lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The Group recognises lease payments from operating lease as income on a straight-line basis or another systematic basis. The Group shall apply another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

The Group shall recognise assets held under a finance lease in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease. The Group shall allocate finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

After initial recognition, the Group shall review regularly estimated unguaranteed residual values and shall apply the derecognition and impairment requirements in K-IFRS No.1109 to recognise expected credit losses of lease receivable as loss allowance.

Financial lease income shall be calculated by referring to the gross carrying amount of lease receivables. However, in the case of credit-impaired financial lease liability, financial income is calculated by referring to amortized cost(i.e., the amount after deducting the loss allowance)

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group shall allocate the consideration in the contract to each component by applying K-IFRS No.1115.

## (14) Investment property

Property held for the purpose of earning rentals or benefiting from capital appreciation is classified as investment property. Investment property is measured initially at its cost. Transaction costs are included in the initial measurement. Subsequently, investment property is carried at its costs less any accumulated depreciated cost and any accumulated impairment losses.



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Investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in profit or loss in the period in which the property is derecognized. In addition, the Group replaces the investment property with another account or another account with the investment property only if the purpose of use of the asset has changed.

Depreciation of investment property is calculated using the straight-line method over their estimated useful lives as follow:

| Descriptions | Useful lives (years) |
|--------------|----------------------|
| Buildings    | 20 ~ 78              |

## (15) Intangible assets

Intangible assets are measured initially at cost and after initial recognition are carried at cost less accumulated amortization and accumulated impairment losses.

Amortization of intangible assets is calculated on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The residual value of intangible assets is zero. However, as there are no foreseeable limits to the periods for some intangible assets, these intangible assets are determined as having indefinite useful lives and not amortized.

| Descriptions                      | Useful lives (years)    |
|-----------------------------------|-------------------------|
| Goodwill                          | Indefinite useful lives |
| Development cost                  | 4                       |
| Software                          | 4                       |
| Memberships                       | Indefinite useful lives |
| Settlement system right of use    | Indefinite useful lives |
| Participation fee of open banking | Indefinite useful lives |
| Others                            | 7                       |

Amortization periods and the amortization methods for intangible assets with finite useful lives are reviewed at the end of each reporting period. The useful lives of intangible assets that are not being amortized are reviewed at the end of each reporting period to determine whether events and circumstances continue to support indefinite useful life assessments for those assets. Changes are accounted for as changes in accounting estimates.

Expenditures on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, are recognized in profit or loss as incurred. Development activities involve a plan or design for the production of new or substantially improved products and processes. Development

expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Other development expenditures are recognized in profit or loss as incurred.

## (16) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than assets from employee benefits and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, irrespective of whether there is any indication of impairment, are tested for impairment annually by comparing their recoverable amount to their carrying amount.

The Group estimates the recoverable amount of an individual asset. If it is impossible to measure the individual recoverable amount of an asset, then the Group estimates the recoverable amount of each cash-generating unit ("CGU"). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

## (17) Non-derivative financial liabilities

Based on the contractual terms and definition of the financial liabilities, the financial liabilities are classified either as financial liabilities measured at fair value through profit or loss or financial liabilities measured at amortized cost, all of which are recognized in its statement of financial position when, and only when the Group becomes a party to the contractual provisions of the instrument.

### 1) Financial liabilities measured at fair value through profit or loss

The financial liabilities measured at fair value through profit or loss include financial liabilities designated as measured at fair value through profit or loss at initial recognition. Such financial liabilities measured at fair value through profit or loss are recognized initially at fair value and changes there in are recognized in profit or loss. Upon initial recognition, attributable transaction costs are recognized in profit or loss as incurred.

# Notes to the Consolidated Financial Statements

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A financial liability is classified as financial liabilities measured at fair value through profit or loss if:

- It has been acquired principally for the purpose of repurchasing it in the near term; or
- On initial recognition, it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit taking; or
- For derivatives (except for derivative that is a financial guarantee contract or a designated and effective hedging instrument).

A financial liability other than a financial liabilities measured at fair value through profit or loss may be designated as measured at fair value through profit or loss upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives and K-IFRS No.1109 Financial Instruments permits the entire combined contract (asset or liability) to be designated as measured at fair value through profit or loss.

In accordance with K-IFRS No.1109, the Group recognizes the change in fair value of financial liabilities due to change in credit risk in other comprehensive income, unless recognizing the effect of change in credit risk in other comprehensive income causes or expends an accounting mismatch. The change in fair value of financial liabilities due to change in credit risk is not subsequently reclassified to profit or loss, which is reclassified to retained earning when financial liabilities are derecognized.

## 2) Financial liabilities measured at amortized costs

Non-derivative financial liabilities that are not classified as fair value through profit or loss measurement financial liabilities are classified as amortised cost measurement financial liabilities, including Deposits due to customers, borrowing liabilities, bonds, etc. The amortised cost measurement financial liability is measured at fair value less transaction costs directly related to the issue at initial recognition. Subsequently, other financial liabilities are measured at amortised cost using the effective interest method, and interest costs are recognised using the effective interest method.

## 3) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognized in profit or loss.

## (18) Hybrid financial instruments

The hybrid financial instrument issued by the Group is classified as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

The liability component of a convertible bond shall be recognized as the fair value of a similar liability without convertible right on initial recognition and be measured in amortized cost by the effective interest method until it is extinguished. The equity component is determined by deducting the fair value of the financial liability from the fair value of the hybrid financial instrument as a whole on initial recognition. The tax effect shall be reflected and the instrument is not remeasured afterward. Transaction costs that relate to the issuance of a hybrid financial instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

## (19) Financial guarantee contract liabilities

A financial guarantee contract refers to a contract that requires the issuer to pay the specified amounts to reimburse the holder for a loss because the specified debtor fails to make payment when due under original or revised contractual terms of debt instruments. Financial guarantee contract liabilities are initially measured at their fair values and amortized during the contractual term.

Financial guarantee contract liabilities are subsequently measured at the higher of:

- The amount of expected credit loss determined in accordance with K-IFRS No.1109 Financial Instruments and
- The initial amount less amortization of fees recognized in accordance with K-IFRS No.1115 Revenue from Contracts with Customers

## (20) Employee benefits

### 1) Short-term employee benefits

Short-term employee benefits to be settled within 12 months from the end of the reporting period when the employee provides the relevant services are recognized in profit or loss as the expected amount of payment in exchange for the services. Short-term employee benefits are measured at an amount that is not discounted. If the Group has a legal or constructive obligation to pay as a result of past service and can reliably estimate the amount of the liability, the Group recognises the expected amount of the profit distribution and bonus as a liability.

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## 2) Retirement benefits

### i) Defined contribution retirement benefit plan

The Group operates a defined contribution retirement benefit plan for employees who meet the qualification requirements. When an employee has rendered service to the entity during a period, the entity recognizes the contribution payable to a defined contribution plan in exchange for that service as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the entity recognizes that excess as an asset (prepaid expense) to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

### ii) Salary peak system

The Group operates a salary peak system for employees with certain conditions. Employees may choose voluntary retirement instead of the salary peak system, in which case, a certain amount will be paid as an honorary retirement allowance. The Group recognizes the present value at the end of the reporting period as a defined benefit obligation, considering the probability that the employee subject to the salary peak system chooses voluntary retirement instead of the salary peak system. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rate of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation result from plan amendments or curtailments are recognized immediately in profit or loss as past service costs. The Group recognizes the gain or loss from settlement when settlement of the defined benefit plan occurs.

iii) The Group recognizes the amount to be paid at retirement to part-time employees who are not eligible for retirement pension and the expected amount to be paid related to the salary peak system as defined benefit obligations. As of the end of the reporting period, the defined benefit liability is recognized by deducting the fair value of the plan assets from the present value of the defined benefit obligation.

## 3) Termination benefits

The Group recognises termination benefits in profit or loss at the earliest date of recognition of costs for restructuring involving payment of termination benefits and when it explicitly confirms that employees will be laid off prior to the usual time of retirement. If an employee is offered voluntary retirement, termination benefits are measured and recognized in profit or loss based on the number of employees who have accepted the offer. If the termination benefit is not settled within twelve months after the end of reporting period, it is discounted.

## (21) Share-based payments

The Group indirectly measure the fair value of a good or service on the basis of the fair value of the equity instrument granted, and recognize that amount as an employee benefit expense and equity during the vesting period, if it is not possible to reliably measure the fair value of the good or service. If the vesting condition of the share option is a vesting condition rather than a service or market condition, the recognized employee cost is adjusted to be determined based on the actual quantity of the share option that is ultimately vesting.

For cash-settled share-based payment transactions, the Group measures the goods or services acquired and the liability incurred at the fair value of the liability. Until the liability is settled, the Group remeasures the fair value of the liability at the end of each reporting period and at the date of settlement, with changes in fair value recognized as employee benefits for the period.

## (22) Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The risks and uncertainties that inevitably surround many events and circumstances are taken into account in reaching the best estimate of a provision. Where the effect of the time value of money is material, provisions are determined at the present value of the expected future cash flows.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Provisions are used only in the expenditures related to initial recognition.

## (23) Regular way trades

Equity securities, debt securities and derivatives, which are traded in Korea Exchange or qualified foreign exchange markets, are treated as regular way trades. The Group's accounting policies about regular way trades are described below.

### 1) Proprietary trading

In proprietary trading transactions, purchases or sales of asset that require delivery of asset within a time frame established by regulation or convention in the marketplace are recognized or derecognized on the trading date.

### 2) Brokerage

For brokerage services, the Group serves a customer who trades listed stocks and other securities and recognizes the brokerage fee on the trading date. Until the settlement date of the trading on consignment,

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the Group does not offset the receivables and payables to customers and offsets the receivables and payables to Korea Exchange.

## (24) Interest income and expense

Effective interest method is used in calculating amortized cost of financial assets and liabilities and allocating interest income and expenses through relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life or the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset of financial liability.

When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses. The calculation of the effective interest rate includes all fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issuance of a financial asset or liability. In exceptional cases where the cash flow or expected life of the financial instruments is not reliably estimated, the interest rate is calculated by using contractual cash flows from contractual period.

If the carrying value of financial instruments or the group of relevant financial instruments is reduced by due to recognition of impairment, interest income is measured using interest rate used in measuring impairment of discounting future cash flows.

## (25) Fees and commission income

The Group applies different revenue recognition accounting standards based on the type of service provided to the customers. Fees and commission income and expense that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate.

Fees and commission earned are recognized in accordance with K-IFRS No.1115 Revenue from Contracts with Customers by applying the five-step model (① Identifying the contract ▶ ② Identifying performance obligations ▶ ③ Determine the transaction price ▶ ④ Allocating the transaction price to performance obligations ▶ ⑤ Recognize revenue upon satisfaction of performance obligation)

## (26) Net gains (losses) on financial instruments measured at fair value through profit or loss

Net gains (losses) on financial instruments measured at fair value through profit or loss include the following profit or loss (including changes in fair value, interest rate, dividends, and profit or loss from translation of foreign currency).

- Net gains and losses related to financial assets and liabilities measured at fair value through profit or loss
- Net gains and losses related to derivative financial instruments held for trading (including derivative financial instruments that are held for Risk management objectives, but do not meet the criteria as hedge accounting)

## (27) Dividends

Dividend income is recognized when the right to receive income is established.

## (28) Income tax

Income tax expense comprises current and deferred tax. Current and deferred taxes are recognized in profit or loss, except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

### 1) Current tax

Current tax is the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates enacted or substantively enacted at the end of the reporting period and any adjustment to tax payable in respect of previous years. The taxable profit is different from the accounting profit for the period since the taxable profit is calculated excluding the temporary differences, which will be taxable or deductible in determining taxable profit (tax loss) of future periods, and non-taxable or non-deductible items from the accounting profit.

### 2) Deferred tax

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The Group recognizes deferred tax liabilities for all taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The Group recognizes deferred tax assets for all deductible temporary differences arising from investments in subsidiaries and associates, to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and the Group reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset the related current tax liabilities and assets, and they relate to income tax levied by the same tax authority and they intend to settle current tax liabilities and assets on a net basis. Additional income taxes arising from dividend payments are recognized when expenses related to dividend payments are recognized.



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## (29) Operating segments

An operating segment is a component of the Group whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

## (30) Earnings per share

The Group calculates basic earnings per share and diluted earnings per share for profit or loss and discloses them in statements of comprehensive income. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary equity holders of the Group by the weighted-average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted earnings per share are determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

## (31) Accounting for trust accounts

The Group manages trust accounts and its own account separately in accordance with the Financial Investment Services and Capital Market Act. The Group recognizes trust fees earned from the trust accounts as income from trust operations.

## (32) Regulatory reserve for loan loss

In case that the total sum of allowance for loan losses in accordance with K-IFRS No.1109 is lower than the amount prescribed in the Regulations on Financial Investment Business, the Group is required to recognize the difference as a regulatory reserve for loan loss at the end of each fiscal period(as the fiscal year-end reserve amount is not determined every quarter, the projected regulatory reserve for loan are measured).

In case the amount of existing regulatory reserve for possible loan losses exceeds the amount needed to be recognized as of the end of the reporting period, the difference, if any, shall be reversed. If there is undisposed deficit, the Group can accumulate reserves for possible loan losses after disposing deficit.

## (33) Treasury stocks

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the consolidated statement of comprehensive income on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration is recognized in other capital surplus or capital adjustment.

## (34) Temporary exemption from the specific requirements of K-IFRS No. 1028

The Group applies K-IFRS No.1109, but Mirae Asset Life Insurance Co., Ltd.(investment in associates) applies a temporary exemption from K-IFRS No.1109.

In accordance with K-IFRS No.1028 'Investment in Associates and Joint Ventures', when using for the application of the equity method of associates in the consolidated financial statements, the Group requires the use of the financial statements of associate that uses same accounting policies for like transactions and events in similar circumstances. However, when the Group applies the equity method in its consolidated financial statements to Mirae Asset Life Insurance, the Group applies the temporary exemption for specific requirement from K-IFRS No.1028 of K-IFRS No.1104 'Insurance Contracts'. As a result, the Group applies K-IFRS No.1109, but the associate applies the temporary exemption from K-IFRS No.1109.

1) Mirae Asset Life Insurance Co., Ltd., an associate of the Group, shall, in principle, apply K-IFRS No. 1109 'Financial Instruments' established on September 25, 2015 for annual periods beginning on or after January 1, 2018. However, K-IFRS No. 1104 'Insurance Contracts' is revised and published, so it will be exempted from K-IFRS No. 1109 by 2022.

Mirae Asset Life Insurance Co., Ltd. expects to apply K-IFRS No.1109 for annual reporting periods beginning on or after January 1, 2023, as the proportion of insurance-related liabilities exceeds 80% of total liabilities as of December 31, 2015 and Mirae Asset Life Insurance Co., Ltd. does not engage in a significant activity unconnected with insurance.

## 2) Information that can compare insurers applying K-IFRS No.1109 with insurers applying temporary exemptions

i) The fair value of each financial asset group at the end of the December 31, 2022 and 2021 and the amount of changes in fair value during the reporting period are as follows:

|   | 2022         | 2021       | Amount of changes |
|---|--------------|------------|-------------------|
| Financial assets that have a contractual condition in which cash flows consist solely of principal and interest payments on the balance of principal. | ₩ 14,888,910 | 17,182,674 | (2,293,764)       |
| Other Financial Assets  | 3,578,309    | 4,022,569  | (444,260)         |
|   | ₩ 18,467,219 | 21,205,243 | (2,738,024)       |

# Notes to the Consolidated Financial Statements

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## 4. Change in accounting policies

### (1) New standards and interpretations adopted

The Group applied the following new accounting standards from January 1, 2022.

#### 1) Amendments to K-IFRS 1037 Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts : Costs of Fulfilling a Contract

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Group cannot avoid because it has the contract) exceed the economic benefits expected to be received under the contract.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. These amendments had no material impact on the consolidated financial statements of the Group.

#### 2) Amendments to K-IFRS 1103 Business Combination – Reference to the Conceptual Framework

The amendments replace a reference to a previous version of the International Accounting Standards Board (IASB)'s Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements. The amendments add an exception to the recognition principle of K-IFRSK-IFRS 1103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of K-IFRSK-IFRS 1037 Provisions, Contingent Liabilities and Contingent Assets or K-IFRSK-IFRS Interpretation 2121 Levies, if incurred separately. The exception requires entities to apply the criteria in K-IFRSK-IFRS 1037 or K-IFRSK-IFRS Interpretation 2121, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendments also add a new paragraph to K-IFRSK-IFRS 1103 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the Group applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). These amendments had no material impact on the consolidated financial statements of the Group.

#### 3) Amendments to K-IFRS 1016 Property, Plant and Equipment – Proceeds before Intended Use

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary

for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

In accordance with the transitional provisions, the Group applies the amendments retrospectively only to items of PP&E made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment (the date of initial application). These amendments had no material impact on the consolidated financial statements of the Group.

#### 4) Amendments to K-IFRS 1101 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16(1) of K-IFRS 1101 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to K-IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(1) of K-IFRS 1101. These amendments had no material impact on the consolidated financial statements of the Group.

#### 5) Amendments to K-IFRS 1109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for K-IFRS 1039 Financial Instruments: Recognition and Measurement.

In accordance with the transitional provisions, the Group applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no material impact on the consolidated financial statements of the Group.

#### 6) Statement of non-applied enactment, amendment

A summary of enactment, amendment, which has been enacted or amended, but have not been applied since effective date is yet to come:

##### i) Amendments to K-IFRS 1117 Insurance Contracts

In 2021, K-IFRS 1117 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure was issued. Once effective, K-IFRS 1117 will replace K-IFRS 1104 Insurance Contracts that was issued in 2007.

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K-IFRS 1117 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of K-IFRS 1117 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast

to the requirements in K-IFRS 1104, which are largely based on grandfathering previous local accounting policies, K-IFRS 1117 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of K-IFRS 1117 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach); and
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

K-IFRS 1117 is effective for reporting periods beginning on or after January 1, 2023, with comparative figures required. Early application is permitted, provided the entity also applies K-IFRS 1109 and K-IFRS 1115 on or before the date it first applies K-IFRS 1117.

Mirae Asset Life Insurance Co., Ltd., an associate company of the Group, will apply K-IFRS 1117 from January 1, 2023. In addition, the consolidated financial statements of the Group are prepared by adopting K-IFRS 1109, but the exemption clauses for financial statements of Mirae Asset Life Insurance Co., Ltd. used to prepare consolidated financial statements will not be applied from January 1, 2023. As a result, the Group will use financial statements of Mirae Asset Life Insurance Co., Ltd. reflecting the effects of amendments to K-IFRS 1117 and K-IFRS 1109 when applying the equity method from January 1, 2023. The impact of the revision on the Group is being analyzed.

## ii) Amendments to K-IFRS 1001 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current

The amendments to paragraphs 69 to 76 of K-IFRS 1001 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. The amendments are not expected to have a material impact on the Group.

## iii) Amendments to K-IFRS 1008 Accounting policies, changes in accounting estimates and errors – Definition of Accounting Estimates

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Group.

## iv) Amendments to K-IFRS 1001 Presentation of Financial Statements – Disclosure of Accounting Policies

The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments are applicable for annual periods beginning on or after January 1, 2023 with earlier application permitted. The amendments are not expected to have a material impact on the Group.

## v) Amendments to K-IFRS 1012 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments narrow the scope of the initial recognition exception under K-IFRS 1012, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The amendments are not expected to have a material impact on the Group.

## vi) Amendments to K-IFRS 1001 Financial Instruments Presentation of Financial Statements – Disclosures of profit or loss on Financial Liabilities with conditions for adjusting an exercise price

Financial instrument classified partially or wholly as liabilities with conditions for adjusting an exercise price according to changes in the issuer's stock price, the carrying amount of the profit or loss of the liability shall be disclosed. The amendments are applicable for annual periods beginning on or after January 1, 2023 with earlier application permitted. The amendments are not expected to have a material impact on the Group.

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## 5. Risk management

### (1) Risk management organizations and its policies

The Group established and implemented the Risk Management Regulations and General Regulations for Risk Management in order to establish an enterprise-wide and comprehensive risk management system. For a more thorough risk management, the Group implemented Inherent Asset Management Rules, Customer Asset Management Rules, Credit Offer Risk Management Rules for Customers, Management Guidelines and Issuance for Derivative Combined Securities and Derivative Combined Bonds, and Risk Management Guidelines for Overseas Local Subsidiaries. In addition, for the purpose of ensuring the stability of investment and credit offer and the efficiency of post-management, the Group implemented Regulations for General Evaluation, Rules for Evaluation, Rules for Post-management, Rules for Alternative Investment Risk Management, and Guidelines for Estimating of Loan Collection.

The Risk Management Regulations stipulate the composition, meetings, and decisions of the Risk Management Committee, the highest decision-making body related to risk management of the Group. They also stipulate the composition, progress and operation of the Risk Management Committee and Investment Review Committee, which are set up to handle details and mandates of the Risk Management Committee's resolutions. The General Rules for Risk Management were enacted to ensure asset soundness and management stability through compliance with the Financial Services Commission's Financial Investment Business Regulations and effective management of risks of the Group and efficient allocation of investment resources held by the Group. The General Regulations for Review were established to manage the investment position of the Group in a stable manner by setting necessary procedures for matters related to equity investment, acquisition and credit offer, and follow-up management.

The General Regulations for Risk Management established for the practical application of the matters set out in the Regulations on Risk Management stipulate the management procedures for the smooth implementation of the risk management policies of the Group for market risks, credit risks, liquidity risks, operational risks, environmental risks and social risks. In addition, Inherent Asset Management Rules, Customer Asset Management Rules, Credit Offer Risk Management Rules for Customers, Guidelines on Issuance and Operation of Derivative Combined Securities and Derivative Combined Bonds, and Risk Management Guidelines for Overseas Local Subsidiaries stipulate details of risk management practices not included in the Risk Management Regulations. Moreover, Rules for Evaluation, Rules for Post-management, Rules for Alternative Investment Risk Management and Guidelines for Estimating of Loan Collection that have been implemented for practical application of matters set out in the General Regulations for Evaluation, specify the details of evaluation and post-management measures for the purpose of ensuring the stability of investment position.

### 1) Risk Management Committee (the "Committee")

The Committee, comprised of three or more members of the BOD including more than half of independent directors, heads the Group's risk management structure. The Committee sets up risk management strategies that correspond to the Group's strategies and supervises the risk management process. Major topics that the Committee resolves include enacting and revising Risk Management Regulations and General Regulations for Risk management, setting adequate capital ratio level and mandating total risk limits by year and quarter. The Committee is held regularly once per quarter and on an ad hoc basis. Nomination and dismissal of the Committee members is determined by the BOD and the Committee chairman is selected from among independent directors of the Committee members. The chairman presides over the meetings on behalf of the Committee and in the event of a risk-related urgent situation, is entitled to authorize appropriate actions to the pertinent department.

### 2) Risk Management Operating Committee

The Risk Management Operating Committee handles practical agendas and mandates in relation to risk management of unique and customer assets, and reports the results and major status to the Committee. The Risk Management Operating Committee is held on a regular basis (if necessary, frequently) at least once every quarter, and the Risk Management Operating Committee members are separately selected by the Committee from among the key positions in the Group, including the Risk Management Officer (CRO).

### 3) Investment Review Committee

The Investment Review Committee is responsible for handling important matters and mandates in relation to the investment proposal review, and reporting the results and major status to the Committee. The Investment Review Committee is held at least once every quarter (if necessary, frequently), and members of the Investment Review Committee are separately selected by the Committee from among the major positions in the Group, including the Risk Management Officer (CRO).

### 4) Chief Risk Officer ("CRO")

Chief Risk Officer (CRO) acts as the risk management officer under the Governance Act and oversees risk management across the enterprise. In addition, it performs roles such as enforcing risk management policy, reviewing resource allocation, and strengthening risk management capabilities, and conducts tasks delegated by the Committee or the Operating Committee.

### 5) Risk Management Department

The Risk Management Department operates independently from other departments, executes the risk management policies determined by the Risk Management Committee or the Operating Committee through appropriate procedures and systems, plans and controls all risk management-related issues and supports the operation of the Risk Management Committee or the Operating Committee. In addition, the Group's asset management status and overall risk management are monitored and regularly reported to the Committee, the Operating Committee and management.



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## (2) Credit risk management

Credit risk refers to the possibility of asset management losses that the counterparty suffers from failure to meet its obligation to pay or repay principal and interest. The Group measures credit exposure and credit risk amount by utilizing the standard model provided by Financial Investment Regulation. To manage appropriate level of credit risk, the Group assigns exposure limits by each quarter and year. Total limit of credit risk of the Group is finally set through approval of the Committee. In addition, the credit risk of the Group's assets is controlled by establishing a universe through regular corporate credit analysis.

Risk Management Operating Committee sets appropriate level of credit exposure limit considering counterparty's credit rate depending on the type of business. In addition, the Investment Review Headquarters, which specializes in assessment, manages risks to our investment position by operating a preliminary assessment process for investment-related transactions, and the Investment Management Team monitors the overall execution and recovery of investments.

The Risk Management Department reports total exposure of the Group's credit risk to the management on a regular basis. In addition, enhanced monitoring is carried out for counterparties with significant credit risks concentrations.

### 1) Maximum exposure to credit risk

The maximum exposure to credit risk as of December 31, 2022 and 2021 is as follows:

|  |  | 2022                | 2021              |
|--|--|---------------------|-------------------|
| Financial assets measured at fair value through profit or loss             | Debt securities and other financial instruments (*1)                           | ₩ 25,268,148        | 26,872,683        |
|  | Derivative assets  | 2,277,443           | 718,529           |
|  | Hybrid financial instruments   | 354,161             | 283,075           |
|  |  | <b>27,899,752</b>   | <b>27,874,287</b> |
| Financial assets measured at fair value through other comprehensive income | Financial assets measured at fair value through other comprehensive income(*1) | 15,031,253          | 11,910,422        |
| Financial assets measured at amortized cost                                | Deposits   | 6,506,371           | 6,633,368         |
|  | Loans and receivables(*2)  | 27,647,555          | 26,840,885        |
|  | Other financial assets(*2)   | 6,753,065           | 8,075,206         |
|  |  | <b>40,906,991</b>   | <b>41,549,459</b> |
|  |  | <b>83,837,996</b>   | <b>81,334,168</b> |
| Off-balance sheet items  | Purchase agreement   | 936,184             | 1,235,473         |
|  | Payment guarantees(including loan commitment)                                  | 1,230,959           | 495,408           |
|  | Unused credit line and etc.  | 2,019,027           | 2,745,613         |
|  |  | <b>4,186,170</b>    | <b>4,476,494</b>  |
|  |  | <b>₩ 88,024,166</b> | <b>85,810,662</b> |

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(\*1) Equity securities are excluded.

(\*2) Deferred loan originated costs, fees, present value discounts and allowance for credit loss are considered.

## 2) Credit quality of debt securities

i) The Group manages debt securities based on the external credit rating. Credit quality of debt securities on the basis of external credit assessment institution's rating as of December 31, 2022 and 2021 is as follows:

| Grade               | 2022   |  |  |                   |
|---------------------|--|--|--|-------------------|
|                     | Financial assets measured at fair value through profit or loss     |  | Financial assets measured at fair value through other comprehensive income | Total             |
|                     | Financial assets measured at fair value through profit or loss(*1) | Financial assets designated as measured at fair value through profit or loss |  |                   |
| (1) AAA ~ A         | ₩ 13,211,453   | -  | 14,998,639   | 28,210,092        |
| (2) A- ~ BBB        | 303,040  | -  | 30,692   | 333,732           |
| (3) Lower than BBB- | 52,223   | -  | 1,922  | 54,145            |
| (4) Unrated         | 1,798,170  | -  | -  | 1,798,170         |
|                     | <b>₩ 15,364,886</b>  | <b>-</b>   | <b>15,031,253</b>  | <b>30,396,139</b> |

(\*1) Amounts of financial assets measured at fair value through profit or loss excluded from credit quality disclosure are other debt instruments ₩ 9,903,262 million, derivative assets ₩ 2,277,443 million, and hybrid financial instruments ₩ 354,161 million as of December 31, 2022.

| Grade               | 2021   |  |  |                   |
|---------------------|--|--|--|-------------------|
|                     | Financial assets measured at fair value through profit or loss     |  | Financial assets measured at fair value through other comprehensive income | Total             |
|                     | Financial assets measured at fair value through profit or loss(*1) | Financial assets designated as measured at fair value through profit or loss |  |                   |
| (1) AAA ~ A         | ₩ 15,577,707   | -  | 11,879,861   | 27,457,568        |
| (2) A- ~ BBB        | 173,655  | -  | 30,561   | 204,216           |
| (3) Lower than BBB- | 35,010   | -  | -  | 35,010            |
| (4) Unrated         | 1,246,965  | -  | -  | 1,246,965         |
|                     | <b>₩ 17,033,337</b>  | <b>-</b>   | <b>11,910,422</b>  | <b>28,943,759</b> |

(\*1) Amounts of financial assets measured at fair value through profit or loss excluded from credit quality disclosure are other debt instruments ₩ 9,839,343 million, derivative assets ₩ 718,529 million, and hybrid financial instruments ₩ 283,075 million as of December 31, 2021.

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ii) Credit quality of debt securities as of December 31, 2022 and 2021 are based on external credit rating agencies:

(Grade Classification)

| Domestic  |            | Global     |            |
|-----------|------------|------------|------------|
| NICE P&I  | MOODY'S    | S&P        | FITCH      |
| AAA       | Aaa ~ Aa3  | AAA ~ AA-  | AAA ~ AA-  |
| AA+ ~ AA- | A1 ~ A3    | A+ ~ A-    | A+ ~ A-    |
| A+ ~ BBB- | Baa1 ~ Ba3 | BBB+ ~ BB- | BBB+ ~ BB- |
| BBB-      | B1 ~ C     | B+ ~ C     | B+ ~ C     |

Credit ratings of debt securities in Korean won are determined based on the domestic external credit rating agency evaluation results. Credit ratings of debt securities in foreign currencies are based on the lowest of three external credit rating agencies' evaluation results.

3) Credit ratings of Loans and receivables as of December 31, 2022 and 2021 are as follow:

| Grade               | 2022         |              |          |       | Total     |
|---------------------|--------------|--------------|----------|-------|-----------|
|                     | 12-month ECL | Lifetime ECL |          | Total |           |
|                     |              | Not Impaired | Impaired |       |           |
| (1) AAA ~ A         | ₩ 316,723    | -            | -        | -     | 316,723   |
| (2) A- ~ BBB        | 399,475      | -            | -        | -     | 399,475   |
| (3) Lower than BBB- | 413,307      | 72,095       | 29,465   | -     | 514,867   |
| (4) D               | -            | -            | 46,107   | -     | 46,107    |
|                     | ₩ 1,129,505  | 72,095       | 75,572   | -     | 1,277,172 |

Amounts of loans and receivables excluded from credit quality are broker's loans of ₩ 11,410,959 million, securities purchased under resale agreements of ₩ 15,005,604 million, and receivables of ₩ 56,020 million as of December 31, 2022. Credit quality is based on internal credit ratings, which were applied to external credit ratings of external credit rating agencies.

| Grade               | 2021         |              |          |       | Total     |
|---------------------|--------------|--------------|----------|-------|-----------|
|                     | 12-month ECL | Lifetime ECL |          | Total |           |
|                     |              | Not Impaired | Impaired |       |           |
| (1) AAA ~ A         | ₩ 263,881    | -            | -        | -     | 263,881   |
| (2) A- ~ BBB        | 577,000      | -            | -        | -     | 577,000   |
| (3) Lower than BBB- | 456,457      | 75,246       | 27,563   | -     | 559,266   |
| (4) D               | -            | -            | 42,562   | -     | 42,562    |
|                     | ₩ 1,297,338  | 75,246       | 70,125   | -     | 1,442,709 |

Amounts of loans and receivables excluded from credit quality are broker's loans of ₩ 13,712,246 million, securities purchased under resale agreements of ₩ 11,696,966 million, and receivables of ₩ 56,357 million as of December 31, 2021. Credit quality is based on internal credit ratings, which were applied to external credit ratings of external credit rating agencies.

4) Credit ratings of debt securities measured at fair value through other comprehensive income as of December 31, 2022 and 2021 are as follow:

| Grade               | 2022         |              |          |       | Total      |
|---------------------|--------------|--------------|----------|-------|------------|
|                     | 12-month ECL | Lifetime ECL |          | Total |            |
|                     |              | Not Impaired | Impaired |       |            |
| (1) AAA ~ A         | ₩ 14,998,639 | -            | -        | -     | 14,998,639 |
| (2) A- ~ BBB        | 30,692       | -            | -        | -     | 30,692     |
| (3) Lower than BBB- | 1,922        | -            | -        | -     | 1,922      |
| (4) Unrated         | -            | -            | -        | -     | -          |
|                     | ₩ 15,031,253 | -            | -        | -     | 15,031,253 |

| Grade               | 2021         |              |          |       | Total      |
|---------------------|--------------|--------------|----------|-------|------------|
|                     | 12-month ECL | Lifetime ECL |          | Total |            |
|                     |              | Not Impaired | Impaired |       |            |
| (1) AAA ~ A         | ₩ 11,879,861 | -            | -        | -     | 11,879,861 |
| (2) A- ~ BBB        | 30,561       | -            | -        | -     | 30,561     |
| (3) Lower than BBB- | -            | -            | -        | -     | -          |
| (4) Unrated         | -            | -            | -        | -     | -          |
|                     | ₩ 11,910,422 | -            | -        | -     | 11,910,422 |

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## 5) Credit ratings of financial guarantees, other guarantees and unused credit line as of December 31, 2022 and 2021 are as follow:

| Grade                                  | 2022               |               |                  |
|--|--------------------|---------------|------------------|
|  | 12-month ECL       | Lifetime ECL  | Total            |
| 〈Purchase agreement〉                   |                    |               |                  |
| (1) AAA ~ A                            | ₩ 936,184          | -             | 936,184          |
| (2) A- ~ BBB                           | -                  | -             | -                |
| (3) Lower than BBB-                    | -                  | -             | -                |
| (4) Unrated                            | -                  | -             | -                |
|  | <b>₩ 936,184</b>   | <b>-</b>      | <b>936,184</b>   |
| 〈Guarantee(including loan commitment)〉 |                    |               |                  |
| (1) AAA ~ A                            | ₩ 98,097           | -             | 98,097           |
| (2) A- ~ BBB                           | 455,896            | -             | 455,896          |
| (3) Lower than BBB-                    | 659,466            | 17,500        | 676,966          |
| (4) Unrated                            | -                  | -             | -                |
|  | <b>₩ 1,213,459</b> | <b>17,500</b> | <b>1,230,959</b> |
| 〈Unused credit lines and etc.〉         |                    |               |                  |
| (1) AAA ~ A                            | ₩ 976              | -             | 976              |
| (2) A- ~ BBB                           | 76,523             | -             | 76,523           |
| (3) Lower than BBB-                    | 231,235            | 21,444        | 252,679          |
| (4) Unrated                            | 1,688,849          | -             | 1,688,849        |
|  | <b>₩ 1,997,583</b> | <b>21,444</b> | <b>2,019,027</b> |

(\*) No financial guarantees, other guarantees and unused credit line were impaired as of December 31, 2022.

| Grade                                  | 2021               |               |                  |
|--|--------------------|---------------|------------------|
|  | 12-month ECL       | Lifetime ECL  | Total            |
| 〈Purchase agreement〉                   |                    |               |                  |
| (1) AAA ~ A                            | ₩ 1,235,473        | -             | 1,235,473        |
| (2) A- ~ BBB                           | -                  | -             | -                |
| (3) Lower than BBB-                    | -                  | -             | -                |
| (4) Unrated                            | -                  | -             | -                |
|  | <b>₩ 1,235,473</b> | <b>-</b>      | <b>1,235,473</b> |
| 〈Guarantee(including loan commitment)〉 |                    |               |                  |
| (1) AAA ~ A                            | ₩ 104,946          | -             | 104,946          |
| (2) A- ~ BBB                           | 133,100            | -             | 133,100          |
| (3) Lower than BBB-                    | 211,262            | 46,100        | 257,362          |
| (4) Unrated                            | -                  | -             | -                |
|  | <b>₩ 449,308</b>   | <b>46,100</b> | <b>495,408</b>   |
| 〈Unused credit lines and etc.〉         |                    |               |                  |
| (1) AAA ~ A                            | ₩ 1,041            | -             | 1,041            |
| (2) A- ~ BBB                           | 322,753            | -             | 322,753          |
| (3) Lower than BBB-                    | 53,042             | 12,887        | 65,929           |
| (4) Unrated                            | 2,355,890          | -             | 2,355,890        |
|  | <b>₩ 2,732,726</b> | <b>12,887</b> | <b>2,745,613</b> |

(\*) No financial guarantees, other guarantees and unused credit line were impaired as of December 31, 2021.

## (3) Market risk management

Market risk refers to the possibility of losses due to changes of market price (e.g. equity price, interest rate and exchange rate and other). The Group uses the standard method specified in the Financial Investment Regulations to measure market risk. In other words, the Group measures risks by adopting the market risk calculation method of the Financial Investment Company NCR System, which is the main supervisory tool of the supervisory authority.

In the case of derivatives, sensitivity is calculated and limits are set for each factor (stock price, interest rate, exchange rate) in order to measure risk precisely, and appropriateness reviews are conducted and limits are adjusted once a year in order to manage market risks at an appropriate level. The specific limits and management methods are subject to the approval of the Chief Risk Officer(CRO) or Risk Management Steering Committee depending on the type of limit.

The Group produces assessment and analysis reports on current market risk on a regular basis for brief to the executive management. In addition, market risk Stress-Testing is performed on a regular basis based on various scenarios for the financial market.

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Details of the risk factor VaR as of December 31, 2022 and 2021 are as follows:

| Factors                          | 2022               | 2021             |
|----------------------------------|--------------------|------------------|
| Foreign currencies               | ₩ 445,415          | 412,907          |
| Interest rates                   | 551,762            | 560,631          |
| Stock prices                     | 1,536,227          | 1,407,516        |
| Commodities                      | 6,033              | 3,400            |
| Collective investment securities | 1,352,290          | 1,741,174        |
| Options                          | 113,243            | 163,421          |
| <b>Total risk</b>                | <b>₩ 4,004,970</b> | <b>4,289,049</b> |

#### (4) Liquidity risk management

Liquidity risk refers to the “Market Liquidity Risk” that would incur when the Group is unable to offset or settle a position without significantly affecting the market price because of inadequate market transactions or market disruption. Also, it refers to the “Prudential Liquidity Risk” that would incur when the Group is unable to meet the minimum requirement rate of liquidity.

To measure liquidity risks, the Group operates a liquidity risk management system and uses liquidity gap and liquidity ratios as key indicators. The Group reports the liquidity risk status on a regular basis to the executive management while the treasury department also reports the current liquidity situation to the management regularly.

##### 1) Maturity analysis of financial liabilities

i) The Group’s non-derivative financial liabilities by residual contractual maturity classified as of December 31, 2022 and 2021 are as follows:

|   | 2022                |                  |                  |                  |                  |                  | Total             |
|---|---------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
|   | Within 3 months     | 3 to 6 months    | 6 to 9 months    | 9 to 12 months   | 1 to 5 years     | Over 5 years     |                   |
| Financial liabilities measured at fair value through profit or loss | ₩ 1,801,808         | -                | -                | -                | -                | -                | 1,801,808         |
| Deposits due to customers   | 9,650,956           | -                | -                | -                | -                | -                | 9,650,956         |
| Borrowings(*1)  | 45,469,652          | 1,065,340        | 963,414          | 1,974,666        | 2,216,928        | -                | 51,690,000        |
| Lease liabilities   | 15,400              | 15,581           | 15,311           | 14,646           | 175,306          | 1,129,521        | 1,365,765         |
| Debentures(*2)  | 2,982,646           | 416,537          | 789,580          | 32,120           | 4,657,941        | 114,760          | 8,993,584         |
| Other financial liabilities(*3)                                     | 10,136,177          | 1,349            | 303              | 2,056            | 7,017            | 5,000            | 10,151,902        |
|   | <b>₩ 70,056,639</b> | <b>1,498,807</b> | <b>1,768,608</b> | <b>2,023,488</b> | <b>7,057,192</b> | <b>1,249,281</b> | <b>83,654,015</b> |

(\*1) The cash flow of interest is excluded because it cannot be reliably estimated.

(\*2) Amounts with maturity of more than three months include cash flows of both the principal and interests.

(\*3) Financial guarantee liabilities are excluded in other financial liabilities.

|   | 2021                |                  |                |                  |                  |                  | Total             |
|---|---------------------|------------------|----------------|------------------|------------------|------------------|-------------------|
|   | Within 3 months     | 3 to 6 months    | 6 to 9 months  | 9 to 12 months   | 1 to 5 years     | Over 5 years     |                   |
| Financial liabilities measured at fair value through profit or loss | ₩ 1,153,399         | -                | -              | -                | -                | -                | 1,153,399         |
| Deposits due to customers   | 14,550,891          | -                | -              | -                | -                | -                | 14,550,891        |
| Borrowings(*1)  | 44,974,725          | 594,407          | 386,832        | 1,852,227        | 2,256,706        | -                | 50,064,897        |
| Lease liabilities   | 14,712              | 14,050           | 9,632          | 8,856            | 107,316          | 1,061,830        | 1,216,396         |
| Debentures(*2)  | 2,349,071           | 922,957          | 252,144        | 25,219           | 4,597,645        | 101,602          | 8,248,638         |
| Other financial liabilities(*3)                                     | 12,014,817          | 1,373            | 630            | 2,506            | 4,216            | 5,000            | 12,028,542        |
|   | <b>₩ 75,057,615</b> | <b>1,532,787</b> | <b>649,238</b> | <b>1,888,808</b> | <b>6,965,883</b> | <b>1,168,432</b> | <b>87,262,763</b> |

(\*1) The cash flow of interest is excluded because it cannot be reliably estimated.

(\*2) Amounts with maturity of more than three months include cash flows of both the principal and interests.

(\*3) Financial guarantee liabilities are excluded in other financial liabilities.

ii) The Group’s off-balance sheet items by residual contractual maturity classified as of December 31, 2022 and 2021 are as follows:

|   | 2022               |               |                  |
|---|--------------------|---------------|------------------|
|   | Within 3 months    | Over 3 months | Total            |
| Asset-backed commercial paper and asset backed short-term bond purchase agreement | ₩ 936,184          | -             | 936,184          |
| Guarantees(including loan commitment)   | 1,230,959          | -             | 1,230,959        |
| Unused credit line and etc.   | 2,019,027          | -             | 2,019,027        |
|   | <b>₩ 4,186,170</b> | <b>-</b>      | <b>4,186,170</b> |

|   | 2021               |               |                  |
|---|--------------------|---------------|------------------|
|   | Within 3 months    | Over 3 months | Total            |
| Asset-backed commercial paper and asset backed short-term bond purchase agreement | ₩ 1,235,473        | -             | 1,235,473        |
| Guarantees(including loan commitment)   | 495,408            | -             | 495,408          |
| Unused credit line and etc.   | 2,745,613          | -             | 2,745,613        |
|   | <b>₩ 4,476,494</b> | <b>-</b>      | <b>4,476,494</b> |



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The balances of purchase agreements, guarantee(including loan commitment) and commitments on loans that are potentially prone to liquidity risks are reclassified to balances with less than three months' maturity from the date of acquisition, which is the earliest possible for repayment. The payment guarantees are the maximum amount, which the financial institution must pay under the guarantee contracts when the counterparty defaults and principal debtor demands the amount guaranteed. Commitments on loans includes loan commitments and purchase agreement that are related to asset securitizations.

A purchase agreement is when an asset securitization special purpose company (Asset-Backed Securitization Act and companies under the Commercial Law) purchases assets subject to securitization such as securities and loans, and issues or refund commercial papers and electronic short-term bonds based on these purchases. This is a purchase agreement to guarantee that the Group will purchase the commercial papers and electronic short-term bonds of the issuer in case all or part of them are not sold on the market.

iii) Expected maturity cash flows of the derivative financial liabilities and financial liabilities designated as measured at fair value through profit of loss as of December 31, 2022 and 2021 are as follows:

|  | 2022            |               |               |                |              |              |            |
|--|-----------------|---------------|---------------|----------------|--------------|--------------|------------|
|  | Within 3 months | 3 to 6 months | 6 to 9 months | 9 to 12 months | 1 to 5 years | Over 5 years | Total      |
| Stock  | ₩ 553,903       | 10,460        | 5,639         | 11,556         | 377,094      | -            | 958,652    |
| Interest rate                                  | 1,362           | 2,241         | 3,969         | 4,590          | 128,313      | 449,632      | 590,107    |
| Currency                                       | 352,401         | 110,754       | 176,575       | 86,994         | 149,009      | 27,723       | 903,456    |
| Others   | 419             | -             | 14            | -              | 3,991        | 106,269      | 110,693    |
| Derivative-linked securities in short position | 545,630         | 289,539       | 97,863        | 3,319,107      | 5,107,197    | 970,541      | 10,329,877 |
|  | ₩ 1,453,715     | 412,994       | 284,060       | 3,422,247      | 5,765,604    | 1,554,165    | 12,892,785 |

(\*) Exchange-traded derivative is excluded from the above table because the settlement of the transactions is made within a few days.

|  | 2021            |               |               |                |              |              | Total      |
|--|-----------------|---------------|---------------|----------------|--------------|--------------|------------|
|  | Within 3 months | 3 to 6 months | 6 to 9 months | 9 to 12 months | 1 to 5 years | Over 5 years |            |
| Stock  | ₩ 88,706        | 12,062        | 5,845         | 18,619         | 121,123      | -            | 246,355    |
| Interest rate                                  | 5,904           | 2,859         | 3,450         | 4,549          | 90,107       | 179,808      | 286,677    |
| Currency                                       | 105,165         | 70,251        | 45,699        | 25,212         | 44,916       | 8,555        | 299,798    |
| Credit   | -               | -             | -             | -              | 141          | -            | 141        |
| Others   | 3               | 7             | -             | 252            | 2,324        | 38,014       | 40,600     |
| Derivative-linked securities in short position | 564,253         | 437,350       | 116,113       | 3,630,349      | 4,399,230    | 1,180,081    | 10,327,376 |
|  | ₩ 764,031       | 522,529       | 171,107       | 3,678,981      | 4,657,841    | 1,406,458    | 11,200,947 |

(\*) Exchange-traded derivative is excluded from the above table because the settlement of the transactions is made within a few days.

## (5) Operating risk management

Operational risk is the possibility of losses arising from shortcomings or failures in internal processes, people or systems, and from external events. The Group manages operational risk through Risk & Control Self Assessment ("RCSA"), Key Risk Indicator ("KRI") management, loss data management, management of countermeasures and calculation of operational VaR using internal model.

Risk & control self-evaluation is regularly performed to check the level of risk subject to management by department, and to prepare countermeasures to focus on risk subject to the assessment, and to collect all financial loss data from the Group. In addition, the Group establishes and operates an operational risk management system to calculate the operation VaR based on the internal model.

## (6) Environmental and social risk management

Environmental and social risks include environmental issues regarding the environment (atmosphere, land and water), forests, ecosystems and biodiversity, GHG emissions and global warming, and natural resources, as well as social issues regarding the destruction of local communities, stakeholders' human rights, forced labor, industry and community safety, and public health.

By establishing and implementing the ESP(Environmental and Social Policy Statement) principle, the Group identifies non-financial risks related to the business in advance and responds in a preemptive and timely manner. In addition, the Group implements responsible investment that considers stakeholders as a whole by establishing investment principles that reflect such non-financial risk factors.

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## (7) Capital management

The Group calculates the net capital ratio, an indicator of capital adequacy, based on financial statements according to the Financial Investment Business Regulations. In order to maintain the net capital ratio required by the Financial Investment Business Regulations, the Group manages net capital for operations, including total risk and equity capital, and complies with the net capital ratio (100% or more) required by the Financial Investment Business Regulations.

The Group's Net Capital Ratio (NCR) as of December 31, 2022 and 2021 are 1,871.11% and 2,133.43%, respectively, exceeding the standard for management improvement measures.

## (8) Offsetting financial assets and financial liabilities

The Group applies master netting agreements of similar agreement to derivatives and repurchase agreement transactions.

1) Categories of financial assets that master netting agreements of similar agreement apply to as of December 31, 2022 and 2021 are as follows:

| Types of financial assets                         | 2022  |  |   |   |  |                  |
|---|---|--|---|---|--|------------------|
|   | Total amount of recognized financial assets | Total amount of offsetting financial liabilities | Net amount of financial assets in the statement of financial position | Related amount not offset in the statement of financial position (*1) |  | Net amount       |
|   |   |  |   | Financial instruments   | Financial collaterals (cash collateral included) |                  |
| Derivative financial assets (*2)                  | ₩ 2,179,255                                 | –  | 2,179,255   | 1,553,476   | 266,549  | 359,230          |
| Accounts receivable (*3)(*4)                      | 7,111,994                                   | 2,912,582  | 4,199,412   | 2,258,200   | –  | 1,941,212        |
| Securities purchased under resell agreements (*4) | 30,194,836                                  | 15,189,232                                       | 15,005,604  | 98,896  | 14,906,708                                       | –                |
|   | <b>₩ 39,486,085</b>                         | <b>18,101,814</b>                                | <b>21,384,271</b>   | <b>3,910,572</b>  | <b>15,173,257</b>                                | <b>2,300,442</b> |

Notes to the Consolidated Financial Statements

| Types of financial assets                         | 2021  |  |   |   |  |                  |
|---|---|--|---|---|--|------------------|
|   | Total amount of recognized financial assets | Total amount of offsetting financial liabilities | Net amount of financial assets in the statement of financial position | Related amount not offset in the statement of financial position (*1) |  | Net amount       |
|   |   |  |   | Financial instruments   | Financial collaterals (cash collateral included) |                  |
| Derivative financial assets (*2)                  | ₩ 638,609                                   | –  | 638,609   | 441,374   | 86,539   | 110,696          |
| Accounts receivable (*3)(*4)                      | 12,694,127                                  | 5,598,956  | 7,095,171   | 4,291,034   | –  | 2,804,137        |
| Securities purchased under resell agreements (*4) | 40,687,005                                  | 28,990,040                                       | 11,696,965  | 1,426,840   | 10,270,125                                       | –                |
|   | <b>₩ 54,019,741</b>                         | <b>34,588,996</b>                                | <b>19,430,745</b>   | <b>6,159,248</b>  | <b>10,356,664</b>                                | <b>2,914,833</b> |

(\*1) The Group has the right of offsetting only in case of default, insolvency and bankruptcy. Accordingly, transactions that do not meet the offset criteria are presented separately without offsetting in the consolidated statement of financial position.

(\*2) Some of the over-the-counter derivatives are traded in accordance with the collective offset agreement of ISDA(International Swaps and Derivatives Association). Under the agreement, in the event of a credit event, such as a bankruptcy of a counterparty, all derivatives transactions with that counterparty will be terminated. At the time of termination, the parties will offset the amount paid or payable for each transaction, and one party will pay a single amount to the other party.

(\*3) The gross amount was recognised as trade receivables and payables in relation to transactions between the exchange, clients and other financial institutions. However, among the trade receivables and payables related to the exchange and the central counter party, transactions of the same kind of products meeting the offsetting requirements under K-IFRS are included in the consolidated statement of financial position as net amounts.

(\*4) The Group is subject to a master netting agreement similar to the ISDA collective offsetting agreement. In the case of the transaction of repurchase agreements (RP) of some subsidiaries, securities purchased and sold under repurchase agreements under RP incurred in relation to the Exchange and Central Counterparty are presented in net amounts in the consolidated statement of financial position if the offsetting criteria are met under K-IFRS such as transaction with common counterparty etc.

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## 2) Categories of financial liabilities that master netting agreements of similar agreement apply to as of December 31, 2022 and 2021 are as follows:

| Types of financial liabilities                   | 2022   |   |  |  |   |                  |
|--|--|---|--|--|---|------------------|
|  | Total amount of recognized financial liabilities | Total amount of offsetting financial assets | Net amount of financial liabilities in the statement of financial position | Related amount not offset in the statement of financial position(*1) |   | Net amount       |
|  |  |   |  | Financial instruments  | Financial collaterals received (cash collateral included) |                  |
| Derivative financial liabilities (*2)            | ₩ 2,410,453                                      | –   | 2,410,453  | 1,553,476  | 645,869   | 211,108          |
| Accounts payables (*3),(4)                       | 6,998,774  | 2,912,582                                   | 4,086,192  | 2,258,200  | –   | 1,827,992        |
| Securities sold under repurchase agreements (*4) | 47,917,855                                       | 15,189,232                                  | 32,728,623   | 16,334,858   | 16,393,765  | –                |
|  | <b>₩ 57,327,082</b>                              | <b>18,101,814</b>                           | <b>39,225,268</b>  | <b>20,146,534</b>  | <b>17,039,634</b>   | <b>2,039,100</b> |

| Types of financial liabilities                   | 2021   |   |  |  |   |                  |
|--|--|---|--|--|---|------------------|
|  | Total amount of recognized financial liabilities | Total amount of offsetting financial assets | Net amount of financial liabilities in the statement of financial position | Related amount not offset in the statement of financial position(*1) |   | Net amount       |
|  |  |   |  | Financial instruments  | Financial collaterals received (cash collateral included) |                  |
| Derivative financial liabilities (*2)            | ₩ 729,025  | –   | 729,025  | 441,374  | 246,271   | 41,380           |
| Accounts payables (*3),(4)                       | 12,115,213                                       | 5,598,956                                   | 6,516,257  | 4,291,034  | –   | 2,225,223        |
| Securities sold under repurchase agreements (*4) | 63,053,896                                       | 28,990,040                                  | 34,063,856   | 23,455,084   | 10,608,772  | –                |
|  | <b>₩ 75,898,134</b>                              | <b>34,588,996</b>                           | <b>41,309,138</b>  | <b>28,187,492</b>  | <b>10,855,043</b>   | <b>2,266,603</b> |

(\*1) The Group has the right of offsetting only in case of default, insolvency and bankruptcy. Accordingly, transactions that do not meet the offset criteria are presented separately without offsetting in the consolidated statement of financial position.

(\*2) Some of the over-the-counter derivatives are traded in accordance with the collective offset agreement of ISDA(International Swaps and Derivatives Association). Under the agreement, in the event of a credit event, such

as a bankruptcy of a counterparty, all derivatives transactions with that counterparty will be terminated. At the time of termination, the parties will offset the amount paid or payable for each transaction, and one party will pay a single amount to the other party.

(\*3) The gross amount was recognised as trade receivables and payables in relation to transactions between the exchange, clients and other financial institutions. However, among the trade receivables and payables related to the exchange and the central counter party, transactions of the same kind of products meeting the offsetting requirements under K-IFRS are included in the consolidated statement of financial position as net amounts.

(\*4) The Group is subject to a master netting agreement similar to the ISDA collective offsetting agreement. In the case of the transaction of repurchase agreements (RP) of some subsidiaries, securities purchased and sold under repurchase agreements under RP incurred in relation to the Exchange and Central Counterparty are presented in net amounts in the consolidated statement of financial position if the offsetting criteria are met under K-IFRS such as transaction with common counterparty etc.

## (9) Interest rate reform

1) The Group owns financial instruments that are directly affected by the interest rate benchmark reform and is exposed to interest rate risk, operational risk and legal risk due to the reform of the interest rate benchmark. In order to reduce the above risk, the Group is working on a project to transit contracts that reference the existing interest rate benchmark to alternative interest rates. In addition, in order to manage the risks exposed by the interest rate benchmark reform, the Risk Management Committee manages and oversees the Group's transition to the alternative benchmark interest rate by evaluating the extent to which a contract references LIBOR cash flows, whether these contracts should be modified as a result of the interest rate reform, and how the communication with counterparties on the interest rate benchmark reform is managed.

In cases of the cessation of the LIBOR, the Group has inserted a fallback clause to the existing contract. For LIBOR for which publication ceased, fallback clause insertions were completed before December 31, 2022, and the interest rates of financial instruments were changed accordingly. For LIBOR-related financial instruments that have not yet been ceased, the Group plans to either complete the insertion of fallback clauses or directly change the LIBOR interest rate to another alternative interest rate before the publication is discontinued. In addition, the Group joined the ISDA protocol to transition the alternative interest rate for derivatives, and most of the counterparties have also joined the ISDA protocol. In the case of counterparties that have not joined the protocol, agreements have been completed with the counterparties so that similar fallback clauses may be inserted.

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## 2) Details of financial instruments that have yet to transition to an alternative benchmark rate as of December 31, 2022, are as follows:

Amounts for non-derivative financial instruments are carrying amounts, and for derivative instruments and contracts and financial guarantees are nominal amounts.

| (In millions of Korean won)  |                  |
|--|------------------|
|  | USD LIBOR(*1)    |
| Non-derivative financial assets  |                  |
| Financial assets measured at fair value through profit or loss             | 359,288          |
| Financial assets measured at fair value through other comprehensive income | -                |
| Financial assets measured at amortized cost                                | 8,217            |
|  | <b>367,505</b>   |
| Non-derivative financial liabilities                                       |                  |
| Financial liabilities measured at amortized cost                           | 560,833          |
| Derivatives for trading (*2)   |                  |
| Interest rate  | 4,999,439        |
| Currency   | 2,320,990        |
| Equity   | 234,526          |
| Others   | 293,460          |
|  | <b>7,848,415</b> |
| Commitments and financial guarantees                                       | 13,946           |

(\*1) For USD LIBOR (overnight, 1, 3, 6, 12 month), instruments that expire before the end of June 2023 were excluded.

(\*2) It consists of derivative instruments and derivative-linked securities.

## 3) Transition to LIBOR-related alternative interest rates has not been completed as of December 31, 2022, but there are no financial instruments for which alternative clauses have not been prepared.

## 6. Transfers of financial assets

### (1) Transfers of financial assets that are not derecognized entirely, because those securities are to be buy-back at a fixed price, as of December 31, 2022 and 2021 are as follows:

| Description  | 2022                | 2021              |
|--|---------------------|-------------------|
| Transferred financial assets   |                     |                   |
| Financial assets measured at fair value through profit or loss             | ₩ 6,753,021         | 8,542,431         |
| Financial assets measured at fair value through other comprehensive income | 7,402,805           | 7,574,604         |
|  | <b>₩ 14,155,826</b> | <b>16,117,035</b> |
| Related liabilities  |                     |                   |
| Securities sold under repurchase agreements                                | ₩ 13,699,237        | 16,194,483        |

The Group's subsidiaries include asset securitization companies (including securitization companies under the Asset-Backed Securitization Act and companies under the Commercial Act) and beneficiary securities that purchase securities and loan receivables and use the cash flows of such purchased assets for the repayment of commercial papers and electronic short-term bonds.

While the Group retains the contractual right to receive cash flows generated from securities and loans for such transactions, cash flows received by the Group are mostly transferred to the holders of the commercial papers and electronic short-term bonds. Securities and loan receivables held by asset securitization companies and some beneficiary securities among the Group's subsidiaries did not meet the derecognition requirements. As of December 31, 2022 and 2021, the Group retains the contractual right to receive cash flows from financial assets in relation to such transactions, and the details of financial assets and liabilities related to the contractual obligation to pay the cash flows to one or more recipients are as follows:

| Description                  |  | 2022               |
|------------------------------|--|--------------------|
| Transferred financial assets | Financial assets measured at fair value through profit or loss | ₩ 718,258          |
|                              | Financial assets measured at amortized cost                    | 415,748            |
|                              | Investments in associates                                      | 192,742            |
|                              |  | <b>₩ 1,326,748</b> |
| Related liabilities          | Borrowings   | ₩ 498              |
|                              | Debentures   | 784,320            |
|                              | Other financial liabilities                                    | 569,219            |
|                              |  | <b>₩ 1,354,037</b> |



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| Description                  |  | 2021        |
|------------------------------|--|-------------|
| Transferred financial assets | Financial assets measured at fair value through profit or loss | ₩ 623,962   |
|                              | Financial assets measured at amortized cost                    | 227,090     |
|                              | Investments in associates                                      | 169,825     |
|                              |  | ₩ 1,020,877 |
| Related liabilities          | Borrowings   | ₩ 94,200    |
|                              | Debentures   | 538,130     |
|                              | Other financial liabilities                                    | 391,128     |
|                              |  | ₩ 1,023,458 |

(2) The ownership of the securities is transferred when the Group lends securities held by the Group, however, the securities are returned at the expiration of the period of the securities lending, hence the Group continues to recognize the entire loaned securities as most of the risks and rewards of the securities are retained. The carrying amount of the loaned securities transferred but not derecognized as of December 31, 2022 and 2021, are ₩ 88,680 million and ₩ 403,572 million.

(3) The details of securities that the Group transferred but did not meet the derecognition requirements are as follows:

| Description                  |  | 2022     |
|------------------------------|--|----------|
| Transferred financial assets | Financial assets measured at fair value through profit or loss | ₩ 63,695 |
| Related liabilities          | Borrowings   | 62,786   |

(\*) In 2022, the Group transferred ₩ 64,000 million in electronic short-term bonds issued by MDL First Co., Ltd to Beta Mountain 1st Co., Ltd (hereinafter referred to as 'SPC'). SPC issued asset-backed-securities with the electronic short-term bonds as underlying assets, and the Group has committed to the acquisition of privately placed bonds issued by SPC.

## 7. Operating segments

### (1) Reportable segments

The Group's segment information is prepared for the purpose of resource allocation and assessment of each segment's performance and is based on the types of services provided.

| Reportable segment | Services provided  |
|--------------------|--|
| WM                 | Providing securities brokerage to individual and corporate customers or non-professional investors, offering products of wealth management and financial consulting services |
| IB                 | Conducting corporate finance businesses such as various funding and M&A advisory, etc.   |
| Sales & Trading    | Bond dealing and brokerage, supplying derivatives, hedge fund management   |
| PI & Others        | Conducting principal investment and supporting parts of headquarters and providing other operating activities aside from the above mentioned activities                      |

### (2) Operating results of reportable segments

Details of the operating results of reportable segments for the year ended December 31, 2022 are as follows:

|                                 | 2022        |           |                 |             |                           |              |
|---------------------------------|-------------|-----------|-----------------|-------------|---------------------------|--------------|
|                                 | WM          | IB        | Sales & Trading | PI & others | Intersegment eliminations | Total        |
| Operating revenue               | ₩ 1,526,345 | 858,415   | 18,461,226      | (1,694,117) | 9,306                     | 19,161,175   |
| Interest revenue                | 571,808     | 124,689   | 1,953,991       | (474,922)   | (3,691)                   | 2,171,875    |
| Non-interest revenue            | 954,537     | 733,726   | 16,507,235      | (1,219,195) | 12,997                    | 16,989,300   |
| Operating expense               | (1,111,268) | (592,969) | (18,411,567)    | 1,743,898   | 46,291                    | (18,325,615) |
| Interest expense                | (261,472)   | (125,334) | (1,819,239)     | 529,509     | 4,322                     | (1,672,214)  |
| Non-interest expense            | (849,796)   | (467,635) | (16,592,328)    | 1,214,389   | 41,969                    | (16,653,401) |
| Operating profit(loss)          | 415,077     | 265,446   | 49,659          | 49,781      | 55,597                    | 835,560      |
| Non-operating income(loss), net | 1,443       | (16,025)  | (137)           | (51,346)    | 56,774                    | (9,291)      |
| Profit before tax expense       | 416,520     | 249,421   | 49,522          | (1,565)     | 112,371                   | 826,269      |
| Income tax expense              | (83,988)    | (50,293)  | (9,986)         | 315         | (22,658)                  | (166,610)    |
| Profit (Loss) for the year      | ₩ 332,532   | 199,128   | 39,536          | (1,250)     | 89,713                    | 659,659      |

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Details of the operating results of reportable segments for the year ended December 31, 2021 are as follows:

|                                 | 2021        |           |                 |             |                           | Total        |
|---------------------------------|-------------|-----------|-----------------|-------------|---------------------------|--------------|
|                                 | WM          | IB        | Sales & Trading | PI & others | Intersegment eliminations |              |
| Operating revenue               | ₩ 1,797,206 | 805,214   | 9,909,524       | 857,707     | (217,649)                 | 13,152,002   |
| Interest revenue                | 557,673     | 92,963    | 719,773         | (44,995)    | (5,065)                   | 1,320,349    |
| Non-interest revenue            | 1,239,533   | 712,251   | 9,189,751       | 902,702     | (212,584)                 | 11,831,653   |
| Operating expense               | (984,944)   | (432,558) | (9,548,532)     | (648,785)   | (51,707)                  | (11,666,526) |
| Interest expense                | (130,058)   | (91,275)  | (473,647)       | 134,719     | 7,541                     | (552,720)    |
| Non-interest expense            | (854,886)   | (341,283) | (9,074,885)     | (783,504)   | (59,248)                  | (11,113,806) |
| Operating profit(loss)          | 812,262     | 372,656   | 360,992         | 208,922     | (269,356)                 | 1,485,476    |
| Non-operating income(loss), net | (104)       | 4,476     | 714             | (227,400)   | 379,021                   | 156,707      |
| Profit before tax expense       | 812,158     | 377,132   | 361,706         | (18,478)    | 109,665                   | 1,642,183    |
| Income tax expense              | (226,877)   | (105,352) | (101,043)       | 5,162       | (30,635)                  | (458,745)    |
| Profit (Loss) for the year      | ₩ 585,281   | 271,780   | 260,663         | (13,316)    | 79,030                    | 1,183,438    |

## (4) Information on products, services and key customers

The Group's revenues are derived from various services classified as interest, non-interest and others; however, since this classification has already been reflected in the component of the operating segments above, revenue from external customers by service type is not separately disclosed. The Group does not have any key customers who account for more than 10% of the Group's sales for the years ended December 31, 2022 and 2021.

## (5) Geographical information

Of the Group's revenue (interest income and non-interest income) from domestic customers for the years ended December 31, 2022 and 2021 amounted to ₩ 17,124,826 million and ₩ 11,914,798 million, respectively, and revenue from foreign customers amounted to ₩ 2,036,349 million and ₩ 1,237,204 million, respectively. The Group's non-current assets (investment in associates, investment properties, property and equipment and intangible assets) as of December 31, 2022 and 2021 are ₩ 4,125,287 million and ₩ 4,298,143 million, respectively, for the Company and domestic subsidiaries, and ₩ 2,512,497 million and ₩ 2,525,743 million, respectively, for foreign subsidiaries.

Notes to the Consolidated Financial Statements

## (3) Assets and liabilities of reportable segments

Details of the assets and liabilities of reportable segments as of December 31, 2022 and 2021 are as follows:

|             | 2022        |            |                 |             |                           | Total       |
|-------------|-------------|------------|-----------------|-------------|---------------------------|-------------|
|             | WM          | IB         | Sales & Trading | PI & others | Intersegment eliminations |             |
| Assets      | ₩ 6,979,529 | 10,367,920 | 64,906,135      | 33,275,021  | (9,315,354)               | 106,213,251 |
| Liabilities | 9,878,395   | 2,118,134  | 55,608,684      | 27,866,572  | 381,090                   | 95,852,875  |

|             | 2021        |            |                 |             |                           | Total       |
|-------------|-------------|------------|-----------------|-------------|---------------------------|-------------|
|             | WM          | IB         | Sales & Trading | PI & others | Intersegment eliminations |             |
| Assets      | ₩ 9,107,070 | 10,091,811 | 59,099,346      | 39,951,813  | (9,608,247)               | 108,641,793 |
| Liabilities | 15,450,183  | 1,650,044  | 52,889,346      | 27,721,108  | 321,153                   | 98,031,834  |

(\*) Due to the reorganization of the Company, the segment information items of the previous period have been restated.

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 8. Restricted use of financial assets

Details of restricted use of financial assets as of December 31, 2022 and 2021 are as follows:

|  | 2022                | 2021              | Descriptions   |
|--|---------------------|-------------------|--|
| Financial assets measured at fair value through profit or loss |                     |                   |  |
| Reserve for claims of customers' deposits (trust)(*)           | ₩ 7,214,315         | 10,525,705        | Regulation on Financial Investment Business                |
| Financial assets measured at amortized cost                    |                     |                   |  |
| Reserve for claims of customers' deposits(*)                   | 2,173,227           | 3,059,946         | Regulation on Financial Investment Business                |
| Deposits for exchange-traded derivatives                       | 437,526             | 433,743           | Margin on derivative transaction and others, etc.          |
| Guarantee deposit for account opening                          | 42                  | 42                | Guarantee deposit for account opening                      |
| Time deposit, etc  | 3,906,171           | 3,285,453         | Derivatives and collateral on payment and settlement, etc. |
|  | <b>6,516,966</b>    | <b>6,779,184</b>  |  |
|  | <b>₩ 13,731,281</b> | <b>17,304,889</b> |  |

(\*) Pursuant to the Financial Investment Services and Capital Markets Act and Regulation on Financial Investment Business, the Group is required to deposit with the Korean Securities Finance Corporation for the payment of its customers' deposits.

## 9. Financial assets measured at fair value through profit or loss

The Group's financial assets measured at fair value through profit or loss are classified as mandatory financial assets measured at fair value through profit or loss and financial assets designated as measured at fair value through profit or loss.

### (1) Details of financial assets measured at fair value through profit or loss as of December 31, 2022 and 2021 are as follows:

| Details   | 2022                | 2021              |
|---|---------------------|-------------------|
| Equity securities                                 | ₩ 1,310,360         | 1,889,030         |
| Investments in partnerships                       | 685,002             | 417,782           |
| Government and public bonds                       | 2,194,868           | 2,019,134         |
| Special bonds                                     | 4,251,781           | 5,676,730         |
| Corporate bonds                                   | 4,940,702           | 5,980,200         |
| Short-term bonds                                  | 420,230             | 264,682           |
| Collective investment securities                  | 6,282,404           | 6,509,602         |
| Securities in foreign currencies                  | 5,200,633           | 4,997,060         |
| Other securities                                  | 2,713,266           | 1,802,996         |
| Reserve for claims of customers' deposits (trust) | 7,214,315           | 10,525,705        |
| Loan and receivables                              | 1,333,895           | 1,481,990         |
| Derivative financial assets                       | 2,277,444           | 718,530           |
| Equity-linked securities                          | 342,886             | 271,225           |
| Other derivative-linked securities                | 11,277              | 11,850            |
|   | <b>₩ 39,179,063</b> | <b>42,566,516</b> |

### (2) There are no financial assets designated as measured at fair value through profit or loss as of December 31, 2022 and 2021.

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 10. Financial assets measured at fair value through other comprehensive income

The Group's financial assets measured at fair value through other comprehensive income are classified as financial assets (debt securities) measured at fair value through other comprehensive income, by its contractual cash flow characteristics and its business model of the instruments and equity securities designated as measured at fair value through other comprehensive income items at initial recognition.

### (1) Details of financial assets measured at fair value through other comprehensive income as of December 31, 2022 and 2021 are as follows:

|   | 2022                | 2021              |
|---|---------------------|-------------------|
| Equity securities                       | ₩ 848,010           | 1,353,634         |
| Equity securities in foreign currencies | 33,756              | 42,054            |
| Government and public bonds             | 312,367             | 301,774           |
| Special bonds                           | 6,685,474           | 4,345,706         |
| Corporate bonds                         | 7,815,625           | 7,133,928         |
| Bonds in foreign currencies             | 217,787             | 129,015           |
|   | <b>₩ 15,913,019</b> | <b>13,306,111</b> |

### (2) Equity securities designated as measured at fair value through other comprehensive income

i) Details of equity securities designated as measured at fair value through other comprehensive income are as follows:

|   | 2022             |                | 2021             |                  |
|---|------------------|----------------|------------------|------------------|
|   | Acquisition cost | Book value     | Acquisition cost | Book value       |
| Equity securities(*)                    | ₩ 702,311        | 848,010        | 702,311          | 1,353,634        |
| Equity securities in foreign currencies | 178,975          | 33,756         | 178,975          | 42,055           |
|   | <b>₩ 881,286</b> | <b>881,766</b> | <b>881,286</b>   | <b>1,395,689</b> |

(\*) They are held for financial business purposes and strategic purposes, not for trading purposes.

The book value of ₩ 499,718 million(₩ 1,065,597 million at the end of the previous year) has been signed with the seller to grant pre-emption preference rights and right of claim for sale mutually, and restricted in sale for a period of time.

There are no dividends recognized from equity securities derecognized during the current year and was ₩ 4,370 million during prior year. The amount of dividends related to equity securities as of December 31, 2022 and 2021 are ₩ 10,336 million and ₩ 8,507 million.

ii) As of December 31, 2021, some of the equity instruments designated as fair value through other comprehensive income measurement items was disposed of due to paid-in capital reduction of the issuing company. The disposal amounts is ₩ 224,335 million respectively and the amount of accumulated profit or loss is ₩ 15,645 million.

### (3) Debt securities

i) Debt securities classified as financial assets measured at fair value through other comprehensive income as of December 31, 2022 and 2021 are as follows:

|                             | 2022                |                   |                   |
|-----------------------------|---------------------|-------------------|-------------------|
|                             | Face value          | Amortized Cost    | Book Value        |
| Government and public bonds | ₩ 345,000           | 339,965           | 312,367           |
| Special bonds               | 6,790,800           | 6,754,459         | 6,685,474         |
| Corporate bonds             | 8,141,690           | 8,119,791         | 7,815,625         |
| Bonds in foreign currencies | 231,399             | 231,952           | 217,787           |
|                             | <b>₩ 15,508,889</b> | <b>15,446,167</b> | <b>15,031,253</b> |
|                             | 2021                |                   |                   |
|                             | Face value          | Amortized Cost    | Book Value        |
| Government and public bonds | ₩ 315,000           | 310,418           | 301,774           |
| Special bonds               | 4,358,100           | 4,356,781         | 4,345,705         |
| Corporate bonds             | 7,182,983           | 7,180,213         | 7,133,928         |
| Bonds in foreign currencies | 134,507             | 135,420           | 129,015           |
|                             | <b>₩ 11,990,590</b> | <b>11,982,832</b> | <b>11,910,422</b> |

ii) Details of changes in loss allowance of debt securities measured at fair value through other comprehensive income for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022           |              |          |              |
|--|----------------|--------------|----------|--------------|
|  | 12-month ECL   | Lifetime ECL |          | Total        |
|  |                | Not Impaired | Impaired |              |
| Beginning Balance                      | ₩ 2,257        | -            | -        | 2,257        |
| Transfers                              |                |              |          |              |
| Transfer to Lifetime ECL(Not impaired) | -              | -            | -        | -            |
| Transfer to Lifetime ECL(Impaired)     | -              | -            | -        | -            |
| Transfer to 12-month ECL               | -              | -            | -        | -            |
| Provision                              | 3,578          | -            | -        | 3,578        |
| Derecognition                          | (944)          | -            | -        | (944)        |
| Other changes                          | 5              | -            | -        | 5            |
| <b>Ending Balance</b>                  | <b>₩ 4,896</b> | <b>-</b>     | <b>-</b> | <b>4,896</b> |



# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

|  | 2021           |              |          |              |
|--|----------------|--------------|----------|--------------|
|  | 12-month ECL   | Lifetime ECL |          | Total        |
|  |                | Not Impaired | Impaired |              |
| Beginning Balance                      | ₩ 2,496        | 82           | -        | 2,578        |
| Transfers                              |                |              |          |              |
| Transfer to Lifetime ECL(Not impaired) | -              | -            | -        | -            |
| Transfer to Lifetime ECL(Impaired)     | -              | -            | -        | -            |
| Transfer to 12-month ECL               | -              | -            | -        | -            |
| Provision(reversal)                    | 1,556          | (15)         | -        | 1,541        |
| Derecognition                          | (1,798)        | (67)         | -        | (1,865)      |
| Other changes                          | 3              | -            | -        | 3            |
| <b>Ending Balance</b>                  | <b>₩ 2,257</b> | <b>-</b>     | <b>-</b> | <b>2,257</b> |

iii) Details of changes in total carrying amount of debt securities measured at fair value through other comprehensive income for the years ended December 31, 2022 and 2021 are as follows:

|   | 2022                |              |          |                   |
|---|---------------------|--------------|----------|-------------------|
|   | 12-month ECL        | Lifetime ECL |          | Total             |
|   |                     | Not Impaired | Impaired |                   |
| Beginning Balance                       | ₩ 11,910,422        | -            | -        | 11,910,422        |
| Transfers                               |                     |              |          |                   |
| Transfer to Lifetime ECL(Not impaired)  | -                   | -            | -        | -                 |
| Transfer to Lifetime ECL(Impaired)      | -                   | -            | -        | -                 |
| Transfer to 12-month ECL                | -                   | -            | -        | -                 |
| Acquisition                             | 11,660,144          | -            | -        | 11,660,144        |
| Derecognition                           | (8,208,818)         | -            | -        | (8,208,818)       |
| Evaluation                              | (361,955)           | -            | -        | (361,955)         |
| Foreign currency fluctuation and others | 31,460              | -            | -        | 31,460            |
| <b>Ending Balance</b>                   | <b>₩ 15,031,253</b> | <b>-</b>     | <b>-</b> | <b>15,031,253</b> |

Notes to the Consolidated Financial Statements

|   | 2021                |              |          |                   |
|---|---------------------|--------------|----------|-------------------|
|   | 12-month ECL        | Lifetime ECL |          | Total             |
|   |                     | Not Impaired | Impaired |                   |
| Beginning Balance                       | ₩ 9,682,237         | 26,045       | -        | 9,708,282         |
| Transfers                               |                     |              |          |                   |
| Transfer to Lifetime ECL(Not impaired)  | -                   | -            | -        | -                 |
| Transfer to Lifetime ECL(Impaired)      | -                   | -            | -        | -                 |
| Transfer to 12-month ECL                | -                   | -            | -        | -                 |
| Acquisition                             | 13,035,322          | -            | -        | 13,035,322        |
| Derecognition                           | (10,716,915)        | (27,692)     | -        | (10,744,607)      |
| Evaluation                              | (90,555)            | 99           | -        | (90,456)          |
| Foreign currency fluctuation and others | 333                 | 1,548        | -        | 1,881             |
| <b>Ending Balance</b>                   | <b>₩ 11,910,422</b> | <b>-</b>     | <b>-</b> | <b>11,910,422</b> |

#### (4) Gains and losses on valuation of financial assets measured at fair value through other comprehensive income

Details of changes in gains and losses on valuation of financial assets measured at fair value through other comprehensive income as accumulated other comprehensive income for the years ended December 31, 2022 and 2021 are as follows:

|                             | 2022              |                  |               |                |                  |
|-----------------------------|-------------------|------------------|---------------|----------------|------------------|
|                             | Beginning Balance | Evaluation       | Disposals     | Tax effect     | Ending Balance   |
| Equity securities           | ₩ 352,701         | (513,924)        | -             | 120,084        | (41,139)         |
| Government and public bonds | (6,237)           | (19,857)         | 923           | 4,904          | (20,267)         |
| Special bonds               | (7,653)           | (62,527)         | 5,306         | 14,990         | (49,884)         |
| Corporate bonds             | (32,437)          | (267,266)        | 11,261        | 67,093         | (221,349)        |
| Bonds in foreign currencies | (195)             | (12,305)         | (590)         | 1,406          | (11,684)         |
|                             | <b>₩ 306,179</b>  | <b>(875,879)</b> | <b>16,900</b> | <b>208,477</b> | <b>(344,323)</b> |

|                             | 2021              |               |                 |                 |                |
|-----------------------------|-------------------|---------------|-----------------|-----------------|----------------|
|                             | Beginning Balance | Evaluation    | Disposals       | Tax effect      | Ending Balance |
| Equity securities           | ₩ 259,773         | 156,515       | (15,645)        | (47,942)        | 352,701        |
| Government and public bonds | (1,189)           | (16,984)      | 10,021          | 1,915           | (6,237)        |
| Special bonds               | 2,366             | (13,628)      | (192)           | 3,801           | (7,653)        |
| Corporate bonds             | 5,499             | (52,382)      | 56              | 14,390          | (32,437)       |
| Bonds in foreign currencies | 20,898            | (7,462)       | (21,400)        | 7,769           | (195)          |
|                             | <b>₩ 287,347</b>  | <b>66,059</b> | <b>(27,160)</b> | <b>(20,067)</b> | <b>306,179</b> |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 11. Financial assets measured at amortized cost

### (1) Details of financial assets measured at amortized cost as of December 31, 2022 and 2021 are as follows:

|   | 2022                | 2021              |
|---|---------------------|-------------------|
| Deposit   |                     |                   |
| Reserve for claims of customers' deposits         | ₩ 2,173,227         | 3,059,946         |
| Trading margin of derivatives                     | 437,526             | 433,743           |
| Long-term deposits                                | 2,496,210           | 2,306,088         |
| Restricted deposits and others                    | 22,555              | 42                |
| Others  | 1,376,853           | 833,550           |
|   | <b>6,506,371</b>    | <b>6,633,369</b>  |
| Loan and receivables                              |                     |                   |
| Broker's loan                                     | 11,410,959          | 13,712,246        |
| Securities purchased under resell agreements      | 15,005,604          | 11,696,966        |
| Loans   | 757,354             | 1,083,954         |
| Receivables                                       | 56,020              | 56,357            |
| Loans purchased                                   | 41,007              | 42,643            |
| Advances for customers                            | 1,287               | 1,464             |
| Privately placed bonds                            | 477,524             | 314,526           |
| Dishonored bills receivable                       | -                   | 122               |
| Deferred loan originated cost and fee             | (1,537)             | (1,970)           |
|   | <b>27,748,218</b>   | <b>26,906,308</b> |
| Other financial assets                            |                     |                   |
| Accounts receivable                               | 5,823,195           | 7,763,983         |
| Accrued income                                    | 388,055             | 256,773           |
| Advance payments                                  | 29,175              | 29,601            |
| Deposits provided                                 | 75,419              | 76,637            |
| Others  | 492,610             | -                 |
| Present value discount                            | (8,283)             | (5,441)           |
|   | <b>6,800,171</b>    | <b>8,121,553</b>  |
| Allowance for credit loss(loans and receivables)  | (100,663)           | (65,424)          |
| Allowance for credit loss(other financial assets) | (47,106)            | (46,347)          |
|   | <b>₩ 40,906,991</b> | <b>41,549,459</b> |

Notes to the Consolidated Financial Statements

### (2) Details of changes in allowance for credit loss of financial assets measured at amortized cost for the years ended December 31, 2022 and 2021 are as follows:

#### i) Details of changes in allowance for credit loss of loans and receivables

|  | 2022            |              |               |                |
|--|-----------------|--------------|---------------|----------------|
|  | 12-month ECL    | Lifetime ECL |               | Total          |
|  |                 | Not Impaired | Impaired      |                |
| Beginning Balance                      | ₩ 7,434         | 3,235        | 54,755        | 65,424         |
| Transfers                              |                 |              |               |                |
| Transfer to Lifetime ECL(not impaired) | (257)           | 257          | -             | -              |
| Transfer to Lifetime ECL(impaired)     | (70)            | (250)        | 320           | -              |
| Transfer to 12-month ECL               | 36              | (36)         | -             | -              |
| Write-off                              | -               | -            | (5,935)       | (5,935)        |
| Provision                              | 36,238          | 4,479        | 3,906         | 44,623         |
| Others                                 | (5,589)         | -            | 2,140         | (3,449)        |
| <b>Ending Balance</b>                  | <b>₩ 37,792</b> | <b>7,685</b> | <b>55,186</b> | <b>100,663</b> |
|  | 2021            |              |               |                |
|  | 12-month ECL    | Lifetime ECL |               | Total          |
|  |                 | Not Impaired | Impaired      |                |
| Beginning Balance                      | ₩ 7,918         | 2,546        | 63,323        | 73,787         |
| Transfers                              |                 |              |               |                |
| Transfer to Lifetime ECL(not impaired) | (2,305)         | 2,305        | -             | -              |
| Transfer to Lifetime ECL(impaired)     | -               | (18)         | 18            | -              |
| Transfer to 12-month ECL               | -               | -            | -             | -              |
| Provision (reversal)                   | 2,712           | (1,598)      | 8,453         | 9,567          |
| Repayment and derecognition            | -               | -            | (17,039)      | (17,039)       |
| Others                                 | (891)           | -            | -             | (891)          |
| <b>Ending Balance</b>                  | <b>₩ 7,434</b>  | <b>3,235</b> | <b>54,755</b> | <b>65,424</b>  |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## ii) Details of changes of the allowance for credit loss of other financial assets

|  | 2022         |              |               |               |
|--|--------------|--------------|---------------|---------------|
|  | 12-month ECL | Lifetime ECL |               | Total         |
|  |              | Not Impaired | Impaired      |               |
| Beginning Balance                      | ₩ 69         | 8            | 46,270        | 46,347        |
| Transfers                              |              |              |               |               |
| Transfer to Lifetime ECL(not impaired) | (1)          | 1            | -             | -             |
| Transfer to Lifetime ECL(impaired)     | -            | (1)          | 1             | -             |
| Transfer to 12-month ECL               | -            | -            | -             | -             |
| Write-off                              | -            | -            | (4,353)       | (4,353)       |
| Disposal                               | (1)          | -            | -             | (1)           |
| Provision                              | 453          | 23           | 4,734         | 5,210         |
| Others                                 | (99)         | -            | 2             | (97)          |
| <b>Ending Balance</b>                  | <b>₩ 421</b> | <b>31</b>    | <b>46,654</b> | <b>47,106</b> |
|  | 2021         |              |               |               |
|  | 12-month ECL | Lifetime ECL |               | Total         |
|  |              | Not Impaired | Impaired      |               |
| Beginning Balance                      | ₩ 120        | 57           | 46,706        | 46,883        |
| Transfers                              |              |              |               |               |
| Transfer to Lifetime ECL(not impaired) | (4)          | 4            | -             | -             |
| Transfer to Lifetime ECL(impaired)     | -            | -            | -             | -             |
| Transfer to 12-month ECL               | -            | -            | -             | -             |
| Write-off                              | -            | -            | (704)         | (704)         |
| Disposal                               | (5)          | -            | -             | (5)           |
| Provision (reversal)                   | (62)         | (53)         | 266           | 151           |
| Others                                 | 20           | -            | 2             | 22            |
| <b>Ending Balance</b>                  | <b>₩ 69</b>  | <b>8</b>     | <b>46,270</b> | <b>46,347</b> |

Notes to the Consolidated Financial Statements

## (3) Details of changes in carrying amount of loan and receivables of financial assets measured at amortized cost for the years ended December 31, 2022 and 2021 are as follows:

| Description(*1)                        | 2022               |               |               |                  |
|--|--------------------|---------------|---------------|------------------|
|  | 12-month ECL       | Lifetime ECL  |               | Total            |
|  |                    | Not Impaired  | Impaired      |                  |
| Beginning Balance                      | ₩ 1,297,338        | 75,246        | 70,125        | 1,442,709        |
| Transfers                              |                    |               |               |                  |
| Transfer to Lifetime ECL(not impaired) | (18,915)           | 18,915        | -             | -                |
| Transfer to Lifetime ECL(impaired)     | (3,470)            | (12,260)      | 15,730        | -                |
| Transfer to 12-month ECL               | 6,462              | (6,462)       | -             | -                |
| Execution                              | 706,570            | 3,050         | -             | 709,620          |
| Repayment and derecognition            | (839,990)          | (8,130)       | (6,500)       | (854,620)        |
| Write-off                              | -                  | -             | (5,925)       | (5,925)          |
| Disposal(*2)                           | (2,500)            | -             | -             | (2,500)          |
| Others                                 | (15,990)           | 1,736         | 2,142         | (12,112)         |
| <b>Ending Balance(*3)</b>              | <b>₩ 1,129,505</b> | <b>72,095</b> | <b>75,572</b> | <b>1,277,172</b> |

(\*1) Amounts of loan and receivables excluded from changes in carrying amount are broker's loans of ₩ 11,410,959 million, securities purchased under resell agreements of ₩ 15,005,604 million and receivables of ₩ 56,020 million as of December 31, 2022. Amounts of allowances for credit loss are broker's loans of ₩ 25,136 million, receivables of ₩ 199 million as of December 31, 2022. Securities purchased under repurchase agreements are excluded. The Group established securities collateral for broker's loan and securities purchased under resell agreements. Real estate(land, buildings) is received as collateral for impaired financial asset.

(\*2) The loan was disposed to facilitate capital investments for the year ended December 31, 2022, and there is no loss from the disposal of loan.

(\*3) Deferred loan origination fees and costs were excluded from the total carrying amount.

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

| Description(*1)                        | 2021               |               |               |                  |
|--|--------------------|---------------|---------------|------------------|
|  | 12-month ECL       | Lifetime ECL  |               | Total            |
|  |                    | Not Impaired  | Impaired      |                  |
| Beginning Balance                      | ₩ 829,404          | 67,075        | 100,927       | 997,406          |
| Transfers                              |                    |               |               |                  |
| Transfer to Lifetime ECL(not impaired) | (64,671)           | 64,671        | -             | -                |
| Transfer to Lifetime ECL(impaired)     | -                  | (4,075)       | 4,075         | -                |
| Transfer to 12-month ECL               | -                  | -             | -             | -                |
| Execution                              | 1,046,979          | 2,799         | -             | 1,049,778        |
| Repayment and derecognition            | (512,824)          | (54,630)      | (37,297)      | (604,751)        |
| Disposal(*2)                           | (8,416)            | (1,847)       | -             | (10,263)         |
| Others                                 | 6,866              | 1,253         | 2,420         | 10,539           |
| <b>Ending Balance(*3)</b>              | <b>₩ 1,297,338</b> | <b>75,246</b> | <b>70,125</b> | <b>1,442,709</b> |

(\*1) Amounts of loan and receivables excluded from changes in carrying amount are broker's loans of ₩ 13,712,246 million, securities purchased under repurchase agreements of ₩ 11,696,966 million and receivables of ₩ 56,357 million as of December 31, 2021. Amounts of allowances for credit loss are broker's loans of ₩ 2,822 million, receivables of ₩ 219 million as of December 31, 2021. The Group established securities collateral for broker's loan and securities purchased under repurchase agreements. Real estate(land, buildings) is received as collateral for impaired financial asset.

(\*2) The loan was disposed to facilitate capital investments for the year ended December 31, 2021, and the loss from the disposal of loan bonds is ₩ (-)24 million.

(\*3) Deferred loan origination fees and costs were excluded from the total carrying amount.

#### (4) Details of changes in deferred loan origination fees and costs for the years ended December 31, 2022 and 2021 are as follows:

|                   | 2022      | 2021    |
|-------------------|-----------|---------|
| Beginning Balance | ₩ (1,970) | (3,286) |
| Increase          | (2,080)   | (1,287) |
| Amortization      | 2,513     | 2,603   |
| Ending balance    | ₩ (1,537) | (1,970) |

## 12. The fair value of financial assets and liabilities

### (1) The carrying amount and fair value of the Group's financial assets and liabilities as of December 31, 2022 and 2021 are as follows:

|   | 2022                |                   | 2021              |                   |
|---|---------------------|-------------------|-------------------|-------------------|
|   | Carrying amount     | Fair value        | Carrying amount   | Fair value        |
| Financial assets  |                     |                   |                   |                   |
| Deposits  | ₩ 6,506,371         | 6,506,371         | 6,633,368         | 6,633,368         |
| Financial assets measured at fair value through profit or loss(*1)                    | 39,179,063          | 39,179,063        | 42,566,516        | 42,566,516        |
| Financial assets measured at fair value through other comprehensive income            | 15,913,019          | 15,913,019        | 13,306,111        | 13,306,111        |
| Loans(*2)   | 27,647,555          | 27,633,740        | 26,840,885        | 26,842,133        |
| Other financial assets(*2)(*3)  | 6,753,065           | 6,753,065         | 8,075,207         | 8,075,207         |
|   | <b>₩ 95,999,073</b> | <b>95,985,258</b> | <b>97,422,087</b> | <b>97,423,335</b> |
| Financial liabilities   |                     |                   |                   |                   |
| Financial liabilities measured at fair value through profit or loss(*1)               | ₩ 4,495,138         | 4,495,138         | 2,022,205         | 2,022,205         |
| Financial liabilities designated as measured at fair value through profit or loss(*1) | 10,468,467          | 10,468,467        | 10,533,734        | 10,533,734        |
| Deposits due to customers(*2)   | 9,650,956           | 9,650,956         | 14,550,891        | 14,550,891        |
| Borrowings(*2)  | 52,059,468          | 51,969,104        | 50,330,077        | 50,335,325        |
| Debentures  | 8,685,790           | 8,374,937         | 7,911,389         | 7,920,987         |
| Other financial liabilities(*2)(*3)(*4)   | 10,186,957          | 10,186,959        | 12,040,159        | 12,040,159        |
|   | <b>₩ 95,546,776</b> | <b>95,145,561</b> | <b>97,388,455</b> | <b>97,403,301</b> |

(\*1) Day 1 profit or loss is reflected in the carrying amount and fair value of derivatives, etc.

(\*2) As loans, deposits and borrowings are due in one year as of December 31, 2022 and 2021, and due to other reasons, the Group regards book value is similar to the fair value. However, for large loans with maturities of more than one year as of the end of the reporting period, the fair value is measured using the DCF model.

(\*3) Other assets and liabilities in the statement of financial position that do not meet the definition of financial instruments, such as advance payments, advance received and income in advance, are excluded.

(\*4) Amount of liabilities related to the benefits are included.



# Notes to the Consolidated Financial Statements

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## (2) Fair value hierarchy of financial instruments measured at fair value

1) Fair value hierarchy of financial instruments measured at fair value as of December 31, 2022 and 2021 is as follows:

| Description   | 2022         |            |            |            |
|---|--------------|------------|------------|------------|
|   | Level 1      | Level 2    | Level 3    | Total      |
| Financial assets  |              |            |            |            |
| Financial assets measured at fair value through profit or loss                    | ₩ 8,927,959  | 20,503,078 | 9,748,026  | 39,179,063 |
| Financial assets measured at fair value through other comprehensive income        | 1,358,430    | 14,206,297 | 348,292    | 15,913,019 |
|   | ₩ 10,286,389 | 34,709,375 | 10,096,318 | 55,092,082 |
| Financial liabilities   |              |            |            |            |
| Financial liabilities measured at fair value through profit or loss               | ₩ 2,085,475  | 1,770,208  | 639,455    | 4,495,138  |
| Financial liabilities designated as measured at fair value through profit of loss | 32,991       | 283,554    | 10,151,922 | 10,468,467 |
|   | ₩ 2,118,466  | 2,053,762  | 10,791,377 | 14,963,605 |
| Description   | 2021         |            |            |            |
|   | Level 1      | Level 2    | Level 3    | Total      |
| Financial assets  |              |            |            |            |
| Financial assets measured at fair value through profit or loss                    | ₩ 10,032,300 | 24,661,571 | 7,872,645  | 42,566,516 |
| Financial assets measured at fair value through other comprehensive income        | 1,450,028    | 11,568,046 | 288,037    | 13,306,111 |
|   | ₩ 11,482,328 | 36,229,617 | 8,160,682  | 55,872,627 |
| Financial liabilities   |              |            |            |            |
| Financial liabilities measured at fair value through profit or loss               | ₩ 1,287,135  | 596,081    | 138,989    | 2,022,205  |
| Financial liabilities designated as measured at fair value through profit or loss | 16,614       | 498,563    | 10,018,557 | 10,533,734 |
|   | ₩ 1,303,749  | 1,094,644  | 10,157,546 | 12,555,939 |

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# Notes to the Consolidated Financial Statements

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2) Details of changes in financial assets and liabilities measured at fair value classified into Level 3 for the years ended December 31, 2022 and 2021 are as follows:

|   | 2022                |                |                 |                  |                            |                   |                     |               |                   |
|---|---------------------|----------------|-----------------|------------------|----------------------------|-------------------|---------------------|---------------|-------------------|
|   | Beginning balance   | Transfer in(*) | Transfer out(*) | Profit (Loss)    | Other comprehensive income | Purchase/issuance | Disposal/settlement | Others        | Ending balance    |
| Financial assets:   |                     |                |                 |                  |                            |                   |                     |               |                   |
| Financial assets measured at fair value through profit or loss                    | ₩ 7,872,645         | 120,596        | (15,627)        | 519,661          | -                          | 4,256,574         | (3,093,633)         | 87,810        | 9,748,026         |
| Financial assets measured at fair value through other comprehensive income        | 288,037             | -              | -               | -                | 60,255                     | -                 | -                   | -             | 348,292           |
|   | <b>₩ 8,160,682</b>  | <b>120,596</b> | <b>(15,627)</b> | <b>519,661</b>   | <b>60,255</b>              | <b>4,256,574</b>  | <b>(3,093,633)</b>  | <b>87,810</b> | <b>10,096,318</b> |
| Financial liabilities:  |                     |                |                 |                  |                            |                   |                     |               |                   |
| Financial liabilities measured at fair value through profit or loss               | ₩ 138,989           | -              | -               | 368,366          | -                          | 107,348           | 24,752              | -             | 639,455           |
| Financial liabilities designated as measured at fair value through profit or loss | 10,018,557          | -              | -               | (579,765)        | (16,842)                   | 7,206,093         | (6,476,121)         | -             | 10,151,922        |
|   | <b>₩ 10,157,546</b> | <b>-</b>       | <b>-</b>        | <b>(211,399)</b> | <b>(16,842)</b>            | <b>7,313,441</b>  | <b>(6,451,369)</b>  | <b>-</b>      | <b>10,791,377</b> |

(\*) Transfer between levels occurred in change of market observable data availability. The Group recognizes the transfer of level at the end of the reporting period in which the events or changes in circumstances that may cause the transfer of level occur.

|   | 2021                |                  |                |                            |                   |                     |                |                   |
|---|---------------------|------------------|----------------|----------------------------|-------------------|---------------------|----------------|-------------------|
|   | Beginning balance   | Transfer out(*)  | Profit (Loss)  | Other comprehensive income | Purchase/issuance | Disposal/settlement | Others         | Ending balance    |
| Financial assets:   |                     |                  |                |                            |                   |                     |                |                   |
| Financial assets measured at fair value through profit or loss                    | ₩ 7,547,694         | (191,538)        | 264,937        | -                          | 4,319,426         | (4,171,681)         | 103,807        | 7,872,645         |
| Financial assets measured at fair value through other comprehensive income        | 510,139             | -                | -              | (8,832)                    | -                 | (234,294)           | 21,024         | 288,037           |
|   | <b>₩ 8,057,833</b>  | <b>(191,538)</b> | <b>264,937</b> | <b>(8,832)</b>             | <b>4,319,426</b>  | <b>(4,405,975)</b>  | <b>124,831</b> | <b>8,160,682</b>  |
| Financial liabilities:  |                     |                  |                |                            |                   |                     |                |                   |
| Financial liabilities measured at fair value through profit or loss               | ₩ 83,358            | -                | (98,231)       | -                          | 177,298           | (23,436)            | -              | 138,989           |
| Financial liabilities designated as measured at fair value through profit or loss | 13,223,138          | -                | 332,033        | (4,972)                    | 10,088,187        | (13,619,829)        | -              | 10,018,557        |
|   | <b>₩ 13,306,496</b> | <b>-</b>         | <b>233,802</b> | <b>(4,972)</b>             | <b>10,265,485</b> | <b>(13,643,265)</b> | <b>-</b>       | <b>10,157,546</b> |

(\*) Transfer between levels occurred in change of market observable data availability. The Group recognizes the transfer of level at the end of the reporting period in which the events or changes in circumstances that may cause the transfer of level occur.

Notes to the Consolidated Financial Statements

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### 3) Valuation techniques and inputs for financial assets and liabilities measured at fair value classified into Level 2 as of December 31, 2022 and 2021 are as follows:

|   | 2022                | 2021              | Valuation techniques                | Inputs   |
|---|---------------------|-------------------|-------------------------------------|--|
| <b>Financial assets</b>   |                     |                   |                                     |  |
| Financial assets measured at fair value through profit or loss                    | ₩ 20,503,078        | 24,661,571        | DCF, Net asset value, Black-Scholes | Discount rates, Interest rates, Volatility, Underlying asset price |
| Financial assets measured at fair value through other comprehensive income        | 14,206,297          | 11,568,046        | DCF, Net asset value                | Discount rates, Exchange rate                                      |
|   | <b>₩ 34,709,375</b> | <b>36,229,617</b> |                                     |  |
| <b>Financial liabilities</b>  |                     |                   |                                     |  |
| Financial liabilities measured at fair value through profit or loss               | ₩ 1,770,208         | 596,081           | Black-Scholes, DCF                  | Discount rates, Interest rates, Volatility                         |
| Financial liabilities designated as measured at fair value through profit or loss | 283,554             | 498,563           | Black-Scholes, DCF                  | Discount rates, Interest rates, Volatility                         |
|   | <b>₩ 2,053,762</b>  | <b>1,094,644</b>  |                                     |  |

### 4) Quantitative details regarding the valuation techniques and unobservable inputs for financial assets and liabilities measured at fair value classified into Level 3 as of December 31, 2022 and 2021 are as follows:

|   | 2022                |  |  |  |
|---|---------------------|--|--|--|
|   | Fair value          | Valuation techniques   | Inputs   | Range  |
| <b>Financial assets</b>   |                     |  |  |  |
| Financial assets measured at fair value through profit or loss                    | ₩ 9,748,026         | Black-Scholes, DCF, Probability model, Net asset value, etc. | Volatility, Correlation coefficient, Discount rates, Growth rate | (Stock)<br>Volatility: 0.55% ~ 121.64%,<br>Correlation coefficient: -46.42% ~ 99.98%<br>(Others)<br>Correlation coefficient: -39.25% ~ 22.90%<br>Discount rates: 5.30% ~ 33.89%<br>Growth rate : 0% ~ 1.3% |
| Financial assets measured at fair value through other comprehensive income        | 348,292             | DCF and others   | Discount rates, Growth rate                                      | Discount rates: 11.26% ~ 12.60%<br>Growth rate : 1%  |
|   | <b>₩ 10,096,318</b> |  |  |  |
| <b>Financial liabilities</b>  |                     |  |  |  |
| Financial liabilities measured at fair value through profit or loss               | ₩ 639,455           | Black-Scholes, DCF, Probability model                        | Volatility, Correlation coefficient                              | (Stock)<br>Volatility: 0.55% ~ 121.64%<br>Correlation coefficient: -46.42% ~ 99.98%<br>(Others)<br>Correlation coefficient: -39.25% ~ 22.90%   |
| Financial liabilities designated as measured at fair value through profit or loss | 10,151,922          | Black-Scholes, DCF, Probability model                        | Volatility, Correlation coefficient                              | (Stock)<br>Volatility: 0.55% ~ 121.64%<br>Correlation coefficient: -46.42% ~ 99.98%<br>(Others)<br>Correlation coefficient: -39.25% ~ 22.90%   |
|   | <b>₩ 10,791,377</b> |  |  |  |

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December 31, 2022 and 2021

|   | 2021                |  |  |   |
|---|---------------------|--|--|---|
|   | Fair value          | Valuation techniques   | Inputs   | Range   |
| <b>Financial assets</b>   |                     |  |  |   |
| Financial assets measured at fair value through profit or loss                    | ₩ 7,872,645         | Black-Scholes, DCF, Probability model, Net asset value, etc. | Volatility, Correlation coefficient, Discount rates, Growth rate | (Stock)<br>Volatility: 0.48% ~ 79.61%,<br>Correlation coefficient: -44.03% ~ 99.96%<br>(Others)<br>Correlation coefficient: -33.85% ~ 94.34%<br>Discount rates: 2.73% ~ 253.6%<br>Growth rate : 0% ~ 1.5% |
| Financial assets measured at fair value through other comprehensive income        | 288,037             | DCF and others   | Discount rates, Growth rate                                      | Discount rates: 10.90% ~ 14.60%<br>Growth rate : 1%   |
|   | <b>₩ 8,160,682</b>  |  |  |   |
| <b>Financial liabilities</b>  |                     |  |  |   |
| Financial liabilities measured at fair value through profit or loss               | ₩ 138,989           | Black-Scholes, DCF, Probability model                        | Volatility, Correlation coefficient                              | (Stock)<br>Volatility: 0.48% ~ 79.61%<br>Correlation coefficient: -44.03% ~ 99.96%<br>(Others)<br>Correlation coefficient: -33.85% ~ 94.34%   |
| Financial liabilities designated as measured at fair value through profit or loss | 10,018,557          | Black-Scholes, DCF, Probability model                        | Volatility, Correlation coefficient                              | (Stock)<br>Volatility: 0.48% ~ 79.61%<br>Correlation coefficient: -44.03% ~ 99.96%<br>(Others)<br>Correlation coefficient: -33.85% ~ 94.34%   |
|   | <b>₩ 10,157,546</b> |  |  |   |

Notes to the Consolidated Financial Statements

## 5) Sensitivity analysis on changes in unobservable inputs

Sensitivity analysis of financial instruments is separately estimated as favorable and unfavorable changes based on the changes in value of financial instruments coming from the changes in unobservable inputs using statistical techniques. And sensitivity analysis is calculated based on the most favorable and unfavorable amount in the case that the fair value is affected by more than two inputs.

Sensitivity analysis on changes in inputs of the Company's financial assets and liabilities measured at fair value classified into Level 3 as of December 31, 2022 and 2021 are as follows:

|  | 2022              |                     |                                   |                     |
|--|-------------------|---------------------|-----------------------------------|---------------------|
|  | Profit (Loss)     |                     | Other comprehensive income (loss) |                     |
|  | Favorable changes | Unfavorable changes | Favorable changes                 | Unfavorable changes |
| Derivative-linked securities sold and related hedging assets(*1)               | ₩ 36,256          | (43,992)            | -                                 | -                   |
| Financial assets measured at fair value through other comprehensive income(*3) | -                 | -                   | 34,375                            | (23,964)            |
| Financial assets measured at fair value through profit or loss (*2)(*3)(*4)    | 133,118           | (101,245)           | -                                 | -                   |
| <b>2021</b>  |                   |                     |                                   |                     |
|  | Profit (Loss)     |                     | Other comprehensive income (loss) |                     |
|  | Favorable changes | Unfavorable changes | Favorable changes                 | Unfavorable changes |
|  | ₩ 33,273          | (42,481)            | -                                 | -                   |
| Financial assets measured at fair value through other comprehensive income(*3) | -                 | -                   | 26,251                            | (18,388)            |
| Financial assets measured at fair value through profit or loss (*2)(*3)(*4)    | 67,704            | (58,745)            | -                                 | -                   |

(\*1) Change in fair value is calculated by increasing or decreasing volatility and correlation of underlying asset by 10%, that is a major input impossible to observe.

(\*2) Change in fair value is calculated by increasing or decreasing the volatility of underlying asset by 10% that is a major input impossible to observe.

(\*3) Change in fair value is calculated by adjusting the growth rate and discount rate each by (-)1~1%, inputs that are impossible to observe.

(\*4) Hedging assets for derivative-linked securities in short position are excluded.



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6) Details of changes in deferred day 1 profit or loss for the years ended December 31, 2022 and 2021 are as follows:

| Description(*)               | 2022              | 2021             |
|------------------------------|-------------------|------------------|
| Beginning balance            | ₩ (114,331)       | (73,050)         |
| Execution                    | (32,441)          | (158,934)        |
| Recognized in profit or loss | 90,133            | 117,653          |
| <b>Ending balance</b>        | <b>₩ (56,639)</b> | <b>(114,331)</b> |

(\*) The deferred day 1 profit or loss arose from derivative financial instruments at Level 3 fair value hierarchy.

(3) Fair value hierarchy of financial instruments not measured at fair value, but for which the fair value is disclosed

1) Fair value hierarchy of financial instruments not measured at fair value, but for which the fair value is disclosed as of December 31, 2022 and 2021 is as follows:

|                              | 2022             |                  |                   |                   |
|------------------------------|------------------|------------------|-------------------|-------------------|
|                              | Level 1          | Level 2          | Level 3           | Level 4           |
| <b>Financial assets</b>      |                  |                  |                   |                   |
| Deposits                     | ₩ -              | -                | 6,506,371         | 6,506,371         |
| Loans                        | -                | -                | 27,633,740        | 27,633,740        |
| Other financial assets       | 327,769          | -                | 6,425,296         | 6,753,065         |
|                              | <b>₩ 327,769</b> | <b>-</b>         | <b>40,565,407</b> | <b>40,893,176</b> |
| <b>Financial liabilities</b> |                  |                  |                   |                   |
| Deposits due to customers    | ₩ -              | -                | 9,650,956         | 9,650,956         |
| Borrowings                   | -                | 635,000          | 51,334,104        | 51,969,104        |
| Debentures                   | -                | 8,374,937        | -                 | 8,374,937         |
| Other financial liabilities  | 327,888          | -                | 9,859,071         | 10,186,959        |
|                              | <b>₩ 327,888</b> | <b>9,009,937</b> | <b>70,844,131</b> | <b>80,181,956</b> |
|                              |                  |                  |                   |                   |
|                              | 2021             |                  |                   |                   |
|                              | Level 1          | Level 2          | Level 3           | Level 4           |
| <b>Financial assets</b>      |                  |                  |                   |                   |
| Deposits                     | ₩ -              | -                | 6,633,368         | 6,633,368         |
| Loans                        | -                | -                | 26,842,133        | 26,842,133        |
| Other financial assets       | 665,149          | -                | 7,410,058         | 8,075,207         |
|                              | <b>₩ 665,149</b> | <b>-</b>         | <b>40,885,559</b> | <b>41,550,708</b> |
| <b>Financial liabilities</b> |                  |                  |                   |                   |
| Deposits due to customers    | ₩ -              | -                | 14,550,891        | 14,550,891        |
| Borrowings                   | -                | 1,810,000        | 48,525,325        | 50,335,325        |
| Debentures                   | -                | 7,920,987        | -                 | 7,920,987         |
| Other financial liabilities  | 665,535          | -                | 11,374,624        | 12,040,159        |
|                              | <b>₩ 665,535</b> | <b>9,730,987</b> | <b>74,450,840</b> | <b>84,847,362</b> |

2) Valuation techniques and inputs for fair value hierarchy of financial instruments not measured at fair value, but for which the fair value is disclosed classified into Level 2 as of December 31, 2022 and 2021 are as follows:

|                              | 2022               | 2021             | Valuation techniques | Inputs         |
|------------------------------|--------------------|------------------|----------------------|----------------|
| <b>Financial liabilities</b> |                    |                  |                      |                |
| Borrowings                   | 635,000            | 1,810,000        | DCF                  | Discount rates |
| Debentures                   | 8,374,937          | 7,920,987        | DCF                  | Discount rates |
|                              | <b>₩ 9,009,937</b> | <b>9,730,987</b> |                      |                |

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## 13. The Group's subsidiaries

### (1) The Group's subsidiaries

Details of subsidiaries as of December 31, 2022 and 2021 are as follows:

| Investor                         | Subsidiaries   | Main business                                      | Location | Reporting date | Percentage of ownership and voting rights (%) |        |
|----------------------------------|--|--|----------|----------------|---|--------|
|                                  |  |  |          |                | 2022  | 2021   |
|                                  | Domestic subsidiaries:   |  |          |                |   |        |
|                                  | Mirae Asset Venture Investment(*1)   | Small- and medium-sized enterprise venture capital | Korea    | December 31    | 61.36   | 61.33  |
|                                  | Mirae Asset MAPS India Frontier Private Real Estate Investment Trust 1st         | Collective investment                              | Korea    | December 31    | 61.98   | 61.98  |
|                                  | School Infrastructure Private Investment Trust                                   | Collective investment                              | Korea    | December 31    | 100.00  | 100.00 |
|                                  | Hyundai CVC CLO Private Equity Investment Trust 2nd                              | Collective investment                              | Korea    | December 31    | 100.00  | 100.00 |
|                                  | DB Together Private Equity Investment Trust 67th                                 | Collective investment                              | Korea    | December 31    | 100.00  | 100.00 |
|                                  | Hyundai ING CLO Private Special Asset Investment Trust 1st                       | Collective investment                              | Korea    | December 31    | 100.00  | 100.00 |
|                                  | Multiasset DW - 2nd Fund   | Collective investment                              | Korea    | December 31    | -   | 100.00 |
|                                  | Mirae Asset MAPS Frontier US Private Real Estate Investment Trust 6-2            | Collective investment                              | Korea    | December 31    | 99.92   | 99.92  |
|                                  | Mirae Asset MAPS Frontier US Private Real Estate Investment Trust 7th            | Collective investment                              | Korea    | December 31    | 99.83   | 99.83  |
|                                  | MAPS US Professional Investment Private Real Estate Investment Trust 9-1         | Collective investment                              | Korea    | December 31    | 98.33   | 98.33  |
|                                  | LK GHC Specialized Privately Placed Investment Trust No.1                        | Collective investment                              | Korea    | December 31    | 78.90   | 78.90  |
|                                  | Mirae Asset Smart Q Global Hedge Focus Professional Private Investment Trust 1st | Collective investment                              | Korea    | December 31    | 99.77   | 99.51  |
|                                  | JB Infra Build-up Professional Private Investment Trust 3rd                      | Collective investment                              | Korea    | December 31    | 98.00   | 97.87  |
|                                  | Multi Asset Global Private Equity Professional Private Investment Trust No.1     | Collective investment                              | Korea    | December 31    | 92.31   | 92.31  |
|                                  | AIP Energy Midstream Professional Private Special Asset 1st                      | Collective investment                              | Korea    | December 31    | 99.91   | 99.91  |
|                                  | Multi Asset Overseas Real Estate Professional Private Investment Trust No. 6th   | Collective investment                              | Korea    | December 31    | 71.10   | 71.10  |
|                                  | Multi Asset Overseas Real Estate Professional Private Investment Trust 6-1       | Collective investment                              | Korea    | December 31    | 99.91   | 99.91  |
|                                  | Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-1      | Collective investment                              | Korea    | December 31    | -   | 98.85  |
|                                  | Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-2      | Collective investment                              | Korea    | December 31    | -   | 55.75  |
|                                  | Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-3      | Collective investment                              | Korea    | December 31    | -   | 99.54  |
|                                  | Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-4      | Collective investment                              | Korea    | December 31    | -   | 0.60   |
|                                  | Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-5      | Collective investment                              | Korea    | December 31    | -   | 68.34  |
|                                  | Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-6      | Collective investment                              | Korea    | December 31    | -   | 99.68  |
|                                  | Hanwha Debt Strategy Professional Private Real Estate Investment Trust 22nd      | Collective investment                              | Korea    | December 31    | 86.26   | 99.90  |
|                                  | Mirae Asset Smart Q Asia Hedge Focus Professional Private Investment 1st         | Collective investment                              | Korea    | December 31    | 61.00   | 84.54  |
|                                  | LB Professional Private Real Estate Investment Trust 1st                         | Collective investment                              | Korea    | December 31    | 97.22   | 97.22  |
|                                  | Mirae Asset MAPS Professional Investment Private Real Estate Investment Trust 62 | Collective investment                              | Korea    | December 31    | 53.53   | 53.53  |
|                                  | Multi Asset IPO Target Private Investment Trust 7th                              | Collective investment                              | Korea    | December 31    | 74.78   | -      |
|                                  | Mirae Asset MAPS Private Investment Trust 67th                                   | Collective investment                              | Korea    | December 31    | 75.00   | -      |
| Mirae Asset Securities Co., Ltd. |  |  |          |                |   |        |

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| Investor | Subsidiaries   | Main business           | Location | Reporting date | Percentage of ownership and voting rights (%) |       |
|----------|--|-------------------------|----------|----------------|---|-------|
|          |  |                         |          |                | 2022  | 2021  |
|          | Domestic subsidiaries:   |                         |          |                |   |       |
|          | Mirae Asset Partners 11th Private Equity Fund                                      | Investment              | Korea    | December 31    | 75.00   | -     |
|          | Mirae Asset Z Investment Fund 2nd  | Investment              | Korea    | December 31    | 92.59   | -     |
|          | Daol KTB Confidence Private Investment Trust 101st                                 | Collective investment   | Korea    | December 31    | 78.54   | -     |
|          | Mirae Asset Securities Global K-Growth Private Investment Professional company(*2) | Investment              | Korea    | December 31    | 30.30   | 30.30 |
|          | Mirae Asset Global Bio Investment Fund I   | Investment              | Korea    | December 31    | 96.31   | 96.31 |
|          | Mirae Asset Global Unicorn PEF   | Investment              | Korea    | December 31    | 86.79   | 86.79 |
|          | Mirae Asset Securities Global I Private Equity Fund (*2)                           | Investment              | Korea    | December 31    | 26.12   | 26.12 |
|          | Mirae Asset Securities Korea II Private Equity Fund (*2)                           | Investment              | Korea    | December 31    | 29.27   | 29.27 |
|          | Mirae Asset Sage New Technology Investment Fund I                                  | Investment              | Korea    | December 31    | 84.91   | 84.91 |
|          | Mirae Asset Global New Green Investment Fund I                                     | Investment              | Korea    | December 31    | 68.17   | 68.17 |
|          | Mirae Asset Sage New Technology Investment Fund II                                 | Investment              | Korea    | December 31    | 78.14   | 78.14 |
|          | Mirae Asset Global Innovative Growth Investment Fund I                             | Investment              | Korea    | December 31    | 60  | -     |
|          | Mirae Asset Global Space Investment Fund I   | Investment              | Korea    | December 31    | 89.57   | -     |
|          | Renewable PG Limited Liability Company(*3)   | Other financial service | Korea    | December 31    | -   | -     |
|          | HC Hybrid 1st Co., Ltd(*5)   | Other financial service | Korea    | December 31    | -   | -     |
|          | HC Hybrid 2nd Co., Ltd(*5)   | Other financial service | Korea    | December 31    | -   | -     |
|          | MD Petro 1st Co., Ltd (*3)   | Other financial service | Korea    | December 31    | -   | -     |
|          | No Brand Yellow Co., Ltd (*3)  | Other financial service | Korea    | December 31    | -   | -     |
|          | MD Dragon 2nd Co., Ltd (*3)  | Other financial service | Korea    | December 31    | -   | -     |
|          | MD Prime 3th Co., Ltd (*3)   | Other financial service | Korea    | December 31    | -   | -     |
|          | MA Misacluster CO.,LTD(*5)   | Other financial service | Korea    | December 31    | -   | -     |
|          | MA Byeollae Greenery Co., Ltd(*3)  | Other financial service | Korea    | December 31    | -   | -     |
|          | MA Paju Unjeong Co., Ltd (*3)  | Other financial service | Korea    | December 31    | -   | -     |
|          | MA Samsung 1st Co., Ltd (*3)   | Other financial service | Korea    | December 31    | -   | -     |
|          | MA Peonggeo 1st Co., Ltd (*3)  | Other financial service | Korea    | December 31    | -   | -     |
|          | MS Kwangju 1st Co., Ltd (*5)   | Other financial service | Korea    | December 31    | -   | -     |
|          | MY1 Hangang Co., Ltd (*3)  | Other financial service | Korea    | December 31    | -   | -     |
|          | MY1 Dongtan 8th Co., Ltd (*5)  | Other financial service | Korea    | December 31    | -   | -     |
|          | MD Jeonju 3rd Co., Ltd (*5)  | Other financial service | Korea    | December 31    | -   | -     |
|          | Mirae Yangsan Mulgeum 1st Co., Ltd(*5)   | Other financial service | Korea    | December 31    | -   | -     |
|          | Mayday Navy Co., Ltd(*5)   | Other financial service | Korea    | December 31    | -   | -     |
|          | Listless Co., Ltd(*5)  | Other financial service | Korea    | December 31    | -   | -     |
|          | MA Seonyu Co., Ltd(*5)   | Other financial service | Korea    | December 31    | -   | -     |
|          | Daechi M Co., Ltd(*5)  | Other financial service | Korea    | December 31    | -   | -     |
|          | Samsung M Co., Ltd(*5)   | Other financial service | Korea    | December 31    | -   | -     |

Mirae Asset Securities Co., Ltd.

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| Investor                         | Subsidiaries   | Main business           | Location | Reporting date | Percentage of ownership and voting rights (%) |       |
|----------------------------------|--|-------------------------|----------|----------------|---|-------|
|                                  |  |                         |          |                | 2022  | 2021  |
|                                  | Domestic subsidiaries:                                       |                         |          |                |   |       |
|                                  | MS First Co., Ltd(*5)  | Other financial service | Korea    | December 31    | -   | -     |
|                                  | Mega Field 1st Co., Ltd(*5)                                  | Other financial service | Korea    | December 31    | -   | -     |
|                                  | Almighty Gijang Co., Ltd(*5)                                 | Other financial service | Korea    | December 31    | -   | -     |
|                                  | MA Pyeongtaek Co., Ltd(*3)                                   | Other financial service | Korea    | December 31    | -   | -     |
|                                  | Samsung M Co., Ltd(*5)                                       | Other financial service | Korea    | December 31    | -   | -     |
|                                  | MS First Co., Ltd(*5)  | Other financial service | Korea    | December 31    | -   | -     |
|                                  | Mega Field 1st Co., Ltd(*5)                                  | Other financial service | Korea    | December 31    | -   | -     |
|                                  | Almighty Gijang Co., Ltd(*5)                                 | Other financial service | Korea    | December 31    | -   | -     |
|                                  | MA Pyeongtaek Co., Ltd(*3)                                   | Other financial service | Korea    | December 31    | -   | -     |
|                                  | MA Dongtan 1st Co., Ltd(*3)                                  | Other financial service | Korea    | December 31    | -   | -     |
|                                  | MS ID 3rd Co., Ltd(*5)                                       | Other financial service | Korea    | December 31    | -   | -     |
| Mirae Asset Securities Co., Ltd. | Taurus 1st Co., Ltd(*3)                                      | Other financial service | Korea    | December 31    | -   | -     |
|                                  | Black Dong Whale First Co., Ltd(*3)                          | Other financial service | Korea    | December 31    | -   | -     |
|                                  | V Canaria One Co., Ltd(*3)                                   | Other financial service | Korea    | December 31    | -   | -     |
|                                  | MA Janghyeon 1st Co., Ltd(*3)                                | Other financial service | Korea    | December 31    | -   | -     |
|                                  | MS Jungnim 3rd Co., Ltd(*3)                                  | Other financial service | Korea    | December 31    | -   | -     |
|                                  | Happy Icheon 1st Co., Ltd(*3)                                | Other financial service | Korea    | December 31    | -   | -     |
|                                  | MS Wirye 1st Co., Ltd(*3)                                    | Other financial service | Korea    | December 31    | -   | -     |
|                                  | MS ID 7th Co., Ltd(*3)                                       | Other financial service | Korea    | December 31    | -   | -     |
|                                  | Golden Gate 1st Co., Ltd(*3)                                 | Other financial service | Korea    | December 31    | -   | -     |
|                                  | KWD 3rd Co., Ltd(*3)   | Other financial service | Korea    | December 31    | -   | -     |
|                                  | MS ID 1st Co., Ltd(*3)                                       | Other financial service | Korea    | December 31    | -   | -     |
|                                  | MS ID 2nd Co., Ltd(*3)                                       | Other financial service | Korea    | December 31    | -   | -     |
|                                  | Money Market Trust(2022: -, 2021: -)                         | Trust asset management  | Korea    | December 31    | -   | -     |
|                                  | Mirae Asset Agro Project Fund                                | Investment              | Korea    | December 31    | -   | 10.00 |
|                                  | Mirae Asset Social Corporate Investment Fund 2nd (*2)        | Investment              | Korea    | December 31    | 5.00  | 5.00  |
|                                  | Noroo-Mirae Asset Agrostar Project Venture Fund              | Investment              | Korea    | December 31    | -   | 10.00 |
|                                  | MAVI Good Company Investment Fund #1                         | Investment              | Korea    | December 31    | 60.00   | 60.00 |
|                                  | MAVI Good Company Investment Fund #2                         | Investment              | Korea    | December 31    | 67.14   | 67.14 |
| Mirae Asset Venture Investment   | MIRAE ASSET Global Investment Fund (*2)                      | Investment              | Korea    | December 31    | 37.50   | 37.50 |
|                                  | Koscom-Mirae Asset Fintech Company Investment Fund #1        | Investment              | Korea    | December 31    | 60.00   | 60.00 |
|                                  | MIRAE ASSET Young Start-Up Investment Fund (*2)              | Investment              | Korea    | December 31    | 17.86   | 17.86 |
|                                  | Mirae Asset Good Corporate Secondary Investment Fund #2 (*2) | Investment              | Korea    | December 31    | 44.50   | 44.50 |
|                                  | 2016 KIF-MIRAE ASSET ICT Venture Fund (*2)                   | Investment              | Korea    | December 31    | 30.00   | 30.00 |
|                                  | MIRAE ASSET Good Company Investment Fund#16-1 (*2)           | Investment              | Korea    | December 31    | 10.40   | 10.40 |
|                                  | MIRAE ASSET Good Company Investment Fund#17-1 (*2)           | Investment              | Korea    | December 31    | 9.13  | 9.13  |

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| Investor                         | Subsidiaries  | Main business  | Location       | Reporting date | Percentage of ownership and voting rights (%) |        |
|----------------------------------|---|--|----------------|----------------|---|--------|
|                                  |   |  |                |                | 2022  | 2021   |
|                                  | Domestic subsidiaries:  |  |                |                |   |        |
|                                  | Mirae Asset Hi-Tech Frontier Investment Fund (*2)                           | Investment   | Korea          | December 31    | 24.00   | 24.00  |
|                                  | MIRAE ASSET Young Start-Up Investment Fund #2 (*2)                          | Investment   | Korea          | December 31    | 28.00   | 28.00  |
|                                  | MIRAE ASSET Good Company Secondary Investment Fund#18-1 (*2)                | Investment   | Korea          | December 31    | 22.25   | 22.25  |
|                                  | MIRAE ASSET Young Start-UP Investment Fund #3 (*2)                          | Investment   | Korea          | December 31    | 40.10   | 40.10  |
|                                  | MIRAE ASSET Good Company Investment Fund #19-1 (*2)                         | Investment   | Korea          | December 31    | 14.92   | 14.92  |
|                                  | MIRAE ASSET Green Frog Investment Fund (*2)                                 | Investment   | Korea          | December 31    | 10.00   | 10.00  |
|                                  | MIRAE ASSET Good Company Investment Fund #19-2(*2)                          | Investment   | Korea          | December 31    | 9.62  | 9.62   |
|                                  | MIRAE ASSET Next Korea Intelligence Information Venture Investment Fund(*2) | Investment   | Korea          | December 31    | 16.00   | 16.00  |
|                                  | MIRAE ASSET Innovative Growth Investment Fund(*2)                           | Investment   | Korea          | December 31    | 24.34   | 24.34  |
| Mirae Asset Venture Investment   | MIRAE ASSET Good Company Investment Fund #21-1(*2)                          | Investment   | Korea          | December 31    | 10.82   | 10.82  |
|                                  | MAVI Good Company Investment Fund #3(*2)                                    | Investment   | Korea          | December 31    | 30.00   | 30.00  |
|                                  | Mirae Asset Global Unicorn PEF(*2)  | Investment   | Korea          | December 31    | 12.40   | 12.40  |
|                                  | Mirae Asset ESG PEF(*2)   | Investment   | Korea          | December 31    | 10.60   | 10.60  |
|                                  | Mirae Asset Global Unicorn Investment Fund II (*2)                          | Investment   | Korea          | December 31    | 22.73   | -      |
|                                  | Mirae Asset Global Unicorn Venture Investment Fund IV (*2)                  | Investment   | Korea          | December 31    | 18.18   | -      |
|                                  | Mirae Asset Bio Frontier Investment Fund(*2)                                | Investment   | Korea          | December 31    | 44.40   | -      |
|                                  | Hancom-Miraeasset 4IR Fund (*2)   | Investment   | Korea          | December 31    | 33.34   | -      |
|                                  | Mirae Asset Demotech Frontier Investment Fund                               | Investment   | Korea          | December 31    | 65.91   | -      |
|                                  | Mirae Asset Next Revolution Investment Fund                                 | Investment   | Korea          | December 31    | -   | 5.00   |
| Investor                         | Subsidiaries  | Main business  | Location       | Reporting date | Percentage of ownership and voting rights (%) |        |
|                                  |   |  |                |                | 2022  | 2021   |
|                                  | Overseas subsidiaries:  |  |                |                |   |        |
|                                  | Mirae Asset Securities (UK) Ltd.  | Securities brokerage and investment, investment consulting | UK             | December 31    | 100.00  | 100.00 |
|                                  | Mirae Asset Securities Holdings (USA) Inc                                   | Other financial service                                    | USA            | December 31    | 100.00  | 100.00 |
|                                  | Mirae Asset Securities (HK) Limited   | Securities brokerage and investment                        | Hong Kong      | December 31    | 100.00  | 100.00 |
|                                  | Mirae Asset Realty (Singapore) PTE.   | Real estate investment and rent                            | Singapore      | December 31    | 100.00  | 100.00 |
|                                  | Mirae Asset Global Long Short Fund, Ltd.                                    | Collective investment                                      | Cayman Islands | December 31    | -   | 100.00 |
| Mirae Asset Securities Co., Ltd. | Mirae Asset Disruptive technologies Fund I , LP                             | Collective investment                                      | USA            | December 31    | 98.05   | 98.00  |
|                                  | Mirae Asset Project Planet Fund I, LP                                       | Collective investment                                      | USA            | December 31    | 73.25   | 73.28  |
|                                  | Mirae Asset Project Planet Fund III, LP                                     | Collective investment                                      | USA            | December 31    | 93.64   | 93.64  |
|                                  | Mirae Asset Iron Fund I, LP   | Collective investment                                      | USA            | December 31    | 99.85   | -      |
|                                  | Mirae Asset Project Mars Fund I, LP   | Collective investment                                      | USA            | December 31    | 98.50   | -      |
|                                  | Mirae Asset Project X Fund I, LP  | Collective investment                                      | USA            | December 31    | 99.01   | -      |

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| Investor  | Subsidiaries  | Main business                        | Location       | Reporting date | Percentage of ownership and voting rights (%) |        |
|---|---|--------------------------------------|----------------|----------------|---|--------|
|   |   |                                      |                |                | 2022  | 2021   |
|   | Overseas subsidiaries:  |                                      |                |                |   |        |
| Mirae Asset Securities (HK) Limited   | Mirae Asset Securities (Vietnam) JSC  | Securities brokerage and investment  | Vietnam        | December 31    | 99.90   | 99.90  |
|   | Mirae Asset Wealth Management (Brazil) CCTVM                                | Securities brokerage and investment  | Brazil         | December 31    | 100.00  | 100.00 |
|   | Mirae Asset Securities (Singapore) Pte. Ltd.                                | Securities brokerage                 | Singapore      | December 31    | 100.00  | 100.00 |
|   | Mirae Asset Securities Mongolia UTSK LLC                                    | Investment and investment consulting | Mongolia       | December 31    | 83.16   | 83.16  |
|   | PT. Mirae Asset Sekuritas Indonesia   | Securities brokerage                 | Indonesia      | December 31    | 99.00   | 99.00  |
|   | Mirae Asset Capital Markets (India) Private Limited                         | Securities brokerage and investment  | India          | December 31    | 100.00  | 100.00 |
|   | Mirae Asset Global Growth ETF Investment Limited                            | Investment                           | Hong Kong      | December 31    | 100.00  | 100.00 |
| Mirae Asset Securities Holdings (USA) Inc.                                  | Mirae Asset Securities (USA) Inc.   | Securities brokerage and investment  | USA            | December 31    | 100.00  | 100.00 |
|   | Mirae Asset Wealth Management (USA) Inc.(*6)                                | Securities brokerage and investment  | USA            | December 31    | -   | 100.00 |
|   | Mirae Asset Securities & Investments (USA), LLC                             | Investment                           | USA            | December 31    | 100.00  | 100.00 |
| Mirae Asset Securities & Investments (USA), LLC                             | HGX (USA), LLC  | Investment                           | USA            | December 31    | -   | 100.00 |
|   | Mirae Asset Multifamily Properties I, LP                                    | Investment                           | USA            | December 31    | 100.00  | 100.00 |
|   | Mirae Asset Partners Opportunities Fund I, LP                               | Investment                           | USA            | December 31    | 99.00   | 99.02  |
| Mirae Asset Capital Markets (India) Private Limited                         | Mirae Asset Credit Opportunities Fund                                       | Collective investment                | India          | December 31    | -   | 65.97  |
|   | MACM India Growth Fund  | Collective investment                | India          | December 31    | 99.59   | 99.60  |
| Mirae Asset Maps Frontier US Private Real Estate Investment Trust 7         | MAPS HAWAII TWO, LLC.   | Real estate investment and rent      | USA            | December 31    | 100.00  | 100.00 |
| MAPS HAWAII TWO, LLC.   | MAPS WAIKIKI HOTEL, LLC.  | Real estate investment and rent      | USA            | December 31    | 100.00  | 100.00 |
|   | MAPS ROYAL GROVE, LLC.  | Real estate investment and rent      | USA            | December 31    | 100.00  | 100.00 |
| MAPS WAIKIKI HOTEL, LLC.  | MAPS HOTELS AND RESORTS HAWAII 2, LLC.                                      | Real estate investment and rent      | USA            | December 31    | 100.00  | 100.00 |
| Mirae Asset Global Bio Investment Fund I                                    | MAGBI Fund Limited  | Investment                           | Hong Kong      | December 31    | 100.00  | 100.00 |
| LK GHC Specialized Privately Placed Investment Trust No.1                   | Super Delta Pte. Ltd.   | Investment                           | Singapore      | December 31    | 99.12   | 99.12  |
| Mirae Asset Global Unicorn PEF  | MAC Global Unicorn Investment Limited                                       | Investment                           | Cayman Islands | December 31    | 100.00  | 100.00 |
| Mirae Asset Securities Global I Private Equity Fund                         | Mirae Asset Daewoo Global I, LLC  | Investment                           | Cayman Islands | December 31    | 100.00  | 100.00 |
| Mirae Asset Partners 11th Private Equity Fund                               | Mirae Asset Innovation X One, LLC   | Investment                           | USA            | December 31    | 100.00  | -      |
| Multi Asset Global Private Equity Professional Private Investment Trust 1st | Alpha Assai Fund SP   | Investment                           | Cayman Islands | December 31    | 100.00  | 100.00 |
| Daol KTB Confidence Private Investment Trust 101st                          | Multi Asset Private Real Estate Investment I, Inc                           | Collective investment                | Korea          | December 31    | 97.08   | -      |
| Mirae Asset Global Long Short Fund, Ltd                                     | Mirae Asset Global Long Short Fund  | Collective investment                | Cayman Islands | December 31    | -   | 98.68  |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-1 | Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15th | Collective investment                | Korea          | December 31    | -   | 69.60  |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-2 |   |                                      |                |                |   |        |

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|---|---|---------------------------------|----------|----------------|---|--------|
|   |   |                                 |          |                | 2022  | 2021   |
|   | Overseas subsidiaries:  |                                 |          |                |   |        |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-2 |   |                                 |          |                |   |        |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-3 |   |                                 |          |                |   |        |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-4 | Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15th | Collective investment           | Korea    | December 31    | -   | 69.60  |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-5 |   |                                 |          |                |   |        |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-6 |   |                                 |          |                |   |        |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15th | MAPS HOTELS AND RESORTS ONE, LLC.   | Collective investment           | Korea    | December 31    | -   | 100.00 |
| Multi Asset Overseas Real Estate Professional Private Investment Trust 6th  | OPPCI Mahajunga Holding   | Real estate investment and rent | France   | December 31    | 97.46   | 97.46  |
| Multi Asset Overseas Real Estate Professional Private Investment Trust 6-1  |   |                                 |          |                |   |        |
| OPPCI Mahajunga Holding   | SCI Mahajunga   | Real estate investment and rent | France   | December 31    | 85.00   | 85.00  |
| Mirae Asset Multifamily Properties I, LP                                    | Cityfront Holdings LP   | Real estate investment and rent | USA      | December 31    | 84.56   | 84.56  |
| Cityfront Holding LP  | Cityfront Place Trust LLC   | Real estate investment and rent | USA      | December 31    | 100.00  | 100.00 |
| Cityfront Place Trust LLC   | MAS Cityfront Place Property Company LLC                                    | Real estate investment and rent | USA      | December 31    | 100.00  | 100.00 |
| Mirae Asset Securities & Investments (USA), LLC                             | Mirae Asset Future Fund I, LP   | Collective investment           | India    | December 31    | 97.20   | -      |
| Mirae Asset Partners Opportunities Fund I, LP                               |   |                                 |          |                |   |        |
| Mirae Asset Disruptive Technologies Fund I, LP                              | Mirae Asset Apeel Fund I, LP  | Collective investment           | USA      | December 31    | 98.73   | -      |

(\*1) The Group's voting right is 62.01 percent as of December 31, 2022 and 2021, considering the treasury stocks held by Mirae Asset Venture Investment.

(\*2) Although the Group's ownership is less than 50 percent, the Group as General Partner or Collective investor, has substantial power to influence related decisions of the entity and is exposed to significant changes in profit in which the Group can also influence, and therefore, the entity was classified as a subsidiary.

(\*3) The entity is a structured entity for assets securitization and although the Group's ownership is less than 50 percent, the Group has substantial power to influence related decisions of the entity, and is exposed to significant changes in profit in which the Group can also influence, and therefore, the entity was classified as a subsidiary.

(\*4) Four of the collective investment securities that the Group has substantial power are excluded because they are not material to the Group's consolidated financial information. The Group recognized the collective investment securities in the amount of ₩ 12,182 million as financial assets measured at fair value through profit or loss.

(\*5) The entity is a structured entity for asset securitization, whereby it was excluded from the list of subsidiaries for the year ended December 31, 2022.

(\*6) As of July 29, 2022, Mirae Asset Wealth Management (USA) Inc. was merged into Mirae Asset Securities Holdings (USA) Inc.

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## (2) Changes in subsidiaries

1) Subsidiaries newly included in the scope of consolidation for year ended December 31, 2022 are as follows:

| Subsidiaries   | Reason  |
|--|---|
| Mirae Asset Bio Frontier Investment Fund               | They are newly acquired trusts, combinations and structured entities for the year ended December 31, 2022 on which the Group has control. |
| Hancom-Miraeasset 4IR Fund                             |   |
| Mirae Asset Global Unicorn Investment Fund II          |   |
| Mirae Asset Global Unicorn Venture Investment Fund IV  |   |
| Mirae Yangsan Mulgeum 1st Co., Ltd                     |   |
| Mayday Navy Co., Ltd                                   |   |
| Listless Co., Ltd                                      |   |
| MA Seonyu Co., Ltd                                     |   |
| Daechi M Co., Ltd                                      |   |
| Samsung M Co., Ltd                                     |   |
| Multi Asset IPO Target Private Investment Trust 7th    |   |
| Mirae Asset MAPS Private Investment Trust 67th         |   |
| Mirae Asset Global Innovative Growth Investment Fund I |   |
| MS First Co., Ltd                                      |   |
| Mega Field 1st Co., Ltd                                |   |
| Almighty Gijang Co., Ltd                               |   |
| MA Pyeongtaek Co., Ltd                                 |   |
| MA Dongtan 1st Co., Ltd                                |   |
| MS ID 3rd Co., Ltd                                     |   |
| Money Market Trust                                     |   |
| Mirae Asset Future Fund I, LP                          |   |
| Mirae Asset Apeel Fund I, LP                           |   |
| Mirae Asset Iron Fund I, LP                            |   |
| Mirae Asset Project X Fund I, LP                       |   |
| Mirae Asset Global Space Investment Fund I             |   |
| Mirae Asset Project Mars Fund I, LP                    |   |
| Taurus 1st Co., Ltd                                    |   |
| Black Dong Whale First Co., Ltd                        |   |
| V Canaria One Co., Ltd                                 |   |
| MA Janghyeon 1st Co., Ltd                              |   |
| MS Jungnim 3rd Co., Ltd                                |   |
| Happy Icheon 1st Co., Ltd                              |   |
| MS Wirye 1st Co., Ltd                                  |   |

| Subsidiaries                                       | Reason  |
|--|---|
| MS ID 7th Co., Ltd                                 | They are newly acquired trusts, combinations and structured entities for the year ended December 31, 2022 on which the Group has control. |
| Golden Gate 1st Co., Ltd                           |   |
| KWD 3rd Co., Ltd                                   |   |
| MS ID 1st Co., Ltd                                 |   |
| MS ID 2nd Co., Ltd                                 |   |
| Mirae Asset Partners 11th Private Equity Fund      |   |
| Mirae Asset Innovation X One, LLC                  |   |
| Mirae Asset Demotech Frontier Investment Fund      |   |
| Mirae Asset Z Investment Fund 2nd                  |   |
| Daol KTB Confidence Private Investment Trust 101st |   |
| Multi Asset Private Real Estate Investment I, Inc  |   |

2) Subsidiaries excluded from the scope of consolidation for the year ended December 31, 2022 are as follows:

| Subsidiaries  | Reason   |
|---|--|
| HC Hybrid 1st Co., Ltd.   | Lost control due to the disposal of all shares in the current period |
| MS Kwangju 1st Co., Ltd   |  |
| Mirae Asset Next Revolution Investment Fund                                 |  |
| Mirae Asset Agro Project Fund   |  |
| Noroo-Mirae Asset Agrostar Project Venture Fund                             |  |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-1 |  |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-2 |  |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-3 |  |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-4 |  |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-5 |  |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-6 |  |
| MY1 Dongtan 8th Co., Ltd  |  |
| Mirae Yangsan Mulgeum 1st Co., Ltd  |  |
| Mayday Navy Co., Ltd  |  |
| Listless Co., Ltd   |  |
| MA Seonyu Co., Ltd  |  |
| Daechi M Co., Ltd   |  |
| Samsung M Co., Ltd  |  |
| Mega Field 1st Co., Ltd   |  |
| Almighty Gijang Co., Ltd  |  |
| MS ID 3rd Co., Ltd  |  |
| HC Hybrid 1st Co., Ltd.   |  |

# Notes to the Consolidated Financial Statements

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| Subsidiaries  | Reason   |
|---|--|
| MA Misacluster CO.,LTD  | Lost control due to the disposal of all shares in the current period   |
| MD Jeonju 3rd Co., Ltd  |  |
| MS First Co., Ltd   |  |
| Money Market Trust  |  |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15th |  |
| MAPS HOTELS AND RESORTS ONE, LLC.   |  |
| Multiasset DW – 2nd Fund  |  |
| Mirae Asset Global Long Short Fund, Ltd.                                    |  |
| Mirae Asset Global Long Short Fund  |  |
| Mirae Asset Wealth Management (USA) Inc.                                    |  |
| HGX (USA), LLC  | Reclassification into financial assets measured at fair value through profit or loss due to lost control because of decrease in shares in the current period |
| Mirae Asset Credit Opportunities Fund                                       |  |

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# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## (3) Financial information of subsidiaries

Financial information of subsidiaries as of and for the year ended December 31, 2022 is as follows:

|  | 2022      |             |         |                   |                            |                            |
|--|-----------|-------------|---------|-------------------|----------------------------|----------------------------|
|  | Assets    | Liabilities | Equity  | Operating revenue | Profit (loss) for the year | Total comprehensive income |
| Mirae Asset Venture Investment   | ₩ 317,032 | 52,546      | 264,486 | 71,062            | 40,851                     | 40,851                     |
| Mirae Asset MAPS India Frontier Private Real Estate Investment Trust 1st         | 11,649    | 642         | 11,007  | 982               | (5,703)                    | (5,703)                    |
| School Infrastructure Private Investment Trust                                   | 11,065    | 12          | 11,053  | 545               | 341                        | 341                        |
| Hyundai CVC CLO Private Equity Investment Trust 2nd                              | 184       | -           | 184     | 618               | (32)                       | (32)                       |
| DB Together Private Equity Investment Trust 67th                                 | 20,995    | 1           | 20,994  | 965               | (620)                      | (620)                      |
| Hyundai ING CLO Private Special Asset Investment Trust 1st                       | 5,951     | 3           | 5,948   | 1,621             | 1,606                      | 1,606                      |
| Mirae Asset Securities Global K Growth Private Equity Fund                       | 1,257     | 35          | 1,222   | 195               | (150)                      | (150)                      |
| Mirae Asset MAPS Frontier US Private Real Estate Investment Trust 6-2            | 140,825   | 6           | 140,819 | 9,097             | 4,486                      | 4,486                      |
| Mirae Asset Maps Frontier US Private Real Estate Investment Trust 7th            | 560,519   | 23          | 560,496 | 143,838           | 75,399                     | 75,399                     |
| MAPS US Professional Investment Private Real Estate Investment Trust 9-1         | 132,632   | 6           | 132,626 | 28,478            | (11,877)                   | (11,877)                   |
| LK GHC Specialized Privately Placed Investment Trust No.1                        | 44,792    | 11          | 44,781  | 3                 | (84)                       | (84)                       |
| Mirae Asset Smart Q Global Hedge Focus Professional Private Investment Trust 1st | 38,121    | 466         | 37,655  | 51,456            | (14,575)                   | (14,575)                   |
| JB Infra Build-up Professional Private Investment Trust 3rd                      | 3,567     | 103         | 3,464   | 360               | 122                        | 122                        |
| Multi Asset Global Private Equity Professional Private Investment Trust 1st      | 204,707   | 14,829      | 189,878 | 96,674            | 58,318                     | 58,318                     |
| AIP Energy Midstream Professional Private Special Asset 1st                      | 77,247    | 68          | 77,179  | 74,593            | 1,332                      | 1,332                      |
| Multi Asset Overseas Real Estate Professional Private Investment Trust 6th       | 342,391   | 623         | 341,768 | 29,966            | 27,643                     | 27,643                     |
| Multi Asset Overseas Real Estate Professional Private Investment Trust 6-1       | 96,348    | 122         | 96,226  | 8,245             | 7,630                      | 7,630                      |
| Hanwha Debt Strategy Professional Private Real Estate Investment Trust 22th      | 136,737   | 390         | 136,347 | 11,639            | 7,495                      | 7,495                      |
| Mirae Asset Smart Q Asia Hedge Focus Professional Private Investment 1st         | 38,273    | 68          | 38,205  | 50,931            | (18,050)                   | (18,050)                   |
| LB Professional Private Real Estate Investment Trust 1st                         | 56,136    | 37,739      | 18,397  | 3,046             | 514                        | 514                        |
| Mirae Asset MAPS Professional Investment Private Real Estate Investment Trust 62 | 1,755,509 | 929,844     | 825,665 | 60,569            | 600                        | 600                        |
| Multi Asset IPO Target Private Investment Trust 7th                              | 38,712    | 67          | 38,645  | 1,152             | (1,451)                    | (1,451)                    |
| Mirae Asset MAPS Private Investment Trust 67th                                   | 204,059   | -           | 204,059 | 34                | (5,942)                    | (5,942)                    |
| Mirae Asset Partners 11th Private Equity Fund                                    | 290,502   | 523         | 289,979 | 2                 | (965)                      | (965)                      |
| Mirae Asset Z Investment Fund 2nd  | 21,600    | 56          | 21,544  | -                 | (56)                       | (56)                       |
| Daol KTB Confidence Private Investment Trust 101st                               | 88,369    | 42          | 88,327  | 506               | 459                        | 459                        |
| Multi Asset Private Real Estate Investment I, Inc                                | 181,656   | 82,577      | 99,079  | 196,775           | 59,985                     | 59,985                     |
| Renewable PG LLC   | -         | -           | -       | -                 | -                          | -                          |
| MD Petro 1st Co., Ltd  | 50,243    | 50,748      | (505)   | 4,632             | (274)                      | (274)                      |
| No Brand Yellow Co., Ltd   | 92,192    | 101,686     | (9,494) | 7,558             | (9,433)                    | (9,433)                    |
| MD Dragon 2nd Co., Ltd   | 143,788   | 144,295     | (507)   | 14,652            | (3,716)                    | (3,716)                    |
| MD Prime 3th Co., Ltd  | 27,464    | 30,246      | (2,782) | 2,912             | (2,100)                    | (2,100)                    |
| MA Byeollae Greenery Co., Ltd  | 11,526    | 11,542      | (16)    | 588               | (6)                        | (6)                        |

Notes to the Consolidated Financial Statements



# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

|   | 2022     |             |         |                   |                            |                            |
|---|----------|-------------|---------|-------------------|----------------------------|----------------------------|
|   | Assets   | Liabilities | Equity  | Operating revenue | Profit (loss) for the year | Total comprehensive income |
| MA Paju Unjeong Co., Ltd                                | ₩ 26,610 | 26,918      | (308)   | 1,452             | (32)                       | (32)                       |
| MA Samsung 1st Co., Ltd                                 | 7,796    | 7,879       | (83)    | 643               | 48                         | 48                         |
| MA Peonggeo 1st Co., Ltd                                | 20,652   | 20,924      | (272)   | 1,572             | (18)                       | (18)                       |
| MY1 Hangang Co., Ltd                                    | 14,690   | 14,665      | 25      | 753               | 26                         | 26                         |
| MA Pyeongtaek Co., Ltd                                  | 3,020    | 3,050       | (30)    | 177               | (30)                       | (30)                       |
| MY1 Dongtan 1th Co., Ltd                                | 5,039    | 5,110       | (71)    | 512               | (71)                       | (71)                       |
| Taurus 1st Co., Ltd                                     | 3,244    | 3,210       | 34      | 312               | 34                         | 34                         |
| Black Dong Whale First Co., Ltd                         | 19,456   | 20,250      | (794)   | 589               | (795)                      | (795)                      |
| V Canaria One Co., Ltd                                  | 3,016    | 3,024       | (8)     | 144               | (8)                        | (8)                        |
| MA Janghyeon 1st Co., Ltd                               | 3,027    | 3,036       | (9)     | 102               | (9)                        | (9)                        |
| MS Jungnim 3rd Co., Ltd                                 | 54,786   | 54,783      | 3       | 1,256             | 3                          | 3                          |
| Happy Icheon 1st Co., Ltd                               | 105,425  | 105,634     | (209)   | 1,106             | (209)                      | (209)                      |
| MS Wirye 1st Co., Ltd                                   | 90,522   | 90,522      | -       | 3,393             | -                          | -                          |
| MS ID 7th Co., Ltd                                      | 10,492   | 10,492      | -       | 227               | -                          | -                          |
| Golden Gate 1st Co., Ltd                                | 27,305   | 27,335      | (30)    | 1,530             | (30)                       | (30)                       |
| KWD 3rd Co., Ltd  | 39,789   | 40,189      | (400)   | 1,184             | (400)                      | (400)                      |
| MS ID 1st Co., Ltd                                      | 11,743   | 11,756      | (13)    | 545               | (13)                       | (13)                       |
| MS ID 2nd Co., Ltd                                      | 11,292   | 11,305      | (13)    | 524               | (13)                       | (13)                       |
| Mirae Asset Global Bio Investment Fund I                | 92,572   | 231         | 92,341  | 3,510             | 3,279                      | 3,279                      |
| Mirae Asset Global Unicorn PEF                          | 256,750  | 3,903       | 252,847 | 182               | (3,801)                    | (3,801)                    |
| Mirae Asset Securities Global I Private Equity Fund     | 114,582  | 2,242       | 112,340 | 9                 | (552)                      | (552)                      |
| Mirae Asset Securities Korea II Private Equity Fund     | 145,733  | 12          | 145,721 | 15,942            | 14,413                     | 14,413                     |
| Mirae Asset Sage New Technology Investment Fund I       | 49,621   | 273         | 49,348  | 2,150             | 1,031                      | 1,031                      |
| Mirae Asset Global New Green Investment Fund I          | 117,248  | 124         | 117,124 | 24                | (1,402)                    | (1,402)                    |
| Mirae Asset Sage New Technology Investment Fund II      | 124,002  | 813         | 123,189 | 325               | (3,305)                    | (3,305)                    |
| Mirae Asset Global Innovative Growth Investment Fund I  | 9,784    | 191         | 9,593   | 55                | (407)                      | (407)                      |
| Mirae Asset Global Space Investment Fund I              | 124,336  | 118         | 124,218 | 76                | (788)                      | (788)                      |
| Mirae Asset Social Corporate Investment Fund 2nd        | 876      | -           | 876     | -                 | (786)                      | (786)                      |
| MAVI Good Company Investment Fund #1                    | 11,591   | 1           | 11,590  | 5,617             | 4,877                      | 4,877                      |
| MAVI Good Company Investment Fund #2                    | 10,275   | 1           | 10,274  | 5,553             | 5,108                      | 5,108                      |
| MIRAE ASSET Global Investment Fund                      | 30,275   | 505         | 29,770  | 13,641            | 10,898                     | 10,898                     |
| Koscom-Mirae Asset Fintech Company Investment Fund #1   | 1,781    | 46          | 1,735   | -                 | (175)                      | (175)                      |
| MIRAE ASSET Young Start-Up Investment Fund              | 13,049   | 358         | 12,691  | 2,172             | 558                        | 558                        |
| Mirae Asset Good Corporate Secondary Investment Fund #2 | 33,791   | 1           | 33,790  | 13,367            | 11,101                     | 11,101                     |
| 2016 KIF-MIRAE ASSET ICT Venture Fund                   | 106,364  | 464         | 105,900 | 30,776            | 25,243                     | 25,243                     |
| MIRAE ASSET Good Company Investment Fund#16-1           | 9,993    | 106         | 9,887   | 165               | (1,945)                    | (1,945)                    |
| MIRAE ASSET Good Company Investment Fund#17-1           | 13,168   | 132         | 13,036  | 1,328             | (190)                      | (190)                      |

Notes to the Consolidated Financial Statements

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

|   | 2022       |             |           |                   |                            |                            |
|---|------------|-------------|-----------|-------------------|----------------------------|----------------------------|
|   | Assets     | Liabilities | Equity    | Operating revenue | Profit (loss) for the year | Total comprehensive income |
| Mirae Asset Hi-Tech Frontier Investment Fund                            | ₩ 27,567   | 545         | 27,022    | 8,586             | 6,758                      | 6,758                      |
| MIRAE ASSET Young Start-Up Investment Fund #2                           | 21,325     | 435         | 20,890    | 1,178             | 54                         | 54                         |
| MIRAE ASSET Good Company Secondary Investment Fund#18-1                 | 14,753     | 156         | 14,597    | 4,411             | 4,038                      | 4,038                      |
| MIRAE ASSET Young Start-UP Investment Fund #3                           | 25,120     | 438         | 24,682    | 5,183             | 4,340                      | 4,340                      |
| MIRAE ASSET Good Company Investment Fund #19-1                          | 46,424     | 571         | 45,853    | 28,916            | 26,351                     | 26,351                     |
| MIRAE ASSET Green Frog Investment Fund                                  | 13,388     | 66          | 13,322    | 2,066             | 1,960                      | 1,960                      |
| MIRAE ASSET Good Company Investment Fund #19-2                          | 25,324     | 67          | 25,257    | 8,894             | 7,446                      | 7,446                      |
| MIRAE ASSET Next Korea Intelligence Information Venture Investment Fund | 103,565    | 1,715       | 101,850   | 9,532             | 2,469                      | 2,469                      |
| MIRAE ASSET Innovative Growth Investment Fund                           | 88,571     | 435         | 88,136    | 3,172             | (1,008)                    | (1,008)                    |
| MIRAE ASSET Good Company Investment Fund #21-1                          | 29,269     | 127         | 29,142    | 2,127             | 419                        | 419                        |
| MAVI Good Company Investment Fund #3                                    | 24,124     | 110         | 24,014    | 2,784             | 2,360                      | 2,360                      |
| Mirae Asset Global Unicorn Investment Fund                              | 24,757     | 129         | 24,628    | 1,127             | 629                        | 629                        |
| Mirae Asset ESG PEF   | 14,498     | 59          | 14,439    | -                 | (237)                      | (237)                      |
| Mirae Asset Global Unicorn Investment Fund II                           | 22,025     | 129         | 21,896    | 335               | (104)                      | (104)                      |
| Mirae Asset Global Unicorn Venture Investment Fund IV                   | 5,579      | 20          | 5,559     | 108               | 59                         | 59                         |
| Mirae Asset Bio Frontier Investment Fund                                | 26,217     | 234         | 25,983    | 37                | (1,048)                    | (1,048)                    |
| Hancom-Miraeasset 4IR Fund  | 3,638      | 66          | 3,572     | -                 | (88)                       | (88)                       |
| Mirae Asset Demotech Frontier Investment Fund                           | 11,045     | 214         | 10,831    | 45                | (170)                      | (170)                      |
| Mirae Asset Securities (UK) Ltd.  | 412,242    | 14,360      | 397,882   | 32,926            | 13,043                     | 37,650                     |
| Mirae Asset Securities Holdings (USA) Inc.                              | 709,672    | 1,544       | 708,128   | 457               | (14,620)                   | 32,292                     |
| Mirae Asset Securities (USA) Inc.                                       | 21,768,513 | 21,104,943  | 663,570   | 708,386           | 23,866                     | 38,009                     |
| Mirae Asset Securities & Investments (USA), LLC                         | 148,847    | 2,767       | 146,080   | 16,870            | 4,011                      | (4,708)                    |
| Mirae Asset Multifamily Properties I, LP                                | 45,199     | 149         | 45,050    | 2,848             | 2,815                      | 5,717                      |
| Cityfront Holdings LP   | 53,359     | -           | 53,359    | 5,200             | 5,200                      | 8,644                      |
| Cityfront Place Trust LLC   | 53,359     | -           | 53,359    | 5,200             | 5,200                      | 8,644                      |
| MAS Cityfront Place Property Company LLC                                | 203,436    | 130,710     | 72,726    | 17,365            | 1,357                      | 6,368                      |
| Mirae Asset Securities (HK) Limited                                     | 3,076,740  | 336,875     | 2,739,865 | 319,556           | 20,272                     | 136,114                    |
| Mirae Asset Securities (Vietnam) JSC                                    | 1,182,347  | 689,413     | 492,934   | 146,428           | 37,284                     | 50,790                     |
| Mirae Asset Wealth Management (Brazil) CCTVM                            | 158,581    | 85,908      | 72,673    | 31,677            | 6,856                      | 14,121                     |
| Mirae Asset Securities (Singapore) Pte. Ltd.                            | 39,966     | 1,302       | 38,664    | 3,869             | (3,019)                    | (274)                      |
| Mirae Asset Securities Mongolia UTsK LLC                                | 2,273      | 47          | 2,226     | 1,198             | 618                        | 343                        |
| PT. Mirae Asset Sekuritas Indonesia                                     | 334,852    | 165,094     | 169,758   | 93,291            | 6,797                      | 2,815                      |
| Mirae Asset Capital Markets (India) Private Limited                     | 416,149    | 59,843      | 356,306   | 26,509            | (3,796)                    | (18,339)                   |
| Mirae Asset Global Growth ETF Investment Limited                        | 60,817     | 100         | 60,717    | 1,724             | (13,964)                   | (9,399)                    |
| Mirae Asset Partners Opportunities Fund I, LP                           | 23,004     | 21          | 22,983    | 401               | (615)                      | (3,287)                    |
| MACM India Growth Fund  | 54,116     | 19          | 54,097    | 9,605             | 9,433                      | 5,161                      |
| Mirae Asset Realty (Singapore) PTE.                                     | 226        | 80          | 146       | -                 | (10)                       | 9                          |

Notes to the Consolidated Financial Statements

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

|  | 2022      |             |         |                   |                            |                            |
|--|-----------|-------------|---------|-------------------|----------------------------|----------------------------|
|  | Assets    | Liabilities | Equity  | Operating revenue | Profit (loss) for the year | Total comprehensive income |
| Mirae Asset Disruptive Technologies Fund I, LP | ₩ 138,066 | 649         | 137,417 | 24,215            | 21,476                     | 27,962                     |
| Mirae Asset Project Planet Fund I, LP          | 93,655    | 96          | 93,559  | -                 | (710)                      | 5,374                      |
| Mirae Asset Project Planet Fund III, LP        | 372,403   | 6,210       | 366,193 | -                 | (3,439)                    | 20,481                     |
| Mirae Asset Iron Fund I, LP                    | 12,732    | 26          | 12,706  | -                 | (178)                      | 504                        |
| Mirae Asset Project Mars Fund I, LP            | 126,731   | 647         | 126,084 | -                 | (1,293)                    | (5,620)                    |
| Mirae Asset Project X Fund I, LP               | 72,400    | 87          | 72,313  | -                 | (487)                      | (393)                      |
| Mirae Asset Future Fund I, LP                  | 8,928     | 4           | 8,924   | -                 | (119)                      | 211                        |
| Mirae Asset Apeel Fund I, LP                   | 31,738    | 28          | 31,710  | -                 | (88)                       | 846                        |
| Mirae Asset Innovation X One, LLC              | 253,560   | -           | 253,560 | -                 | (33,430)                   | (33,430)                   |
| MAPS HAWAII TWO, LLC.                          | 501,588   | 873         | 500,715 | -                 | (21)                       | 32,308                     |
| MAPS WAIKIKI HOTEL, LLC.                       | 1,142,245 | 794,793     | 347,452 | 69,653            | (16,034)                   | 7,810                      |
| MAPS HOTELS AND RESORTS HAWAII 2, LLC.         | 66,014    | 60,680      | 5,334   | 151,002           | 1,223                      | 1,457                      |
| MAPS ROYAL GROVE, LLC.                         | 28        | 186         | (158)   | 222               | 40                         | 27                         |
| MAGBI Fund Limited                             | 85,650    | 19,496      | 66,154  | 101               | 1,377                      | 1,863                      |
| Super Delta Pte. Ltd.                          | 55,056    | 12          | 55,044  | 1,062             | 847                        | 4,330                      |
| MAC Global Unicorn Investment Limited          | 87,889    | 2,722       | 85,167  | -                 | (40,405)                   | (31,576)                   |
| Mirae Asset Daewoo Global I, LLC               | 215,508   | -           | 215,508 | 64,598            | 64,554                     | 73,145                     |
| Alpha Assai Fund SP                            | 279,778   | 85          | 279,693 | 91,341            | 91,341                     | 101,868                    |
| OPPCI Mahajunga Holding                        | 466,625   | 140,715     | 325,910 | 9,896             | 4,847                      | (7,778)                    |
| SCI Mahajunga                                  | 1,062,592 | 1,006,608   | 55,984  | 78,379            | (72,378)                   | (71,209)                   |

Notes to the Consolidated Financial Statements

(\*) The financial statements of some subsidiaries are adjusted to conform to the accounting policies of the Group.

### (3) Financial information of subsidiaries

Financial information of subsidiaries as of and for the year ended December 31, 2021 is as follows:

|  | 2021      |             |         |                   |                            |                            |
|--|-----------|-------------|---------|-------------------|----------------------------|----------------------------|
|  | Assets    | Liabilities | Equity  | Operating revenue | Profit (loss) for the year | Total comprehensive income |
| Mirae Asset Venture Investment   | ₩ 278,850 | 50,680      | 228,170 | 97,894            | 62,376                     | 62,376                     |
| Mirae Asset MAPS India Frontier Private Real Estate Investment Trust 1st | 17,348    | 638         | 16,710  | 1,539             | 291                        | 291                        |
| School Infrastructure Private Investment Trust                           | 13,082    | 84          | 12,998  | 557               | 322                        | 322                        |
| Hyundai CVC CLO Private Equity Investment Trust 2nd                      | 502       | -           | 502     | 259               | 202                        | 202                        |
| DB Together Private Equity Investment Trust 67th                         | 21,615    | 2           | 21,613  | 928               | 204                        | 204                        |
| Hyundai ING CLO Private Special Asset Investment Trust 1st               | 4,995     | 2           | 4,993   | 2,477             | 2,466                      | 2,466                      |
| Multiasset DW - 2nd Fund   | 1,779     | 1           | 1,778   | 1,703             | 1,703                      | 1,703                      |
| Mirae Asset Securities Global K Growth Private Equity Fund               | 1,389     | 18          | 1,371   | -                 | (6,778)                    | (6,778)                    |
| Mirae Asset MAPS Frontier US Private Real Estate Investment Trust 6-2    | 136,339   | 6           | 136,333 | 11,709            | 8,403                      | 8,403                      |

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December 31, 2022 and 2021

|  | 2021      |             |         |                   |                            |                            |
|--|-----------|-------------|---------|-------------------|----------------------------|----------------------------|
|  | Assets    | Liabilities | Equity  | Operating revenue | Profit (loss) for the year | Total comprehensive income |
| Mirae Asset Maps Frontier US Private Real Estate Investment Trust 7th            | ₩ 485,118 | 21          | 485,097 | 39,415            | 24,079                     | 24,079                     |
| MAPS US Professional Investment Private Real Estate Investment Trust 9-1         | 155,791   | 7,949       | 147,842 | 27,342            | 15,261                     | 15,261                     |
| LK GHC Specialized Privately Placed Investment Trust No.1                        | 44,875    | 10          | 44,865  | 1                 | (66)                       | (66)                       |
| Mirae Asset Smart Q Global Hedge Focus Professional Private Investment Trust 1st | 176,436   | 11,207      | 165,229 | 21,865            | (12,846)                   | (12,846)                   |
| JB Infra Build-up Professional Private Investment Trust 3rd                      | 3,380     | 41          | 3,339   | 415               | 102                        | 102                        |
| Multi Asset Global Private Equity Professional Private Investment Trust 1st      | 135,177   | 3,617       | 131,560 | 11,328            | 9,815                      | 9,815                      |
| AIP Energy Midstream Professional Private Special Asset 1st                      | 77,061    | 4,104       | 72,957  | 20,434            | 4,166                      | 4,166                      |
| Multi Asset Overseas Real Estate Professional Private Investment Trust 6th       | 318,611   | 4,486       | 314,125 | 26,472            | 9,265                      | 9,265                      |
| Multi Asset Overseas Real Estate Professional Private Investment Trust 6-1       | 89,798    | 1,223       | 88,575  | 7,525             | 2,596                      | 2,596                      |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-1      | 49,393    | -           | 49,393  | 4,274             | 4,185                      | 4,185                      |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-2      | 254,420   | 2,553       | 251,867 | 27,769            | 20,073                     | (1,377)                    |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-3      | 67,781    | -           | 67,781  | -                 | -                          | 5,574                      |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-4      | 57,075    | 573         | 56,502  | 6,230             | 4,517                      | (309)                      |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-5      | 177,451   | -           | 177,451 | 15,354            | 15,035                     | 15,035                     |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15-6      | 135,374   | -           | 135,374 | -                 | (1)                        | 11,133                     |
| Mirae Asset MAPS USA Professional Private Real Estate Investment Trust 15th      | 771,642   | -           | 771,642 | -                 | -                          | 63,463                     |
| MAPS HOTELS AND RESORTS ONE, LLC.  | 832,904   | 4           | 832,900 | 64,609            | 94,563                     | 158,402                    |
| Hanwha Debt Strategy Professional Private Real Estate Investment Trust 22th      | 86,436    | 3,309       | 83,127  | 8,574             | 3,073                      | 3,073                      |
| Mirae Asset Smart Q Asia Hedge Focus Professional Private Investment 1st         | 127,733   | 9,448       | 118,285 | 75,319            | (3,393)                    | (3,393)                    |
| LB Professional Private Real Estate Investment Trust 1st                         | 56,487    | 37,794      | 18,693  | 2,579             | 100                        | 100                        |
| Mirae Asset MAPS Professional Investment Private Real Estate Investment Trust 62 | 1,755,067 | 928,386     | 826,681 | 2,594             | (7,973)                    | (7,973)                    |
| Renewable PG LLC   | -         | -           | -       | -                 | -                          | -                          |
| HC Hybrid 1st Co., Ltd.  | 19,825    | 20,075      | (250)   | 1,102             | (114)                      | (114)                      |
| HC Hybrid 2nd Co., Ltd.  | 10,162    | 10,162      | -       | 602               | (80)                       | (80)                       |
| MD Petro 1st Co., Ltd  | 50,797    | 51,028      | (231)   | 2,392             | (875)                      | (875)                      |
| No Brand Yellow Co., Ltd   | 100,866   | 100,928     | (62)    | 4,482             | (332)                      | (332)                      |
| MD Dragon 2nd Co., Ltd   | 198,917   | 195,708     | 3,209   | 11,730            | (5,474)                    | (5,474)                    |
| MD Prime 3th Co., Ltd  | 29,732    | 30,414      | (682)   | 1,144             | (1,076)                    | (1,076)                    |
| MA Misacluster CO.,LTD   | 11,951    | 12,077      | (126)   | 514               | 17                         | 17                         |
| MA Byeollae Greenery Co., Ltd  | 11,534    | 11,544      | (10)    | 638               | (10)                       | (10)                       |
| MA Paju Unjeong Co., Ltd   | 26,642    | 26,917      | (275)   | 1,015             | (275)                      | (275)                      |
| MA Samsung 1st Co., Ltd  | 12,131    | 12,261      | (130)   | 751               | (130)                      | (130)                      |
| MA Peonggeo 1st Co., Ltd   | 50,506    | 50,760      | (254)   | 23                | (254)                      | (254)                      |
| MS Kwangju 1st Co., Ltd  | 36,763    | 36,763      | -       | 407               | -                          | -                          |
| MY1 Hangang Co., Ltd   | 12,666    | 12,667      | (1)     | 420               | (1)                        | (1)                        |
| MY1 Dongtan 8th Co., Ltd   | 56,381    | 56,381      | -       | 1,243             | -                          | -                          |
| MD Jeonju 3rd Co., Ltd   | 11,136    | 11,136      | -       | 161               | -                          | -                          |

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December 31, 2022 and 2021

|   | 2021       |             |         |                   |                            |                            |
|---|------------|-------------|---------|-------------------|----------------------------|----------------------------|
|   | Assets     | Liabilities | Equity  | Operating revenue | Profit (loss) for the year | Total comprehensive income |
| Mirae Asset Global Bio Investment Fund I                                | ₩ 88,632   | -           | 88,632  | 3,417             | 2,474                      | 9,664                      |
| Mirae Asset Global Unicorn PEF  | 256,658    | 1,915       | 254,743 | 42                | (3,825)                    | (3,825)                    |
| Mirae Asset Securities Global I Private Equity Fund                     | 114,607    | 1,716       | 112,891 | 5                 | (475)                      | (475)                      |
| Mirae Asset Securities Korea II Private Equity Fund                     | 145,954    | 6           | 145,948 | 7,065             | 6,146                      | 6,146                      |
| Mirae Asset Sage New Technology Investment Fund I                       | 30,926     | -           | 30,926  | 8                 | (874)                      | (874)                      |
| Mirae Asset Global New Green Investment Fund I                          | 111,016    | 70          | 110,946 | 3                 | (356)                      | 186                        |
| Mirae Asset Sage New Technology Investment Fund II                      | 42,029     | 2           | 42,027  | 15                | (206)                      | (206)                      |
| Mirae Asset Agro Project Fund   | 6,949      | -           | 6,949   | 1,724             | 1,209                      | 1,209                      |
| Mirae Asset Social Corporate Investment Fund 2nd                        | 1,662      | -           | 1,662   | 30                | (170)                      | (170)                      |
| Noroo-Mirae Asset Agrostar Project Venture Fund                         | 3,742      | 116         | 3,626   | 384               | (710)                      | (710)                      |
| MAVI Good Company Investment Fund #1                                    | 7,985      | 121         | 7,864   | 1,239             | (106)                      | (106)                      |
| MAVI Good Company Investment Fund #2                                    | 7,512      | 106         | 7,406   | 1,792             | 1,135                      | 1,135                      |
| MIRAE ASSET Global Investment Fund                                      | 21,442     | 343         | 21,099  | 25,409            | 21,433                     | 21,433                     |
| Koscom-Mirae Asset Fintech Company Investment Fund #1                   | 2,216      | 46          | 2,170   | 274               | 227                        | 227                        |
| MIRAE ASSET Young Start-Up Investment Fund                              | 14,174     | 266         | 13,908  | 8,514             | 8,226                      | 8,226                      |
| Mirae Asset Good Corporate Secondary Investment Fund #2                 | 26,684     | 193         | 26,491  | 20,656            | 20,352                     | 20,352                     |
| 2016 KIF-MIRAE ASSET ICT Venture Fund                                   | 82,781     | 477         | 82,304  | 62,990            | 61,447                     | 61,447                     |
| MIRAE ASSET Good Company Investment Fund#16-1                           | 13,753     | 109         | 13,644  | 7,894             | 3,586                      | 3,586                      |
| MIRAE ASSET Good Company Investment Fund#17-1                           | 14,698     | 144         | 14,554  | 4,605             | (373)                      | (373)                      |
| Mirae Asset Hi-Tech Frontier Investment Fund                            | 22,706     | 543         | 22,163  | 1,409             | (2,233)                    | (2,233)                    |
| MIRAE ASSET Young Start-Up Investment Fund #2                           | 21,282     | 446         | 20,836  | 5,444             | 4,446                      | 4,446                      |
| MIRAE ASSET Good Company Secondary Investment Fund#18-1                 | 12,460     | 100         | 12,360  | 4,851             | 2,756                      | 2,756                      |
| MIRAE ASSET Young Start-UP Investment Fund #3                           | 26,440     | 134         | 26,306  | 6,603             | 6,085                      | 6,085                      |
| MIRAE ASSET Good Company Investment Fund #19-1                          | 23,693     | 2           | 23,691  | 3,265             | 2,881                      | 2,881                      |
| MIRAE ASSET Green Frog Investment Fund                                  | 11,364     | 2           | 11,362  | 1,042             | 932                        | 932                        |
| MIRAE ASSET Good Company Investment Fund #19-2                          | 19,126     | 3           | 19,123  | 2,148             | 1,649                      | 1,649                      |
| MIRAE ASSET Next Korea Intelligence Information Venture Investment Fund | 96,291     | 509         | 95,782  | 11,516            | 6,882                      | 6,882                      |
| MIRAE ASSET Innovative Growth Investment Fund                           | 91,659     | 4           | 91,655  | 13,339            | 11,778                     | 11,778                     |
| MIRAE ASSET Good Company Investment Fund #21-1                          | 30,006     | 3           | 30,003  | 318               | 3                          | 3                          |
| MAVI Good Company Investment Fund #3                                    | 22,956     | 2           | 22,954  | 144               | (46)                       | (46)                       |
| Mirae Asset Global Unicorn Investment Fund                              | 24,001     | 2           | 23,999  | 126               | (201)                      | (201)                      |
| Mirae Asset ESG PEF   | 14,736     | 60          | 14,676  | -                 | (424)                      | (424)                      |
| Mirae Asset Next Revolution Investment Fund                             | 20,000     | 10          | 19,990  | -                 | (10)                       | (10)                       |
| Mirae Asset Securities (UK) Ltd.  | 370,464    | 10,232      | 360,232 | 7,987             | (1,232)                    | 19,817                     |
| Mirae Asset Securities Holding (USA) Inc.                               | 675,863    | 26          | 675,837 | 46                | (34)                       | 55,551                     |
| Mirae Asset Securities (USA) Inc.                                       | 17,963,460 | 17,631,951  | 331,509 | 166,351           | 23,975                     | 50,058                     |
| Mirae Asset Wealth Management (USA) Inc.                                | 17,161     | 1,895       | 15,266  | 1,763             | 3,910                      | 5,010                      |

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# Notes to the Consolidated Financial Statements

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|  | 2021      |             |           |                   |                            |                            |  |
|--|-----------|-------------|-----------|-------------------|----------------------------|----------------------------|--|
|  | Assets    | Liabilities | Equity    | Operating revenue | Profit (loss) for the year | Total comprehensive income |  |
| Mirae Asset Securities & Investments (USA), LLC          | ₩ 393,724 | 548         | 393,176   | 33,048            | 19,752                     | 51,114                     |  |
| HGX (USA), LLC   | 40        | -           | 40        | 1,549             | 1,534                      | (13,498)                   |  |
| Mirae asset Multifamily Properties I, LP                 | 42,218    | 139         | 42,079    | 1,928             | 1,864                      | 5,325                      |  |
| Cityfront Holding LP                                     | 49,915    | -           | 49,915    | 3,485             | 3,485                      | 7,590                      |  |
| Cityfront Place Trust LLC                                | 49,915    | -           | 49,915    | 3,485             | 3,485                      | 7,590                      |  |
| MAS Cityfront Place Property Company LLC                 | 193,726   | 122,163     | 71,563    | 13,617            | (168)                      | 5,898                      |  |
| Mirae Asset Securities (HK) Limited                      | 3,158,230 | 279,815     | 2,878,415 | 345,152           | 66,054                     | 206,399                    |  |
| Mirae Asset Securities (Vietnam) JSC                     | 1,309,866 | 862,668     | 447,198   | 127,415           | 42,008                     | 75,925                     |  |
| Mirae Asset Wealth Management(Brazil) CCTVM              | 153,507   | 94,954      | 58,553    | 16,479            | 696                        | 1,603                      |  |
| Mirae Asset Securities (Singapore) Pte. Ltd.             | 39,939    | 1,001       | 38,938    | 3,433             | (3,038)                    | 348                        |  |
| Mirae Asset Securities Mongolia UTsk LLC                 | 1,891     | 7           | 1,884     | 283               | 5                          | 157                        |  |
| PT. Mirae Asset Sekuritas Indonesia                      | 358,111   | 191,168     | 166,943   | 86,260            | 30,756                     | 41,269                     |  |
| Mirae Asset Capital Markets (India) Private Limited      | 390,427   | 15,783      | 374,644   | 47,436            | 23,405                     | 47,338                     |  |
| Mirae Asset Global Growth ETF Investment Limited         | 45,985    | 83          | 45,902    | 366               | (1,467)                    | 1,201                      |  |
| Mirae Asset Technology Partners Opportunities Fund I, LP | 8,045     | -           | 8,045     | -                 | (499)                      | 5,423                      |  |
| Mirae Asset Credit Opportunities Fund                    | 5,380     | 70          | 5,310     | 44                | 12                         | 374                        |  |
| MACM India Growth Fund                                   | 41,484    | 5           | 41,479    | 1,897             | 1,737                      | 3,528                      |  |
| Mirae Asset Realty (Singapore) PTE.                      | 212       | 75          | 137       | -                 | (9)                        | 2                          |  |
| Mirae Asset Global Long Short Fund, Ltd.                 | 155,250   | -           | 155,250   | -                 | (34,624)                   | (3,318)                    |  |
| Mirae Asset Global Long Short Fund                       | 157,970   | 678         | 157,292   | 573               | (34,950)                   | (7,968)                    |  |
| Mirae Asset Disruptive Technologies Fund I, LP           | 105,164   | 1,129       | 104,035   | 8,728             | 6,382                      | 9,837                      |  |
| Mirae Asset Project Planet Fund I, LP                    | 88,066    | 519         | 87,547    | 30,520            | 29,996                     | 35,691                     |  |
| Mirae Asset Project Planet Fund III, LP                  | 357,783   | 12,072      | 345,711   | -                 | (894)                      | 815                        |  |
| MAPS HAWAII TWO, LLC.                                    | 469,309   | 807         | 468,502   | -                 | (9,491)                    | 19,364                     |  |
| MAPS WAIKIKI HOTEL, LLC.                                 | 902,260   | 561,460     | 340,800   | 17,959            | (54,572)                   | (26,863)                   |  |
| MAPS HOTELS AND RESORTS HAWAII 2, LLC.                   | 26,236    | 22,465      | 3,771     | 57,152            | 3,392                      | 2,567                      |  |
| MAPS ROYAL GROVE, LLC.                                   | 23        | 207         | (184)     | -                 | (62)                       | (74)                       |  |
| MAGBI Fund Limited                                       | 82,532    | 18,240      | 64,292    | 14                | 659                        | 7,162                      |  |
| Super Delta Pte. Ltd.                                    | 50,726    | 11          | 50,715    | 940               | 896                        | 4,031                      |  |
| MAC Global Unicorn Investment Limited                    | 118,277   | 1,534       | 116,743   | -                 | (158,992)                  | (141,551)                  |  |
| Mirae Asset Daewoo Global I, LLC                         | 142,362   | -           | 142,362   | 11,444            | 11,406                     | 22,531                     |  |
| Alpha Assai Fund SP                                      | 177,904   | 79          | 177,825   | -                 | -                          | 14,625                     |  |
| OPPCI Mahajunga Holding                                  | 457,980   | 124,292     | 333,688   | 32,553            | 27,402                     | 28,278                     |  |
| SCI Mahajunga  | 1,115,427 | 988,234     | 127,193   | 60,698            | (34,268)                   | (34,105)                   |  |

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(\*) The financial statements of some subsidiaries are adjusted to conform to the accounting policies of the Group.

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 14. Investments in associates

(1) Details of investments in associates as of December 31, 2022 and 2021 are as follows:

| Associates  | Main business                       | Location | Reporting date | 2022                        |                  |                 |
|---|-------------------------------------|----------|----------------|-----------------------------|------------------|-----------------|
|   |                                     |          |                | Percentage of ownership (%) | Acquisition cost | Carrying amount |
| Mirae Asset Life Insurance Co., Ltd. (*1)   | Insurance                           | Korea    | December 31    | 22.01                       | ₩ 370,295        | 447,868         |
| Pantos Logistics Co., Ltd (*2)  | Shipping and transport              | Korea    | December 31    | 19.90                       | 145,000          | 251,399         |
| Mirae Asset-NAVER New Growth Fund I   | Investment                          | Korea    | December 31    | 45.00                       | 43,455           | 98,996          |
| Mirae Asset-GS Retail New Growth Fund I   | Investment                          | Korea    | December 31    | 50.00                       | 46,501           | 69,318          |
| Mirae Asset-Celltrion New Growth Fund I   | Investment                          | Korea    | December 31    | 45.00                       | 41,175           | 53,420          |
| Hancom-Miraeasset 4IR Fund  | Investment                          | Korea    | December 31    | -                           | -                | -               |
| SKS Mirae Asset Corporate Financial Stability PEF(*4)   | Investment                          | Korea    | December 31    | 4.83                        | 10,000           | 11,301          |
| Mirae Asset Partners PEF 4th (*4)   | Investment                          | Korea    | December 31    | 3.97                        | 4,587            | 2               |
| Mirae Asset Naver Asia Growth PEF (*3)  | Investment                          | Korea    | December 31    | 83.17                       | 333,608          | 384,585         |
| Daejo PFV Co., Ltd (*2)(*5)   | Real estate investment              | Korea    | December 31    | 39.99                       | 3,200            | 7,115           |
| Suwon Galleria Station Area Complex Development PFV Co., Ltd(*2)                                    | Real estate investment              | Korea    | December 31    | 19.90                       | 995              | -               |
| Godeok Gangil 10 PFV Co., Ltd(*2)   | Real estate investment              | Korea    | December 31    | 19.90                       | 995              | 3,108           |
| Moonjung Station Maestro Project Financing Vehicle Co. Ltd. (*2)                                    | Real estate investment              | Korea    | December 31    | 19.98                       | 999              | 920             |
| Mirae Asset Curious Corporate Recovery Private Equity Fund  | Investment                          | Korea    | December 31    | 27.36                       | 17,280           | 17,679          |
| MTV Bandalseom C1 Development PFV Co., Ltd(*2)  | Real estate investment              | Korea    | December 31    | 6.68                        | 334              | -               |
| Wirye Active Senior House Co. Ltd(*2)   | Real estate investment              | Korea    | December 31    | 5.00                        | 250              | -               |
| KJ Logis Co., Ltd. (*2)   | Other financial service             | Korea    | December 31    | 0.40                        | 2                | -               |
| Seolleung Maestro Station Influence Area Public Housing Project Financial Investment Co., Ltd. (*2) | Real estate investment              | Korea    | December 31    | 19.98                       | 999              | 966             |
| Amnam Distribution Logistics Development Co., Ltd.(*2)  | Real estate investment              | Korea    | December 31    | 15.00                       | 45               | 3,704           |
| Mirae Asset Daewoo Special Purpose Acquisition 3 Co., Ltd.  | SPAC                                | Korea    | December 31    | -                           | -                | -               |
| Mirae Asset Daewoo Special Purpose Acquisition 5 Co., Ltd. (*2)                                     | SPAC                                | Korea    | December 31    | 0.34                        | 17               | 32              |
| Mirae Asset Vision Special Purpose Acquisition 1 Company(*2)  | SPAC                                | Korea    | December 31    | 0.16                        | 10               | 19              |
| Mirae Asset Dream Special Purpose Acquisition 1 Company(*2)   | SPAC                                | Korea    | December 31    | 2.94                        | 100              | 154             |
| Mirae Asset Vision Special Purpose Acquisition 2 Company(*2)  | SPAC                                | Korea    | December 31    | 3.33                        | 10               | 24              |
| Mirae Asset Vision Special Purpose Acquisition 2 Company(*2)  | SPAC                                | Korea    | December 31    | 3.33                        | 14               | 30              |
| Nexttrade Co., Ltd (*2)   | Trading of securities and Brokerage | Korea    | December 31    | 6.64                        | 9,700            | 9,455           |
| All Together Korea Investment Private Investment Pool Professional Private Investment Trust 10th    | Collective investment               | Korea    | December 31    | 21.05                       | 5,450            | 5,531           |
| Mirae Asset Next Revolution Investment Fund (*4)  | Investment                          | Korea    | December 31    | 5.00                        | 1,000            | 990             |
| Mirae Asset Next Revolution Investment Fund II (*4)   | Investment                          | Korea    | December 31    | 1.72                        | 200              | 198             |
| Mirae Asset Global Unicorn Venture Investment Fund III (*4)   | Investment                          | Korea    | December 31    | 10.00                       | 2,800            | 2,739           |
| Mirae Asset Contents Panda iMBC Contents Investment Fund (*4)                                       | Investment                          | Korea    | December 31    | 2.44                        | 45               | 33              |

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# Notes to the Consolidated Financial Statements

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| Associates  | Main business           | Location       | Reporting date | 2022                        |                    |                  |
|---|-------------------------|----------------|----------------|-----------------------------|--------------------|------------------|
|   |                         |                |                | Percentage of ownership (%) | Acquisition cost   | Carrying amount  |
| Mirae Asset Global Unicorn Venture Investment Fund V (*4)           | Investment              | Korea          | December 31    | 2.94                        | ₩ 1,000            | 999              |
| Mirae Asset Flux Fintech Innovative Investment Fund (*4)            | Investment              | Korea          | December 31    | 10.33                       | 775                | 766              |
| SMC RMB Investors II Limited  | Investment              | China          | December 31    | 30.73                       | 245                | 3,399            |
| Transwestern Corporate Properties I LLC                             | Investment              | USA            | December 31    | 27.40                       | 121,215            | 115,838          |
| Traphaco Joint Stock Company  | Manufacturing           | Vietnam        | December 31    | 40.00                       | 108,283            | 126,738          |
| Nabou Green Energy Limited(*6)                                      | Manufacturing           | Fiji           | December 31    | 60.00                       | 707                | -                |
| Asia Cinema Group Ltd.  | Investment              | Cayman Islands | December 31    | 30.00                       | 38,105             | 55,484           |
| Mirae Asset Venture Investments (India) Private Limited             | Investment              | India          | December 31    | 40.00                       | 4,586              | 6,398            |
| Wolsong City Development Co., Ltd (*2)                              | Real estate investment  | Korea          | December 31    | 10.00                       | 1                  | -                |
| Hanmi Global IDC Co., Ltd (*2)                                      | Real estate investment  | Korea          | December 31    | 19.90                       | 2                  | 746              |
| Tera Power Co., Ltd (*2)(*7)  | Service                 | Korea          | December 31    | 39.99                       | 600                | 544              |
| AIP Anseong Co., Ltd (*2)(*8)                                       | Real estate investment  | Korea          | December 31    | 17.50                       | 2                  | -                |
| Wirye Medical Complex PFV Co., Ltd (*2)                             | Real estate investment  | Korea          | December 31    | 17.00                       | 850                | -                |
| Vital Fore Asset Management Co., Ltd (*2)                           | Real estate investment  | Korea          | December 31    | 17.00                       | 85                 | 92               |
| Mirae Asset WE Semiconductor Startup Venture Specialized PEF 1 (*4) | Investment              | Korea          | December 31    | 18.99                       | 7,030              | 6,649            |
| Sili Logistics PFV Co., Ltd (*2)(*9)                                | Real estate investment  | Korea          | December 31    | 5.00                        | 250                | 176              |
| Value Ocean Co., Ltd (*2)(*10)                                      | Real estate investment  | Korea          | December 31    | 4.76                        | 5                  | -                |
| Dream Island Leisure Co., Ltd (*2)                                  | Other financial service |                |                | 2.50                        | 1,000              | 927              |
| Cheongna Smart City Co., Ltd (*2)                                   | Real estate investment  | Korea          | December 31    | 13.00                       | 11,050             | 9,617            |
| Yongin Deokseong Data Center PFV Co., Ltd (*2)                      | Real estate investment  | Korea          | December 31    | 10.00                       | 500                | 330              |
| Mirae Asset Securities Korea 3rd Private Investment Fund (*4)       | Investment              | Korea          | December 31    | 9.68                        | 3,000              | 2,938            |
| Godeok Urban Bridge PFV Co., Ltd (*2)(*11)                          | Real estate investment  | Korea          | December 31    | 30.00                       | 1,500              | 1,478            |
| Eco 2022 Private Investment Fund (*4)                               | Financial service       | Korea          | December 31    | 0.06                        | 100                | 215              |
| Mirae Asset E-mart New Growth Fund I                                | Investment              | Korea          | December 31    | 41.00                       | 8,200              | 8,025            |
| <b>Total</b>  |                         |                |                |                             | <b>₩ 1,348,157</b> | <b>1,710,945</b> |

| Associates  | Main business          | Location | Reporting date | 2021                        |                  |                 |
|---|------------------------|----------|----------------|-----------------------------|------------------|-----------------|
|   |                        |          |                | Percentage of ownership (%) | Acquisition cost | Carrying amount |
| Mirae Asset Life Insurance Co., Ltd. (*1)             | Insurance              | Korea    | December 31    | 22.01                       | ₩ 370,295        | 621,941         |
| Pantos Logistics Co., Ltd (*2)                        | Shipping and transport | Korea    | December 31    | 19.90                       | 145,000          | 219,535         |
| Mirae Asset-NAVER New Growth Fund I                   | Investment             | Korea    | December 31    | 45.00                       | 44,100           | 39,411          |
| Mirae Asset-GS Retail New Growth Fund I               | Investment             | Korea    | December 31    | 50.00                       | 48,039           | 48,004          |
| Mirae Asset-Celltrion New Growth Fund I               | Investment             | Korea    | December 31    | 45.00                       | 45,225           | 47,075          |
| Hancom-Miraeasset 4IR Fund                            | Investment             | Korea    | December 31    | 33.12                       | 667              | 1,213           |
| SKS Mirae Asset Corporate Financial Stability PEF(*4) | Investment             | Korea    | December 31    | 4.83                        | 10,000           | 10,180          |
| Mirae Asset Partners PEF 4th (*4)                     | Investment             | Korea    | December 31    | 3.97                        | 4,587            | 2               |

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| Associates  | Main business           | Location       | Reporting date | 2021                        |                    |                  |
|---|-------------------------|----------------|----------------|-----------------------------|--------------------|------------------|
|   |                         |                |                | Percentage of ownership (%) | Acquisition cost   | Carrying amount  |
| Mirae Asset Naver Asia Growth PEF (*3)  | Investment              | Korea          | December 31    | 83.17                       | ₩ 437,179          | 568,678          |
| Daejo PFV Co., Ltd (*2)(*5)   | Real estate investment  | Korea          | December 31    | 39.99                       | 3,200              | 8,646            |
| Suwon Galleria Station Area Complex Development PFV Co., Ltd(*2)                                    | Real estate investment  | Korea          | December 31    | 19.90                       | 995                | -                |
| Godeok Gangil 10 PFV Co., Ltd(*2)   | Real estate investment  | Korea          | December 31    | 19.90                       | 995                | -                |
| Moonjung Station Maestro Project Financing Vehicle Co. Ltd. (*2)                                    | Real estate investment  | Korea          | December 31    | 19.98                       | 999                | 969              |
| Mirae Asset Curious Corporate Recovery Private Equity Fund  | Investment              | Korea          | December 31    | 28.15                       | 18,716             | 20,474           |
| MTV Bandalseom C1 Development PFV Co., Ltd(*2)  | Real estate investment  | Korea          | December 31    | 6.68                        | 334                | -                |
| Wirye Active Senior House Co. Ltd(*2)   | Real estate investment  | Korea          | December 31    | 5.00                        | 250                | -                |
| KJ Logis Co., Ltd. (*2)   | Other financial service | Korea          | December 31    | 0.40                        | 2                  | -                |
| Seolleung Maestro Station Influence Area Public Housing Project Financial Investment Co., Ltd. (*2) | Real estate investment  | Korea          | December 31    | 19.98                       | 999                | 974              |
| Amnam Distribution Logistics Development Co., Ltd. (*2)   | Real estate investment  | Korea          | December 31    | 15.00                       | 45                 | 23               |
| Mirae Asset Daewoo Special Purpose Acquisition 3 Co., Ltd.  | SPAC                    | Korea          | December 31    | 0.25                        | 16                 | 24               |
| Mirae Asset Daewoo Special Purpose Acquisition 5 Co., Ltd. (*2)                                     | SPAC                    | Korea          | December 31    | 0.34                        | 17                 | 32               |
| Mirae Asset Vision Special Purpose Acquisition 1 Co., Ltd. (*2)                                     | SPAC                    | Korea          | December 31    | 3.07                        | 10                 | 19               |
| All Together Korea Investment Private Investment Pool Professional Private Investment Trust 10th    | Collective investment   | Korea          | December 31    | 21.05                       | 5,416              | 5,437            |
| SMC RMB Investors II Limited  | Investment              | China          | December 31    | 30.73                       | 245                | 7,426            |
| Transwestern Corporate Properties I LLC   | Investment              | USA            | December 31    | 27.40                       | 121,215            | 114,574          |
| Traphaco Joint Stock Company  | Manufacturing           | Vietnam        | December 31    | 40.00                       | 108,283            | 123,391          |
| Nabou Green Energy Limited(*6)  | Manufacturing           | Fiji           | December 31    | 60.00                       | 707                | -                |
| Asia Cinema Group Ltd.  | Investment              | Cayman Islands | December 31    | 30.00                       | 38,105             | 41,542           |
| Mirae Asset Venture Investments (India) Private Limited   | Investment              | India          | December 31    | 40.00                       | 4,586              | 5,439            |
| Wolsong City Development Co., Ltd (*2)  | Real estate investment  | Korea          | December 31    | 10.00                       | 1                  | -                |
| Hanmi Global IDC Co., Ltd (*2)  | Real estate investment  | Korea          | December 31    | 19.90                       | 2                  | -                |
| Tera Power Co., Ltd (*2)(*7)  | Service                 | Korea          | December 31    | 39.99                       | 600                | 559              |
| AIP Anseong Co., Ltd (*2)(*8)   | Real estate investment  | Korea          | December 31    | 17.50                       | 2                  | -                |
| Wirye Medical Complex PFV Co., Ltd (*2)   | Real estate investment  | Korea          | December 31    | 17.00                       | 850                | 720              |
| Vital Fore Asset Management Co., Ltd (*2)   | Real estate investment  | Korea          | December 31    | 17.00                       | 85                 | 87               |
| Mirae Asset WE Semiconductor Startup Venture Specialized PEF 1 (*4)                                 | Investment              | Korea          | December 31    | 18.99                       | 1,900              | 1,829            |
| Sili Logistics PFV Co., Ltd (*2)(*9)  | Real estate investment  | Korea          | December 31    | 5.00                        | 250                | 250              |
| <b>Total</b>  |                         |                |                |                             | <b>₩ 1,413,917</b> | <b>1,888,454</b> |

(\*1) The Group's percentage of voting right is 29.87 percent as of December 31, 2022 and 2021, considering the treasury stocks held by Mirae Asset Life Insurance Co., Ltd.

(\*2) Although the Group's ownership is less than 20 percent, the Group has significant influence because it has voting power over the financial and operating policies of the investee by sending director and thus was included as associate.

(\*3) Although the Group's ownership is more than 50 percent, considering subsidiaries of investment companies due to joint investment with other investment companies, it was determined that the Group does not have control over the investment companies.

(\*4) Since the Group has registered as the General Partner, the Group has significant influence over those associates.

(\*5) The Group's percentage of voting right is 15.99 percent as of December 31, 2022 and 2021.

# Notes to the Consolidated Financial Statements

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(\*6) Although the Group's ownership is more than 50 percent, it was determined that it does not have sole control over the investment company due to joint investment with other investment companies.

(\*7) The Group's voting right is 19.99 percent, considering the non-voting shares issued by Tera Power Co., Ltd.

(\*8) The Group's voting right is 15 percent, considering the non-voting shares issued by AIP Anseong Co., Ltd.

(\*9) The Group's voting right is 10 percent, considering the non-voting shares issued by Sili Logistics PFV Co., Ltd.

(\*10) The Group's voting right is wholly non-voting shares issued by Value Ocean Co., Ltd

(\*11) The Group's voting right is 6.67 percent, considering the non-voting shares issued by Godeok Urban Bridge PFV Co., Ltd .

## (2) Details of changes in the carrying amounts of investments in associates for the years ended December 31, 2022 and 2021 are as follows:

|  | Beginning balance | 2022        |           |                  |                   |                           |                            |            | Ending balance |
|--|-------------------|-------------|-----------|------------------|-------------------|---------------------------|----------------------------|------------|----------------|
|  |                   | Acquisition | Disposal  | Reclassification | Dividend received | Share of profits (losses) | Effect on change in equity | Impairment |                |
| Mirae Asset Life Insurance Co., Ltd.   | ₩ 621,941         | -           | -         | -                | (3,897)           | 4,630                     | (174,806)                  | -          | 447,868        |
| Pantos Logistics Co., Ltd  | 219,535           | -           | -         | -                | (15,940)          | 57,817                    | (10,013)                   | -          | 251,399        |
| Mirae Asset-NAVER New Growth Fund I  | 39,411            | -           | (645)     | -                | -                 | 60,230                    | -                          | -          | 98,996         |
| Mirae Asset-GS Retail New Growth Fund I  | 48,004            | -           | (1,537)   | -                | -                 | 22,851                    | -                          | -          | 69,318         |
| Mirae Asset-Celltrion New Growth Fund I  | 47,075            | 3,600       | (7,650)   | -                | -                 | 10,395                    | -                          | -          | 53,420         |
| Hancom-Miraeasset 4IR Fund   | 1,213             | -           | -         | (1,213)          | -                 | -                         | -                          | -          | -              |
| SKS Mirae Asset Corporate Financial Stability PEF  | 10,180            | -           | -         | -                | (50)              | 1,171                     | -                          | -          | 11,301         |
| Mirae Asset Partners PEF 4th   | 2                 | -           | -         | -                | -                 | -                         | -                          | -          | 2              |
| Mirae Asset Naver Asia Growth PEF  | 568,678           | 39,041      | (142,612) | -                | -                 | (114,223)                 | 33,701                     | -          | 384,585        |
| Daejo PFV Co., Ltd   | 8,646             | -           | -         | -                | -                 | (1,602)                   | 71                         | -          | 7,115          |
| Suwon Galleria Station Area Complex Development PFV Co., Ltd                                   | -                 | -           | -         | -                | -                 | -                         | -                          | -          | -              |
| Godeok Gangil 10 PFV Co., Ltd  | -                 | -           | -         | -                | -                 | 3,108                     | -                          | -          | 3,108          |
| Moonjung Station Maestro Project Financing Vehicle Co. Ltd.                                    | 969               | -           | -         | -                | -                 | (49)                      | -                          | -          | 920            |
| Mirae Asset Curious Corporate Recovery Private Equity Fund                                     | 20,474            | 5,629       | (7,065)   | -                | (2,855)           | 1,496                     | -                          | -          | 17,679         |
| MTV Bandalseom C1 Development PFV Co., Ltd   | -                 | -           | -         | -                | -                 | -                         | -                          | -          | -              |
| Wirye Active Senior House Co. Ltd  | -                 | -           | -         | -                | -                 | -                         | -                          | -          | -              |
| KJ Logis Co., Ltd.   | -                 | -           | -         | -                | -                 | -                         | -                          | -          | -              |
| Seolleung Maestro Station Influence Area Public Housing Project Financial Investment Co., Ltd. | 974               | -           | -         | -                | -                 | (8)                       | -                          | -          | 966            |
| Amnam Distribution Logistics Development Co., Ltd.   | 23                | -           | -         | -                | -                 | 3,681                     | -                          | -          | 3,704          |
| Mirae Asset Daewoo SPAC 3rd Co., Ltd.  | 24                | -           | -         | (16)             | -                 | -                         | (8)                        | -          | -              |
| Mirae Asset Daewoo SPAC 5th Co., Ltd.  | 32                | -           | -         | -                | -                 | -                         | -                          | -          | 32             |
| Mirae Asset Vision Special Purpose Acquisition 1 Company                                       | 19                | -           | -         | -                | -                 | (6)                       | 6                          | -          | 19             |
| Mirae Asset Dream Special Purpose Acquisition 1 Company  | -                 | 100         | -         | -                | -                 | (4)                       | 58                         | -          | 154            |
| Mirae Asset Vision Special Purpose Acquisition 2 Company                                       | -                 | 10          | -         | -                | -                 | (1)                       | 15                         | -          | 24             |
| Mirae Asset Vision Special Purpose Acquisition 3 Company                                       | -                 | 14          | -         | -                | -                 | (1)                       | 17                         | -          | 30             |
| Nextrade Co., Ltd  | -                 | 9,700       | -         | -                | -                 | (104)                     | (141)                      | -          | 9,455          |

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|  | 2022               |               |                  |                  |                   |                           |                            |            |                  |
|--|--------------------|---------------|------------------|------------------|-------------------|---------------------------|----------------------------|------------|------------------|
|  | Beginning balance  | Acquisition   | Disposal         | Reclassification | Dividend received | Share of profits (losses) | Effect on change in equity | Impairment | Ending balance   |
| All Together Korea Investment Private Investment Pool Professional Private Investment Trust 10th | ₩ 5,437            | 34            | -                | -                | (34)              | 94                        | -                          | -          | 5,531            |
| Mirae Asset Next Revolution Investment Fund  | -                  | -             | -                | 1,000            | -                 | (10)                      | -                          | -          | 990              |
| Mirae Asset Next Revolution Investment Fund II   | -                  | -             | -                | 200              | -                 | (2)                       | -                          | -          | 198              |
| Mirae Asset Global Unicorn Venture Investment Fund III   | -                  | 2,800         | -                | -                | -                 | (61)                      | -                          | -          | 2,739            |
| Mirae Asset Contents Panda iMBC Contents Investment Fund   | -                  | -             | -                | 45               | -                 | (12)                      | -                          | -          | 33               |
| Mirae Asset Global Unicorn Venture Investment Fund V   | -                  | 1,000         | -                | -                | -                 | (1)                       | -                          | -          | 999              |
| Mirae Asset Flux Fintech Innovative Investment Fund  | -                  | 775           | -                | -                | -                 | (9)                       | -                          | -          | 766              |
| SMC RMB Investors II Limited   | 7,426              | -             | -                | -                | -                 | (4,061)                   | 34                         | -          | 3,399            |
| Transwestern Corporate Properties I LLC  | 114,574            | -             | -                | -                | (11,848)          | 5,607                     | 7,505                      | -          | 115,838          |
| Traphaco Joint Stock Company   | 123,391            | -             | -                | -                | (4,461)           | 5,634                     | 2,174                      | -          | 126,738          |
| Nabou Green Energy Limited   | -                  | -             | -                | -                | -                 | -                         | -                          | -          | -                |
| Asia Cinema Group Ltd.   | 41,542             | -             | -                | -                | -                 | 11,291                    | 2,651                      | -          | 55,484           |
| Mirae Asset Venture Investments (India) Private Limited  | 5,439              | -             | -                | -                | (247)             | 1,506                     | (300)                      | -          | 6,398            |
| Wolsong City Development Co., Ltd  | -                  | -             | -                | -                | -                 | -                         | -                          | -          | -                |
| Hanmi Global IDC Co., Ltd  | -                  | -             | -                | -                | -                 | 746                       | -                          | -          | 746              |
| Tera Power Co., Ltd  | 559                | -             | -                | -                | -                 | (11)                      | (4)                        | -          | 544              |
| AIP Anseong Co., Ltd   | -                  | -             | -                | -                | -                 | -                         | -                          | -          | -                |
| Wirye Medical Complex PFV Co., Ltd   | 720                | -             | -                | -                | -                 | (720)                     | -                          | -          | -                |
| Vital Fore Asset Management Co., Ltd   | 87                 | -             | -                | -                | -                 | 5                         | -                          | -          | 92               |
| Mirae Asset WE Semiconductor Startup Venture Specialized PEF 1                                   | 1,829              | 5,130         | -                | -                | -                 | (310)                     | -                          | -          | 6,649            |
| Sili Logistics PFV Co., Ltd  | 250                | -             | -                | -                | -                 | (74)                      | -                          | -          | 176              |
| Value Ocean Co., Ltd   | -                  | 5             | -                | -                | -                 | (5)                       | -                          | -          | -                |
| Dream Island Leisure Co., Ltd  | -                  | 250           | -                | 750              | -                 | (69)                      | (4)                        | -          | 927              |
| Cheongna Smart City Co., Ltd   | -                  | 11,050        | -                | -                | -                 | (1,433)                   | -                          | -          | 9,617            |
| Yongin Deokseong Data Center PFV Co., Ltd  | -                  | 500           | -                | -                | -                 | (170)                     | -                          | -          | 330              |
| Mirae Asset Securities Korea 3rd Private Investment Fund   | -                  | 3,000         | -                | -                | -                 | (62)                      | -                          | -          | 2,938            |
| Godeok Urban Bridge PFV Co., Ltd   | -                  | 1,500         | -                | -                | -                 | (22)                      | -                          | -          | 1,478            |
| Eco 2022 Private Investment Fund   | -                  | 100           | -                | -                | -                 | 123                       | (8)                        | -          | 215              |
| Mirae Asset E-mart New Growth Fund I   | -                  | 8,200         | -                | -                | -                 | (175)                     | -                          | -          | 8,025            |
| <b>Total</b>   | <b>₩ 1,888,454</b> | <b>92,438</b> | <b>(159,509)</b> | <b>766</b>       | <b>(39,332)</b>   | <b>67,180</b>             | <b>(139,052)</b>           | <b>-</b>   | <b>1,710,945</b> |

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|  | Beginning balance | 2021        |          |                  |                   |                           |                            |            | Ending balance |
|--|-------------------|-------------|----------|------------------|-------------------|---------------------------|----------------------------|------------|----------------|
|  |                   | Acquisition | Disposal | Reclassification | Dividend received | Share of profits (losses) | Effect on change in equity | Impairment |                |
| Mirae Asset Life Insurance Co., Ltd.   | ₩ 647,570         | -           | -        | -                | (3,897)           | 2,938                     | (24,670)                   | -          | 621,941        |
| Pantos Logistics Co., Ltd  | 171,569           | -           | -        | -                | (7,065)           | 51,711                    | 3,320                      | -          | 219,535        |
| Mirae Asset-NAVER New Growth Fund I  | 39,713            | -           | -        | -                | -                 | (302)                     | -                          | -          | 39,411         |
| Mirae Asset-GS Retail New Growth Fund I  | 35,977            | 10,000      | -        | -                | -                 | 2,027                     | -                          | -          | 48,004         |
| Mirae Asset-Celltrion New Growth Fund I  | 41,491            | 16,875      | (9,900)  | -                | -                 | (1,391)                   | -                          | -          | 47,075         |
| Hancom-Miraeasset 4IR FUND   | 4,512             | -           | (3,848)  | -                | (402)             | 951                       | -                          | -          | 1,213          |
| SKS Mirae Asset Corporate Financial Stability PEF  | 9,986             | -           | -        | -                | (44)              | 238                       | -                          | -          | 10,180         |
| Mirae Asset Partners PEF 4th   | 3                 | -           | -        | -                | -                 | (1)                       | -                          | -          | 2              |
| New Growth Engine Green Future PEF   | 114               | -           | (116)    | -                | (1,544)           | 1,546                     | -                          | -          | -              |
| Mirae Asset Naver Asia Growth PEF  | 295,297           | 125,421     | -        | -                | -                 | 113,582                   | 34,378                     | -          | 568,678        |
| Daejo PFV Co., Ltd   | 4,479             | -           | -        | -                | -                 | 4,167                     | -                          | -          | 8,646          |
| Suwon Galleria Station Area Complex Development PFV Co., Ltd                                     | -                 | -           | -        | -                | -                 | -                         | -                          | -          | -              |
| Yangjae PFV Co., Ltd   | 2,326             | -           | (2,326)  | -                | -                 | -                         | -                          | -          | -              |
| 2019 PCC New Technology Fund   | 1,239             | -           | (1,128)  | -                | (351)             | 240                       | -                          | -          | -              |
| Cheongdam Complex PFV Co., Ltd   | 711               | -           | (64)     | -                | -                 | (647)                     | -                          | -          | -              |
| Godeok Gangil 10 PFV Co., Ltd  | -                 | -           | -        | -                | -                 | -                         | -                          | -          | -              |
| Moonjung Station Maestro Project Financing Vehicle Co. Ltd.                                      | 989               | -           | -        | -                | -                 | (20)                      | -                          | -          | 969            |
| Mirae Asset Curious Corporate Recovery Private Equity Fund                                       | 10,322            | 7,915       | -        | -                | -                 | 2,237                     | -                          | -          | 20,474         |
| MTV Bandalseom C1 Development PFV Co., Ltd   | -                 | -           | -        | -                | -                 | -                         | -                          | -          | -              |
| Wirye Active Senior House Co. Ltd  | 248               | -           | -        | -                | -                 | (1)                       | -                          | (247)      | -              |
| KJ Logis Co., Ltd.   | 1                 | -           | -        | -                | -                 | (1)                       | -                          | -          | -              |
| Seolleung Maestro Station Influence Area Public Housing Project Financial Investment Co., Ltd.   | 989               | -           | -        | -                | -                 | (15)                      | -                          | -          | 974            |
| Amnam Distribution Logistics Development Co., Ltd.   | 42                | -           | -        | -                | -                 | (19)                      | -                          | -          | 23             |
| Mirae Asset Daewoo SPAC 3rd Co., Ltd.  | 24                | -           | -        | -                | -                 | -                         | -                          | -          | 24             |
| Mirae Asset Daewoo SPAC 4th Co., Ltd.  | 29                | -           | -        | (27)             | -                 | -                         | (2)                        | -          | -              |
| Mirae Asset Daewoo SPAC 5th Co., Ltd.  | 33                | -           | -        | -                | -                 | (1)                       | -                          | -          | 32             |
| Mirae Asset Vision SPAC 1st Co., Ltd.  | -                 | 10          | -        | -                | -                 | (1)                       | 10                         | -          | 19             |
| All Together Korea Investment Private Investment Pool Professional Private Investment Trust 10th | 5,412             | 17          | -        | -                | (17)              | 25                        | -                          | -          | 5,437          |
| SMC RMB Investors II Limited   | 6,076             | -           | -        | -                | -                 | 418                       | 932                        | -          | 7,426          |
| Transwestern Corporate Properties I LLC  | 111,455           | -           | -        | -                | (10,200)          | 3,942                     | 9,377                      | -          | 114,574        |
| Traphaco Joint Stock Company   | 109,525           | -           | -        | -                | (2,413)           | 4,271                     | 12,008                     | -          | 123,391        |
| Nabou Green Energy Limited   | -                 | -           | -        | -                | -                 | -                         | -                          | -          | -              |
| Asia Cinema Group Ltd.   | 31,650            | -           | -        | -                | -                 | 7,020                     | 2,872                      | -          | 41,542         |
| Mirae Asset Venture Investments (India) Private Limited  | 4,517             | -           | -        | -                | -                 | 589                       | 333                        | -          | 5,439          |
| MAPS Indianapolis One LLC  | 39,762            | -           | (39,762) | -                | -                 | -                         | -                          | -          | -              |

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|  | 2021               |                |                 |                  |                   |                           |                            |              |                  |
|--|--------------------|----------------|-----------------|------------------|-------------------|---------------------------|----------------------------|--------------|------------------|
|  | Beginning balance  | Acquisition    | Disposal        | Reclassification | Dividend received | Share of profits (losses) | Effect on change in equity | Impairment   | Ending balance   |
| Wolsong City Development Co., Ltd                              | ₩ -                | 1              | -               | -                | -                 | (1)                       | -                          | -            | -                |
| Hanmi Global IDC Co., Ltd                                      | -                  | 2              | -               | -                | -                 | (2)                       | -                          | -            | -                |
| Tera Power Co., Ltd  | -                  | 600            | -               | -                | -                 | (41)                      | -                          | -            | 559              |
| AIP Anseong Co., Ltd   | -                  | 2              | -               | -                | -                 | (2)                       | -                          | -            | -                |
| Wirye Medical Complex PFV Co., Ltd                             | -                  | 850            | -               | -                | -                 | (126)                     | (4)                        | -            | 720              |
| Vital Fore Asset Management Co., Ltd                           | -                  | 85             | -               | -                | -                 | 2                         | -                          | -            | 87               |
| Mirae Asset WE Semiconductor Startup Venture Specialized PEF 1 | -                  | 1,900          | -               | -                | -                 | (71)                      | -                          | -            | 1,829            |
| Sili Logistics PFV Co., Ltd                                    | -                  | 250            | -               | -                | -                 | -                         | -                          | -            | 250              |
| <b>Total</b>   | <b>₩ 1,576,061</b> | <b>163,928</b> | <b>(57,144)</b> | <b>(27)</b>      | <b>(25,933)</b>   | <b>193,262</b>            | <b>38,554</b>              | <b>(247)</b> | <b>1,888,454</b> |

(3) Financial information of investments in associates as of December 31, 2022 and 2021 is as follows:

|  | 2022         |             |           |                   |                            |                            |
|--|--------------|-------------|-----------|-------------------|----------------------------|----------------------------|
|  | Assets       | Liabilities | Equity    | Operating revenue | Profit (loss) for the year | Total comprehensive income |
| Mirae Asset Life Insurance Co., Ltd.   | ₩ 37,262,082 | 35,916,103  | 1,345,979 | 3,369,730         | 52,239                     | (543,612)                  |
| Pantos Logistics Co., Ltd  | 2,726,889    | 1,668,896   | 1,057,993 | 10,672,173        | 284,717                    | 245,767                    |
| Mirae Asset-NAVER New Growth Fund I  | 220,194      | 204         | 219,990   | 141,880           | 133,851                    | 133,851                    |
| Mirae Asset-GS Retail New Growth Fund I  | 133,647      | 201         | 133,446   | 54,932            | 45,714                     | 45,714                     |
| Mirae Asset-Celltrion New Growth Fund I  | 118,960      | 248         | 118,712   | 36,344            | 20,989                     | 20,989                     |
| SKS Mirae Asset Corporate Financial Stability PEF  | 234,215      | 284         | 233,931   | 26,686            | 25,568                     | 25,568                     |
| Mirae Asset Partners PEF 4th   | 42           | 72,993      | (72,951)  | -                 | (1)                        | (1)                        |
| Mirae Asset Naver Asia Growth PEF  | 809,775      | 26,045      | 783,730   | (189,123)         | (229,807)                  | (189,287)                  |
| Daejo PFV Co., Ltd   | 282,212      | 264,422     | 17,790    | 35,275            | 5,487                      | 5,487                      |
| Suwon Galleria Station Area Complex Development PFV Co., Ltd                                   | 113,149      | 132,135     | (18,986)  | 70,743            | (8,655)                    | (8,655)                    |
| Godeok Gangil 10 PFV Co., Ltd  | 155,852      | 140,231     | 15,621    | 183,986           | 16,490                     | 16,490                     |
| Moonjung Station Maestro Project Financing Vehicle Co. Ltd.                                    | 96,741       | 92,137      | 4,604     | -                 | (276)                      | (276)                      |
| Miraeasset Curious Corporate Recovery Private Equity Fund                                      | 64,759       | 365         | 64,394    | 4,476             | 3,204                      | 3,204                      |
| MTV Bandalseom C1 Development PFV Co., Ltd.  | 595,621      | 700,876     | (105,255) | -                 | (21,940)                   | (21,940)                   |
| Wirye Active Senior House Co. Ltd.   | 16,748       | 12,403      | 4,345     | -                 | (608)                      | (608)                      |
| KJ Logis Co., Ltd.   | 4,760        | 5,787       | (1,027)   | -                 | (547)                      | (547)                      |
| Seolleung Maestro Station Influence Area Public Housing Project Financial Investment Co., Ltd. | 70,056       | 65,219      | 4,837     | -                 | (52)                       | (52)                       |
| Amnam Distribution Logistics Development Co., Ltd.   | 129,892      | 105,351     | 24,541    | 110,020           | 24,576                     | 24,576                     |
| Mirae Asset Daewoo Special Purpose Acquisition 5 Company                                       | 11,554       | 2,007       | 9,547     | -                 | (119)                      | (119)                      |
| Mirae Asset Vision Special Purpose Acquisition 1 Company                                       | 14,752       | 2,729       | 12,023    | -                 | (86)                       | (86)                       |
| Mirae Asset Dream Special Purpose Acquisition 1 Company  | 14,973       | 9,740       | 5,233     | -                 | (132)                      | (132)                      |

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|  | 2022      |             |         |                   |                            |                            |
|--|-----------|-------------|---------|-------------------|----------------------------|----------------------------|
|  | Assets    | Liabilities | Equity  | Operating revenue | Profit (loss) for the year | Total comprehensive income |
| Mirae Asset Vision Special Purpose Acquisition 2 Company   | 2,709     | 1,985       | 724     | -                 | (12)                       | (12)                       |
| Mirae Asset Vision Special Purpose Acquisition 3 Company   | 2,991     | 2,082       | 909     | -                 | (16)                       | (16)                       |
| Nextrade Co., Ltd  | 142,549   | 140         | 142,409 | -                 | (1,560)                    | (1,560)                    |
| All Together Korea Investment Private Investment Pool Professional Private Investment Trust 10th | 26,277    | 3           | 26,274  | 460               | 445                        | 445                        |
| Mirae Asset Next Revolution Investment Fund  | 19,854    | 54          | 19,800  | 12                | (191)                      | (191)                      |
| Mirae Asset Next Revolution Investment Fund II   | 11,515    | 33          | 11,482  | 7                 | (112)                      | (112)                      |
| Mirae Asset Global Unicorn Venture Investment Fund III   | 27,543    | 156         | 27,387  | 348               | (613)                      | (613)                      |
| Mirae Asset Contents Panda iMBC Contents Investment Fund   | 1,373     | 10          | 1,363   | 5                 | (207)                      | (207)                      |
| Mirae Asset Global Unicorn Venture Investment Fund V   | 36,019    | 91          | 35,928  | 19                | (73)                       | (73)                       |
| Mirae Asset Flux Fintech Innovative Investment Fund  | 7,501     | 98          | 7,403   | 1                 | (97)                       | (97)                       |
| SMC RMB Investors II Limited   | 11,942    | 880         | 11,062  | 1                 | (14,183)                   | (14,073)                   |
| Transwestern Corporate Properties I LLC  | 375,446   | 1           | 375,445 | 43,250            | 20,466                     | 46,708                     |
| Traphaco Joint Stock Company   | 98,763    | 21,390      | 77,373  | 132,057           | 16,677                     | 18,461                     |
| Asia Cinema Group Ltd.   | 425,924   | 240,977     | 184,947 | 51,792            | 37,637                     | 48,732                     |
| Mirae Asset Venture Investments (India) Private Limited  | 17,116    | 1,120       | 15,996  | 5,729             | 3,765                      | 4,802                      |
| Wolsong City Development Co., Ltd  | 5,923     | 5,985       | (62)    | -                 | (18)                       | (18)                       |
| Hanmi Global IDC Co., Ltd  | 4,442     | 595         | 3,847   | 8,000             | 3,929                      | 3,929                      |
| Tera Power Co., Ltd  | 1,361     | -           | 1,361   | -                 | (36)                       | (36)                       |
| AIP Anseong Co., Ltd   | 11,090    | 12,807      | (1,717) | -                 | (1,475)                    | (1,475)                    |
| Wirye Medical Complex PFV Co., Ltd   | 155,642   | 156,832     | (1,190) | -                 | (5,423)                    | (5,423)                    |
| Vital Fore Asset Management Co., Ltd   | 615       | 77          | 538     | 1,231             | 100                        | 100                        |
| Mirae Asset WE Semiconductor Startup Venture Specialized PEF 1                                   | 35,483    | 452         | 35,031  | 136               | (1,632)                    | (1,632)                    |
| Sili Logistics PFV Co., Ltd  | 3,511     | -           | 3,511   | -                 | (1,461)                    | (1,461)                    |
| Value Ocean Co., Ltd   | 5,472     | 5,462       | 10      | -                 | (95)                       | (95)                       |
| Dream Island Leisure Co., Ltd  | 103,905   | 66,815      | 37,090  | -                 | (1,605)                    | (1,605)                    |
| Cheongna Smart City Co., Ltd   | 134,571   | 60,594      | 73,977  | -                 | (11,022)                   | (11,022)                   |
| Yongin Deokseong Data Center PFV Co., Ltd  | 6,308     | 3,011       | 3,297   | -                 | (1,703)                    | (1,703)                    |
| Mirae Asset Securities Korea 3rd Private Investment Fund   | 30,720    | 357         | 30,363  | 1                 | (637)                      | (637)                      |
| Godeok Urban Bridge PFV Co., Ltd   | 23,334    | 18,767      | 4,567   | -                 | (432)                      | (432)                      |
| Eco 2022 Private Investment Fund   | 1,651,863 | 1,320,382   | 331,481 | 2,892,269         | 110,526                    | 98,231                     |
| Mirae Asset E-mart New Growth Fund I   | 19,953    | 381         | 19,572  | 83                | (428)                      | (428)                      |

(\*) The summary financial information of the affiliated companies that cannot obtain financial information as of December 31, 2022, has been excluded.

Notes to the Consolidated Financial Statements

# Notes to the Consolidated Financial Statements

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|  | 2021         |             |           |                   |                            |                            |
|--|--------------|-------------|-----------|-------------------|----------------------------|----------------------------|
|  | Assets       | Liabilities | Equity    | Operating revenue | Profit (loss) for the year | Total comprehensive income |
| Mirae Asset Life Insurance Co., Ltd.   | ₩ 41,997,270 | 40,095,125  | 1,902,145 | 3,532,972         | 79,085                     | (39,925)                   |
| Pantos Logistics Co., Ltd  | 2,407,318    | 1,514,992   | 892,326   | 7,817,729         | 267,446                    | 282,512                    |
| Mirae Asset-NAVER New Growth Fund I  | 87,782       | 202         | 87,580    | 1,160             | (671)                      | (671)                      |
| Mirae Asset-GS Retail New Growth Fund I  | 96,203       | 195         | 96,008    | 7,398             | 4,054                      | 4,054                      |
| Mirae Asset-Celltrion New Growth Fund I  | 104,848      | 236         | 104,612   | 14,162            | (3,090)                    | (3,090)                    |
| Hancom-Miraeasset 4IR Fund   | 3,702        | 42          | 3,660     | 3,119             | 2,866                      | 2,866                      |
| SKS Mirae Asset Corporate Financial Stability PEF  | 207,311      | 310         | 207,001   | 2,501             | 1,283                      | 1,283                      |
| Mirae Asset Partners PEF 4th   | 55           | 12          | 43        | -                 | (29)                       | (29)                       |
| Mirae Asset Naver Asia Growth PEF  | 1,184,786    | 31,977      | 1,152,809 | 239,088           | 230,615                    | 271,951                    |
| Daejo PFV Co., Ltd   | 175,390      | 153,772     | 21,618    | 22,578            | 10,464                     | 10,464                     |
| Suwon Galleria Station Area Complex Development PFV Co., Ltd                                     | 118,048      | 127,824     | (9,776)   | 88,093            | 9,568                      | 9,568                      |
| Godeok Gangil 10 PFV Co., Ltd  | 278,903      | 281,596     | (2,693)   | 68,826            | (856)                      | (856)                      |
| Moonjung Station Maestro Project Financing Vehicle Co. Ltd.                                      | 77,639       | 72,789      | 4,850     | -                 | (98)                       | (98)                       |
| Miraeasset Curious Corporate Recovery Private Equity Fund  | 74,924       | 257         | 74,667    | 11,504            | 10,033                     | 10,033                     |
| MTV Bandalseom C1 Development PFV Co., Ltd.  | 306,689      | 403,408     | (96,719)  | -                 | (91,404)                   | (91,404)                   |
| Wirye Active Senior House Co. Ltd.   | 6,003        | 1,054       | 4,949     | -                 | (18)                       | (18)                       |
| KJ Logis Co., Ltd.   | 3,808        | 4,283       | (475)     | -                 | (747)                      | (747)                      |
| Seolleung Maestro Station Influence Area Public Housing Project Financial Investment Co., Ltd.   | 57,615       | 52,741      | 4,874     | -                 | (50)                       | (50)                       |
| All Together Korea Investment Private Investment Pool Professional Private Investment Trust 10th | 25,832       | 3           | 25,829    | 135               | 121                        | 121                        |
| Amnam Distribution Logistics Development Co., Ltd.   | 53,754       | 54,589      | (835)     | -                 | (1,115)                    | (1,115)                    |
| Wolsong City Development Co., Ltd  | 1,980        | 1,996       | (16)      | -                 | (26)                       | (26)                       |
| Hanmi Global IDC Co., Ltd  | 2,991        | 3,098       | (107)     | -                 | (117)                      | (117)                      |
| Tera Power Co., Ltd  | 1,397        | -           | 1,397     | -                 | (103)                      | (103)                      |
| AIP Anseong Co., Ltd   | 8,364        | 8,991       | (627)     | -                 | (639)                      | (639)                      |
| Wirye Medical Complex PFV Co., Ltd   | 44,798       | 40,565      | 4,233     | -                 | (742)                      | (742)                      |
| Vital Fore Asset Management Co., Ltd   | 928          | 414         | 514       | 450               | 17                         | 17                         |
| Mirae Asset WE Semiconductor Startup Venture Specialized PEF 1                                   | 9,997        | 361         | 9,636     | 1                 | (374)                      | (374)                      |
| Sili Logistics PFV Co., Ltd  | 5,000        | -           | 5,000     | -                 | -                          | -                          |
| Mirae Asset Daewoo 3rd SPAC  | 14,939       | 2,324       | 12,615    | -                 | (18)                       | (18)                       |
| Mirae Asset Daewoo 5th SPAC  | 11,660       | 1,995       | 9,665     | -                 | (48)                       | (48)                       |
| Mirae Asset Vision 1st SPAC  | 3,296        | 2,680       | 616       | -                 | (14)                       | (14)                       |
| SMC RMB Investors II Limited   | 26,490       | 2,323       | 24,167    | 1,674             | 1,362                      | 4,395                      |
| Transwestern Corporate Properties I LLC  | 372,028      | 49          | 371,979   | 54,202            | 15,378                     | 48,163                     |
| Traphaco Joint Stock Company   | 88,940       | 22,902      | 66,038    | 107,826           | 13,197                     | 29,426                     |
| Asia Cinema Group Ltd.   | 367,238      | 228,765     | 138,473   | 13,092            | 658                        | 12,014                     |
| Mirae Asset Venture Investments (India) Private Limited  | 13,420       | 715         | 12,705    | 2,506             | 1,510                      | 1,412                      |

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(\*) The summary financial information of the affiliated companies that cannot obtain financial information as of December 31, 2021, has been excluded.



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(4) Unrecognized losses, because the Group has ceased recognizing its losses of the associated when applying the equity method, for the years ended December 31, 2022 and 2021 are ₩ 2,803 million and ₩ 6,265 million, respectively. Accumulated unrecognized share of losses as of December 31, 2022 and 2021 are ₩ 11,322 million and ₩ 9,077 million, respectively.

(5) As of December 31, 2022, the fair value of marketable associated investment assets is as follows:

|                                      | Market value | Book value |
|--------------------------------------|--------------|------------|
| Mirae Asset Life Insurance Co., Ltd. | ₩ 112,617    | 447,868    |
| Mirae Asset Daewoo 3rd SPAC          | -            | -          |
| Mirae Asset Daewoo 5th SPAC          | 35           | 32         |
| Mirae Asset Vision 1st SPAC          | 20           | 19         |
| Traphaco Joint Stock Company         | 79,473       | 126,738    |
|                                      | ₩ 192,145    | 574,657    |

(6) As of December 31, 2021, the fair value of marketable associated investment assets is as follows:

|                                      | Market value | Book value |
|--------------------------------------|--------------|------------|
| Mirae Asset Life Insurance Co., Ltd. | ₩ 156,067    | 621,941    |
| Mirae Asset Daewoo 3rd SPAC          | 33           | 24         |
| Mirae Asset Daewoo 5th SPAC          | 36           | 32         |
| Traphaco Joint Stock Company         | 79,011       | 123,391    |
|                                      | ₩ 235,147    | 745,388    |

Notes to the Consolidated Financial Statements

## 15. Property and equipment

(1) Details of property and equipment as of December 31, 2022 and 2021 are as follows:

|                           | 2022             |                          |                      |
|---------------------------|------------------|--------------------------|----------------------|
|                           | Acquisition cost | Accumulated depreciation | Carrying amount, net |
| Land                      | ₩ 77,623         | -                        | 77,623               |
| Structure                 | 18,498           | (12,637)                 | 5,861                |
| Vehicles                  | 1,713            | (1,001)                  | 712                  |
| Furniture and fixtures    | 135,681          | (68,165)                 | 67,516               |
| Data processing equipment | 112,197          | (97,871)                 | 14,326               |
| Leasehold facilities      | 736              | (383)                    | 353                  |
| Others                    | 5,590            | (3,520)                  | 2,070                |
| Right-of-use asset:       |                  |                          |                      |
| Real estate               | 493,493          | (130,417)                | 363,076              |
| IT Asset                  | 9,747            | (8,189)                  | 1,558                |
| Vehicles                  | 5,417            | (3,123)                  | 2,294                |
| Others                    | 2,740            | (1,405)                  | 1,335                |
| <b>Total</b>              | ₩ 863,435        | (326,711)                | 536,724              |

|                           | 2021             |                          |                      |
|---------------------------|------------------|--------------------------|----------------------|
|                           | Acquisition cost | Accumulated depreciation | Carrying amount, net |
| Land                      | ₩ 77,751         | -                        | 77,751               |
| Structure                 | 18,498           | (10,614)                 | 7,884                |
| Vehicles                  | 1,373            | (985)                    | 388                  |
| Furniture and fixtures    | 116,323          | (52,035)                 | 64,288               |
| Data processing equipment | 110,983          | (93,263)                 | 17,720               |
| Leasehold facilities      | 736              | (196)                    | 540                  |
| Others                    | 5,166            | (2,927)                  | 2,239                |
| Right-of-use asset:       |                  |                          |                      |
| Real estate               | 362,957          | (105,513)                | 257,444              |
| IT Asset                  | 7,665            | (6,127)                  | 1,538                |
| Vehicles                  | 6,949            | (3,156)                  | 3,793                |
| Others                    | 1,512            | (563)                    | 949                  |
| <b>Total</b>              | ₩ 709,913        | (275,379)                | 434,534              |

(2) The Group has not recognized any impairment loss in property and equipment as of December 31, 2022 and 2021.

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## (3) Details of changes in property and equipment other than right-of-use asset for the years ended December 31, 2022 and 2021 are as follows:

|                           | 2022              |               |              |                 |              |              |                |
|---------------------------|-------------------|---------------|--------------|-----------------|--------------|--------------|----------------|
|                           | Beginning balance | Acquisition   | Disposal     | Depreciation    | Replacement  | Others (*)   | Ending balance |
| Land                      | ₩ 77,751          | -             | -            | -               | (128)        | -            | 77,623         |
| Structure                 | 7,884             | -             | -            | (2,023)         | -            | -            | 5,861          |
| Vehicles                  | 388               | 690           | (63)         | (293)           | -            | (10)         | 712            |
| Furniture and fixtures    | 64,288            | 16,292        | (106)        | (16,728)        | 1,781        | 1,989        | 67,516         |
| Data processing equipment | 17,720            | 4,120         | (55)         | (7,538)         | -            | 79           | 14,326         |
| Leasehold facilities      | 540               | -             | -            | (187)           | -            | -            | 353            |
| Others                    | 2,239             | 119           | -            | (448)           | -            | 160          | 2,070          |
|                           | <b>₩ 170,810</b>  | <b>21,221</b> | <b>(224)</b> | <b>(27,217)</b> | <b>1,653</b> | <b>2,218</b> | <b>168,461</b> |

(\*) Changes in scope of consolidation and fluctuation of foreign exchange rate.

|                           | 2021              |               |              |                 |              |                |  |
|---------------------------|-------------------|---------------|--------------|-----------------|--------------|----------------|--|
|                           | Beginning balance | Acquisition   | Disposal     | Depreciation    | Others (*)   | Ending balance |  |
| Land                      | ₩ 77,751          | -             | -            | -               | -            | 77,751         |  |
| Structure                 | 9,813             | 85            | -            | (2,014)         | -            | 7,884          |  |
| Vehicles                  | 480               | 68            | -            | (167)           | 7            | 388            |  |
| Furniture and fixtures    | 63,197            | 14,954        | (83)         | (16,663)        | 2,883        | 64,288         |  |
| Data processing equipment | 13,488            | 11,898        | (1)          | (7,719)         | 54           | 17,720         |  |
| Leasehold facilities      | 547               | 149           | (10)         | (146)           | -            | 540            |  |
| Others                    | 2,539             | 2             | (8)          | (432)           | 138          | 2,239          |  |
|                           | <b>₩ 167,815</b>  | <b>27,156</b> | <b>(102)</b> | <b>(27,141)</b> | <b>3,082</b> | <b>170,810</b> |  |

(\*) Changes in scope of consolidation and fluctuation of foreign exchange rate.

## (4) Details of changes in right-of-use asset for the years ended December 31, 2022 and 2021 are as follows:

|                    | 2022              |                |                |                 |                              |                |
|--------------------|-------------------|----------------|----------------|-----------------|------------------------------|----------------|
|                    | Beginning balance | Increase       | Decrease       | Depreciation    | Fluctuation of exchange rate | Ending balance |
| Right-of-use asset |                   |                |                |                 |                              |                |
| Real estate(*)     | ₩ 257,444         | 134,580        | (558)          | (43,883)        | 15,493                       | 363,076        |
| IT asset           | 1,538             | 2,081          | -              | (2,061)         | -                            | 1,558          |
| Vehicles           | 3,793             | 1,374          | (784)          | (2,037)         | (52)                         | 2,294          |
| Others             | 949               | 2,176          | (412)          | (1,378)         | -                            | 1,335          |
|                    | <b>₩ 263,724</b>  | <b>140,211</b> | <b>(1,754)</b> | <b>(49,359)</b> | <b>15,441</b>                | <b>368,263</b> |

(\*) ₩ 103 million of increase in right-of-use asset real estate was recognized as provision of restoration in relation to new lease contract.

|                    | 2021              |               |                |                 |                              |                |
|--------------------|-------------------|---------------|----------------|-----------------|------------------------------|----------------|
|                    | Beginning balance | Increase      | Decrease       | Depreciation    | Fluctuation of exchange rate | Ending balance |
| Right-of-use asset |                   |               |                |                 |                              |                |
| Real estate(*)     | ₩ 235,740         | 44,586        | (433)          | (39,992)        | 17,543                       | 257,444        |
| IT asset           | 3,561             | 102           | -              | (2,125)         | -                            | 1,538          |
| Vehicles           | 4,218             | 2,464         | (596)          | (2,300)         | 7                            | 3,793          |
| Others             | 459               | 1,760         | -              | (1,271)         | 1                            | 949            |
|                    | <b>₩ 243,978</b>  | <b>48,912</b> | <b>(1,029)</b> | <b>(45,688)</b> | <b>17,551</b>                | <b>263,724</b> |

(\*) ₩ 837 million of increase in right-of-use asset real estate was recognized as provision of restoration in relation to new lease contract.

## (5) The Group is leasing a portion of the buildings, including the Yeouido office building, etc., to Standard Chartered Bank Korea Limited, etc., and therefore, it established the right to collateral security of ₩ 12,200 million and ₩ 11,592 million as of December 31, 2022 and 2021 and the right to lease on a deposit basis of ₩ 1,709 million and ₩ 1,709 million related to the lease respectively.

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 16. Investment properties

(1) Details of investment properties as of December 31, 2022 and 2021 are as follows:

|                                     | 2022        |            |           |
|-------------------------------------|-------------|------------|-----------|
|                                     | Land        | Structures | Total     |
| Acquisition cost                    | ₩ 1,835,181 | 2,514,472  | 4,349,653 |
| Accumulated depreciation and others | (81,627)    | (357,912)  | (439,539) |
| The carrying amount, net            | ₩ 1,753,554 | 2,156,560  | 3,910,114 |
|                                     | 2021        |            |           |
|                                     | Land        | Structures | Total     |
| Acquisition cost                    | ₩ 1,825,475 | 2,438,694  | 4,264,169 |
| Accumulated depreciation and others | (22,706)    | (240,675)  | (263,381) |
| The carrying amount, net            | ₩ 1,802,769 | 2,198,019  | 4,000,788 |

(2) The accumulated impairment losses recognized in relation to property and equipment were ₩ 133,722 million and ₩ 40,215 million as of December 31, 2022 and 2021.

(3) Details of changes in investment properties for the years ended December 31, 2022 and 2021 are as follows:

|            | 2022              |             |              |                  |                 |             |                |
|------------|-------------------|-------------|--------------|------------------|-----------------|-------------|----------------|
|            | Beginning balance | Acquisition | Depreciation | Replacement (*1) | Impairment loss | Others (*2) | Ending balance |
| Land       | ₩ 1,802,769       | 1,741       | -            | 128              | (58,921)        | 7,837       | 1,753,554      |
| Structures | 2,198,019         | 1,720       | (72,568)     | -                | (34,586)        | 63,975      | 2,156,560      |
|            | ₩ 4,000,788       | 3,461       | (72,568)     | 128              | (93,507)        | 71,812      | 3,910,114      |

(\*1) Replacement between investment property and property plant and equipment due to changes in rental area.

(\*2) Effects from changes of foreign currency exchange rates and scope of consolidation.

|            | 2021              |             |              |          |                 |            |                |
|------------|-------------------|-------------|--------------|----------|-----------------|------------|----------------|
|            | Beginning balance | Acquisition | Depreciation | Disposal | Impairment loss | Others (*) | Ending balance |
| Land       | ₩ 830,797         | 18,776      | -            | (161)    | (22,706)        | 976,063    | 1,802,769      |
| Structures | 1,474,730         | 140,571     | (55,579)     | (39)     | (17,509)        | 655,845    | 2,198,019      |
|            | ₩ 2,305,527       | 159,347     | (55,579)     | (200)    | (40,215)        | 1,631,908  | 4,000,788      |

(\*) Effects from changes of foreign currency exchange rates and scope of consolidation.

(4) Details of gain (loss) on investment properties for the years ended December 31, 2022 and 2021 are as follows:

|   | 2022      | 2021      |
|---|-----------|-----------|
| Rental income   | ₩ 284,131 | 136,900   |
| Direct operating expenses arising from investment properties that generated rental income | (154,635) | (116,860) |

(5) Fair value of investment properties as of December 31, 2022 and 2021 are as follows:

|            | 2022        | 2021      |
|------------|-------------|-----------|
| Land       | ₩ 1,825,784 | 1,859,975 |
| Structures | 2,555,085   | 2,387,713 |
|            | ₩ 4,380,869 | 4,247,688 |

(\*) Valuation was conducted by professional independent appraisers who have evaluated similar properties in the past. Fair values are classified to Level 3 considering the inputs are used.

(6) Valuation methods of investment property and input factor are as follows:

|            | Valuation technique             | Inputs   |
|------------|---------------------------------|--|
| Land       | Transaction comparison approach | Transaction price, correction factor   |
| Structures | Discounted cash flow analysis   | Future cash flows (deposits, rental income, expenses, vacancy rate and others), discount rates |

(7) Operating lease

1) The Group offer investment properties are leased to tenants under operating lease. It is classified as operating leases because most of the risks and rewards of the investment properties are retained.

2) The following is a maturity analysis table for operating leases, and the lease fees to be received after the end of the reporting period are calculated as non-discounted amounts.

|                   | 2022      | 2021    |
|-------------------|-----------|---------|
| Within one year   | ₩ 184,770 | 115,669 |
| 1 to 2 years      | 154,241   | 116,904 |
| 2 to 3 years      | 111,989   | 112,116 |
| 3 to 4 years      | 67,992    | 109,860 |
| 4 to 5 years      | 55,752    | 62,171  |
| more than 5 years | 201,924   | 247,120 |
| <b>Total</b>      | ₩ 776,668 | 763,841 |

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## 17. Intangible assets

### (1) Details of changes in intangible assets for the years ended December 31, 2022 and 2021 are as follows:

|                                      | 2022             |                  |               |               |                |
|--------------------------------------|------------------|------------------|---------------|---------------|----------------|
|                                      | Goodwill         | Development cost | Software      | Others        | Total          |
| Beginning balance, net               | ₩ 397,777        | 14,993           | 8,062         | 79,278        | 500,110        |
| Acquisition                          | -                | 1,618            | 6,108         | 109           | 7,835          |
| Transfers (*)                        | -                | 7,343            | -             | -             | 7,343          |
| Amortization                         | -                | (11,831)         | (3,559)       | (17,964)      | (33,354)       |
| Impairment loss                      | -                | -                | -             | (233)         | (233)          |
| Disposal                             | -                | -                | (158)         | (1,600)       | (1,758)        |
| Fluctuation of foreign exchange rate | -                | (46)             | 55            | 50            | 59             |
| <b>Ending balance, net</b>           | <b>₩ 397,777</b> | <b>12,077</b>    | <b>10,508</b> | <b>59,640</b> | <b>480,002</b> |

(\*) It is transferred from advance payments to intangible assets for the year ended December 31, 2022.

|                                      | 2021             |                  |              |               |                |
|--------------------------------------|------------------|------------------|--------------|---------------|----------------|
|                                      | Goodwill         | Development cost | Software     | Others        | Total          |
| Beginning balance, net               | ₩ 397,777        | 26,684           | 6,076        | 156,059       | 586,596        |
| Acquisition                          | -                | 1,085            | 4,593        | 1,354         | 7,032          |
| Transfers (*)                        | -                | 2,178            | -            | -             | 2,178          |
| Amortization                         | -                | (14,989)         | (2,671)      | (19,317)      | (36,977)       |
| Impairment loss                      | -                | -                | -            | (56,813)      | (56,813)       |
| Disposal                             | -                | (11)             | -            | (2,041)       | (2,052)        |
| Fluctuation of foreign exchange rate | -                | 46               | 64           | 36            | 146            |
| <b>Ending balance, net</b>           | <b>₩ 397,777</b> | <b>14,993</b>    | <b>8,062</b> | <b>79,278</b> | <b>500,110</b> |

(\*) It is transferred from advance payments to intangible assets for the year ended December 31, 2021.

### (2) Impairment test of intangible assets

#### 1) Details of intangible assets tested for impairment as of December 31, 2022 and 2021 are as follows:

|          | 2022      | 2021    |
|----------|-----------|---------|
| Goodwill | ₩ 397,777 | 397,777 |

2) The recoverable amount was evaluated based upon their value in use. The value in use was calculated using DCF method with consideration of special aspects of financial institution.

i) Measurement date and projection period

Measurement date for the calculation of recoverable amount is September 30, 2022 and its projection period for cash flow estimation is 5.25 years. Terminal growth rate is used in measuring the periods beyond the projection period.

ii) Discount rate and terminal growth rate

The required rate of return of shareholders and the cost of capital were applied to the discount rates. Expected terminal growth rate after the projection period is estimated to be 1%.

iii) The main assumptions used in estimating future cash flows are GDP growth rate, incremental CPI rate, salary increase rate and loan interest rate which are macroeconomic indicators.

3) As a result of an impairment test, the recoverable amount exceeds its book value by ₩ 3,337,097 million, therefore no impairment was recognized. Also, all brand assets were recognized as impairment losses due to the change of the Group's name as of December 31, 2021.

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## 18. Other assets

Details of other assets as of December 31, 2022 and 2021 are as follows:

|                  | 2022            | 2021           |
|------------------|-----------------|----------------|
| Advance payments | ₩ 22,713        | 33,490         |
| Prepaid expenses | 11,009          | 66,410         |
| Others           | 11,565          | 80,800         |
|                  | <b>₩ 45,287</b> | <b>180,700</b> |

## 19. Pledged assets

Details of pledged assets as of December 31, 2022 and 2021 are as follows:

|  | 2022                | 2021              | Purpose(*1)   |
|--|---------------------|-------------------|---|
| Cash and cash equivalents  | ₩ 164,924           | 33,500            | Establishment in the right of pledge  |
| Financial assets measured at fair value through profit or loss             | 18,746,880          | 24,541,556        | Securities sold under repurchase agreements(*2), securities borrowing, trading with collateral on derivatives(*3), etc. |
| Financial assets measured at fair value through other comprehensive income | 12,244,877          | 12,157,995        | Securities sold under repurchase agreements(*2), etc.   |
| Financial assets at amortized cost(*2)                                     | 23,327,011          | 20,853,643        | Derivatives-linked securities, payments and settlements etc.  |
| Others   | 409,289             | 55,202            | Payments and settlements etc.   |
| Investment properties  | 3,790,801           | 3,879,395         | Right to collateral security, right to lease on a deposit, etc.   |
|  | <b>₩ 58,683,782</b> | <b>61,521,291</b> |   |

(\*1) Although it is not recognized in the financial statements as of December 31, 2022 and 2021, the amount of borrowed securities provided as collateral for loan transactions is ₩ 4,760,026 million and ₩ 7,509,793 million, respectively.

(\*2) An agreement to repurchase a transferred asset at a pre-set price or selling price plus a certain rate of return after the sale includes transactions provided as collateral for the financial asset. In addition, financial assets acquired through repurchase agreements exist and are not recognised in the Group's financial statements. The Group used these acquired financial assets for securities sold under repurchase agreement. As of December 31, 2022 and 2021, the amount that can be provided for repledged is ₩ 16,712,083 million and ₩ 13,374,572 million, respectively, while the amount provided for repledged is ₩ 16,651,480 million and ₩ 13,297,852 million, respectively.

(\*3) The Group provides collateral for the margin call arising due to the decline in valuation of derivative in OTC derivative transactions.



# Notes to the Consolidated Financial Statements

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## 20. Financial liabilities measured at fair value through profit or loss

The Group's financial liabilities measured at fair value through profit or loss is classified with financial liabilities measured at fair value through profit or loss and financial liabilities designated as measured at fair value through profit or loss.

### (1) Financial liabilities measured at fair value through profit or loss

i) Details of the financial liabilities measured at fair value through profit or loss as of December 31, 2022 and 2021 are as follows:

|                              | 2022               | 2021             |
|------------------------------|--------------------|------------------|
| Securities in short position | ₩ 1,801,808        | 1,153,399        |
| Derivative liabilities       | 2,693,330          | 868,807          |
|                              | <b>₩ 4,495,138</b> | <b>2,022,206</b> |

ii) Details of the securities in short position as of December 31, 2022 and 2021 are as follows:

| Description(*)               | 2022               | 2021             | Valuation          |
|------------------------------|--------------------|------------------|--------------------|
| Securities in short position | Equity securities  | ₩ 1,502,493      | 749,223 Fair value |
|                              | Bonds              | 246,798          | 403,997 Fair value |
|                              | Others (ETF sold)  | 52,517           | 179 Fair value     |
|                              | <b>₩ 1,801,808</b> | <b>1,153,399</b> |                    |

(\*) The Group manages in memorandum account for the securities borrowed from the Korea Securities Depository and recognizes them as financial liabilities measured at fair value through profit or loss when the Group sells securities borrowed.

### (2) Financial liabilities designated as measured at fair value through profit or loss

i) Details of the financial liabilities designated as measured at fair value through profit or loss as of December 31, 2022 and 2021 are as follows:

| Reason for designation  | Description                             | 2022                | 2021              |
|-------------------------|---|---------------------|-------------------|
| Hybrid financial assets | Equity-linked securities sold           | ₩ 8,986,864         | 8,413,270         |
|                         | Other derivative-linked securities sold | 1,481,603           | 2,120,462         |
|                         |   | <b>₩ 10,468,467</b> | <b>10,533,732</b> |

ii) Details of changes in fair value by credit risk fluctuation of financial liabilities designated as measured at fair value through profit or loss for the years ended December 31, 2022 and 2021 are as follows:

|   | 2022            | 2021         |
|---|-----------------|--------------|
| Beginning balance   | ₩ 6,720         | 3,015        |
| Credit risk increase recognized in other comprehensive income | 21,065          | 9,290        |
| Credit risk decrease recognized in other comprehensive income | (1,185)         | (411)        |
| Disposal  | (2,704)         | (3,767)      |
| Income tax effect   | (4,432)         | (1,407)      |
| <b>Ending balance</b>   | <b>₩ 19,464</b> | <b>6,720</b> |

iii) Differences between contractual payment due at maturity and the carrying amount of financial liabilities designated as measured at fair value through profit or loss as of December 31, 2022 and 2021 are as follows:

|   | 2022                            |                   |                  |
|---|---------------------------------|-------------------|------------------|
|   | Contractual payment at maturity | Book value        | Difference       |
| Equity-linked securities sold           | ₩ 9,757,872                     | 8,986,864         | 771,008          |
| Other derivative-linked securities sold | 1,794,917                       | 1,481,603         | 313,314          |
|   | <b>₩ 11,552,789</b>             | <b>10,468,467</b> | <b>1,084,322</b> |
|   | 2021                            |                   |                  |
|   | Contractual payment at maturity | Book value        | Difference       |
| Equity-linked securities sold           | ₩ 8,576,618                     | 8,413,270         | 163,348          |
| Other derivative-linked securities sold | 2,120,733                       | 2,120,462         | 271              |
|   | <b>₩ 10,697,351</b>             | <b>10,533,732</b> | <b>163,619</b>   |

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## 21. Deposits due to customers

Details of the deposits due to customers as of December 31, 2022 and 2021 are as follows:

|  | 2022               | 2021              |
|--|--------------------|-------------------|
| Customers' deposits                                      |                    |                   |
| Customers' deposits for brokerage                        | ₩ 9,105,820        | 13,939,590        |
| Customers' deposits for exchange traded derivatives      | 396,241            | 449,325           |
| Customers' deposits for savings                          | 42,710             | 57,180            |
| Customers' deposits for collective investment securities | 91,934             | 101,092           |
| Others   | 13,571             | 3,145             |
|  | <b>9,650,276</b>   | <b>14,550,332</b> |
| Others   | 680                | 559               |
|  | <b>₩ 9,650,956</b> | <b>14,550,891</b> |

## 22. Borrowings

(1) Details of the borrowings as of December 31, 2022 and 2021 are as follows:

|   | 2022                                      |                   |                     |
|---|---|-------------------|---------------------|
|   | Lender                                    | Interest rate (%) | Amount              |
| Borrowings                                  | Korea Securities Finance Corp. and others | 3.45 ~ 6.06       | ₩ 6,033,274         |
|   | Shinhan Capital and others                | 5.00              | 2,490               |
|   | KDB Bank and others                       | 1.12 ~ 10.31      | 2,629,273           |
| Call money                                  | Samsung Asset Management and others       | 3.30 ~ 4.42       | 635,000             |
| Securities sold under repurchase agreements | Others                                    | 0.80 ~ 4.93       | 32,728,623          |
| Issue notes                                 | Others                                    | 3.85 ~ 5.70       | 6,150,274           |
| Lease liabilities                           | -   | -                 | 369,469             |
| Others                                      | -   | 0.25 ~ 5.00       | ₩ 3,511,065         |
|   |   |                   | <b>₩ 52,059,468</b> |
|   | 2021                                      |                   |                     |
|   | Lender                                    | Interest rate (%) | Amount              |
| Borrowings                                  | Korea Securities Finance Corp. and others | 0.84 ~ 2.78       | ₩ 6,380,783         |
|   | KEB Hana Bank                             | 3.60              | 50,858              |
|   | KDB Bank and others                       | 0.47 ~ 6.10       | 2,642,216           |
| Call money                                  | KB Kookmin Bank and others                | 1.52 ~ 3.00       | 1,810,000           |
| Securities sold under repurchase agreements | Others                                    | 0.01 ~ 2.20       | 34,063,856          |
| Issue notes                                 | Others                                    | 0.70 ~ 2.20       | 436,542             |
| Lease liabilities                           | -   | -                 | 265,180             |
| Others                                      | -   | 0.02 ~ 3.60       | ₩ 4,680,642         |
|   |   |                   | <b>₩ 50,330,077</b> |

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(2) Details of changes of cash flow in borrowings for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022                | 2021              |
|--|---------------------|-------------------|
| Beginning balance  | ₩ 50,330,077        | 69,066,074        |
| Changes from financing cash flow                                     |                     |                   |
| Changes of borrowings, net   | (947,280)           | 6,030,190         |
| Changes of lease liabilities, net                                    | (42,833)            | (40,418)          |
| Effect from fluctuations in exchange rate                            | 1,366,742           | 2,998,484         |
| Interest expense on lease liabilities                                | 20,713              | 16,036            |
| Non-cash transaction of Securities purchased under resale agreements | 1,218,311           | (28,108,676)      |
| Others   | 113,738             | 368,387           |
| <b>Ending balance</b>  | <b>₩ 52,059,468</b> | <b>50,330,077</b> |

(3) Total amount of cash outflow in lease is ₩ 65,390 million and ₩ 58,490 million, respectively, for the years ended December 31, 2022 and 2021.

## 23. Debentures

Details of the debentures as of December 31, 2022 and 2021 are as follows:

(1) General bonds

|   | Issued date | Maturity date | Interest rate (%) | 2022    | 2021    |
|---|-------------|---------------|-------------------|---------|---------|
| The 5th public offering subordinated Debenture  | 2016.07.28  | 2022.01.28    | 3.500             | ₩ -     | 300,000 |
| The 43th public offering subordinated Debenture | 2016.12.08  | 2022.06.08    | 4.000             | -       | 40,000  |
| The 44th public offering subordinated Debenture | 2016.12.15  | 2022.06.15    | 4.000             | -       | 210,000 |
| The 45th public offering subordinated Debenture | 2016.12.20  | 2022.06.20    | 4.000             | -       | 150,000 |
| The 46th public offering subordinated Debenture | 2017.01.20  | 2022.07.20    | 3.700             | -       | 220,000 |
| The 47-2nd public offering Debenture            | 2018.04.26  | 2023.04.26    | 3.005             | 240,000 | 240,000 |
| The 48-2nd public offering Debenture            | 2018.09.12  | 2023.09.12    | 2.505             | 260,000 | 260,000 |
| The 48-3rd public offering Debenture            | 2018.09.12  | 2025.09.12    | 2.691             | 130,000 | 130,000 |
| The 49-1st public offering Debenture            | 2019.01.18  | 2022.01.18    | 2.160             | -       | 240,000 |
| The 49-2nd public offering Debenture            | 2019.01.18  | 2024.01.18    | 2.341             | 160,000 | 160,000 |
| The 49-3rd public offering Debenture            | 2019.01.18  | 2026.01.18    | 2.459             | 100,000 | 100,000 |
| The 50th public offering subordinated Debenture | 2019.03.21  | 2025.03.21    | 3.550             | 500,000 | 500,000 |
| The 51-1st public offering Debenture            | 2020.01.28  | 2023.01.27    | 1.798             | 350,000 | 350,000 |
| The 51-2nd public offering Debenture            | 2020.01.28  | 2025.01.27    | 1.970             | 100,000 | 100,000 |
| The 51-3rd public offering Debenture            | 2020.01.28  | 2027.01.28    | 2.087             | 50,000  | 50,000  |
| The 52th public offering subordinated Debenture | 2020.02.25  | 2026.02.25    | 3.000             | 500,000 | 500,000 |
| The 53-1st public offering Debenture            | 2020.06.19  | 2022.06.17    | 1.527             | -       | 130,000 |
| The 53-2nd public offering Debenture            | 2020.06.19  | 2023.06.19    | 1.648             | 140,000 | 140,000 |
| The 54-1st public offering Debenture            | 2020.09.25  | 2023.09.25    | 1.527             | 110,000 | 110,000 |
| The 54-2nd public offering Debenture            | 2020.09.25  | 2025.09.25    | 1.735             | 20,000  | 20,000  |
| The 55th public offering Debenture              | 2020.10.21  | 2025.10.21    | 1.774             | 100,000 | 100,000 |
| The 56-1st public offering Debenture            | 2021.03.09  | 2024.03.08    | 1.534             | 150,000 | 150,000 |
| The 56-2nd public offering Debenture            | 2021.03.09  | 2026.03.09    | 1.903             | 100,000 | 100,000 |
| The 56-3rd public offering Debenture            | 2021.03.09  | 2028.03.09    | 2.146             | 50,000  | 50,000  |
| The 57-1st public offering Debenture            | 2022.01.25  | 2025.01.24    | 2.746             | 290,000 | -       |

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|                                      | Issued date | Maturity date | Interest rate (%) | 2022               | 2021             |
|--------------------------------------|-------------|---------------|-------------------|--------------------|------------------|
| The 57-2nd public offering Debenture | 2022.01.25  | 2027.01.25    | 2.924             | ₩ 150,000          | -                |
| The 57-3rd public offering Debenture | 2022.01.25  | 2029.01.25    | 3.075             | 60,000             | -                |
| The 58-1st public offering Debenture | 2022.03.03  | 2024.02.29    | 2.867             | 420,000            | -                |
| The 58-2nd public offering Debenture | 2022.03.03  | 2024.02.28    | 2.867             | 30,000             | -                |
| The 59th public offering Debenture   | 2022.04.28  | 2024.04.26    | 3.541             | 30,000             | -                |
| The 60th public offering Debenture   | 2022.05.04  | 2025.05.02    | 4.020             | 20,000             | -                |
| The 61st public offering Debenture   | 2022.06.09  | 2024.06.07    | 4.096             | 460,000            | -                |
| The 62nd public offering Debenture   | 2022.12.13  | 2025.12.12    | 5.450             | 20,000             | -                |
| The 63rd public offering Debenture   | 2022.12.14  | 2025.12.12    | 5.450             | 20,000             | -                |
| The 1st privately placed Bonds       | 2022.08.31  | 2052.08.31    | 6.200             | 10,000             | -                |
| Unsecured Reg S Senior Bond #2       | 2019.05.07  | 2022.05.07    | 3.125             | -                  | 355,650          |
| Unsecured Reg S Senior Bond #3       | 2019.05.07  | 2024.05.07    | 3.375             | 380,190            | 355,650          |
| Unsecured Reg S Senior Bond #4       | 2020.07.30  | 2023.07.30    | 2.125             | 380,190            | 355,650          |
| Unsecured Reg S Senior Bond #5       | 2020.07.30  | 2025.07.30    | 2.625             | 380,190            | 355,650          |
| Unsecured Reg S Senior Bond #6       | 2021.07.07  | 2024.07.08    | 1.607             | 380,190            | 355,650          |
| MAS/01-2020/2Y-01                    | 2020.02.28  | 2022.02.28    | 8.000             | -                  | 5,194            |
| MAS/01-2020/2Y-02                    | 2020.02.28  | 2022.02.28    | 8.000             | -                  | 20,775           |
| Face Value                           |             |               |                   | 6,090,760          | 6,154,219        |
| Discount on Debentures               |             |               |                   | (9,290)            | (10,959)         |
| <b>Book Value</b>                    |             |               |                   | <b>₩ 6,081,470</b> | <b>6,143,260</b> |

## (2) Asset backed short-term bond

|                              | 2022                               |                   |             |
|------------------------------|------------------------------------|-------------------|-------------|
|                              | Lender                             | Interest rate (%) | Amount      |
| Asset backed short-term bond | BNK Securities Co., Ltd and others | 3.45 ~ 7.70       | ₩ 2,604,320 |
|                              | 2021                               |                   |             |
|                              | Lender                             | Interest rate (%) | Amount      |
| Asset backed short-term bond | BNK Securities Co., Ltd and others | 1.52 ~ 2.80       | ₩ 1,768,129 |

## (3) Details of changes of cashflow in debentures for the years ended December 31, 2022 and 2021 are as follows:

|   | 2022               | 2021             |
|---|--------------------|------------------|
| Beginning balance                             | ₩ 7,911,389        | 7,949,973        |
| Changes from financing cash flow              |                    |                  |
| Issuance of debentures                        | 1,505,899          | 636,250          |
| Repayment of debentures                       | (1,700,589)        | (1,146,860)      |
| Changes of asset backed short-term bond, net  | 1,168,523          | 293,020          |
| Amortization of discount on debentures        | 6,471              | 6,666            |
| Effect from fluctuations in exchange rate     | 126,430            | 172,340          |
| Effect from changes in scope of consolidation | (332,333)          | -                |
| <b>Ending balance</b>                         | <b>₩ 8,685,790</b> | <b>7,911,389</b> |

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# Notes to the Consolidated Financial Statements

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## 24. Provisions

### (1) Details of provisions as of December 31, 2022 and 2021 are as follows:

|                                | 2022            | 2021          |
|--------------------------------|-----------------|---------------|
| Provisions:                    |                 |               |
| Provision of restoration(*)    | ₩ 8,927         | 9,611         |
| Provision of litigations       | 1,985           | 3,409         |
| Provision of off-balance items | 8,588           | 1,186         |
| Others                         | 6,693           | 4,951         |
|                                | <b>₩ 26,193</b> | <b>19,157</b> |

(\*) Provision of restoration represents the estimated costs to restore the existing leased properties, which are discounted to the present value using the appropriate discount rate at the end of the reporting period. Disbursements of such costs are expected to occur at the end of the lease contract. Such costs are reasonably estimated using the average lease year from initial contract date to the end of the contract as of December 31, 2022. The average restoration expense is calculated based on the actual costs incurred for the past five years and the five-year average inflation rate.

### (2) Details of changes in provisions(except for provisions of off-balance items) for the years ended December 31, 2022 and 2021 are as follows:

|                            | 2022                     |                          |              |               |
|----------------------------|--------------------------|--------------------------|--------------|---------------|
|                            | Provision of restoration | Provision of litigations | Others       | Total         |
| Beginning balance          | ₩ 9,611                  | 3,409                    | 4,951        | 17,971        |
| Additional provisions (*1) | 259                      | 1,220                    | 4,538        | 6,017         |
| Reversal                   | -                        | (2,648)                  | (678)        | (3,326)       |
| Provision used (*2)        | 104                      | -                        | -            | 104           |
| Others                     | (1,047)                  | 4                        | (2,118)      | (3,161)       |
| <b>Ending balance</b>      | <b>₩ 8,927</b>           | <b>1,985</b>             | <b>6,693</b> | <b>17,605</b> |

(\*1) Additional provisions for the year ended December 31, 2022 consist of provisions of restoration of ₩ 259 million which occurred in relation to interest expenses, provisions of allowance for litigations ₩ 1,220 million, provisions related to point provided to customers ₩ 3,572 million, and provisions of allowance for others ₩ 966 million.

(\*2) Provision used in relation to new lease contracts.

Notes to the Consolidated Financial Statements

|                            | 2021                     |                          |              |               |
|----------------------------|--------------------------|--------------------------|--------------|---------------|
|                            | Provision of restoration | Provision of litigations | Others       | Total         |
| Beginning balance          | ₩ 8,515                  | 6,803                    | 42,959       | 58,277        |
| Additional provisions (*1) | 412                      | 26                       | 2,505        | 2,943         |
| Reversal                   | -                        | (205)                    | -            | (205)         |
| Provision used (*2)        | 837                      | -                        | -            | 837           |
| Others                     | (153)                    | (3,215)                  | (40,513)     | (43,881)      |
| <b>Ending balance</b>      | <b>₩ 9,611</b>           | <b>3,409</b>             | <b>4,951</b> | <b>17,971</b> |

(\*1) Additional provisions for the year ended December 31, 2021 consist of provisions of restoration of ₩ 412 million which occurred in relation to interest expenses, provisions of allowance for litigations ₩ 26 million, provisions related to point provided to customers ₩ 2,505 million.

(\*2) Provision used in relation to new lease contracts.

### (3) Details of changes in expected credit loss of off-balance items as of December 31, 2022 and 2021 are as follows:

|                                  | 2022               |              |                                       |              |                    |              | Total        |
|----------------------------------|--------------------|--------------|---------------------------------------|--------------|--------------------|--------------|--------------|
|                                  | Purchase agreement |              | Guarantee (including loan commitment) |              | Unused credit line |              |              |
|                                  | 12-month ECL       | Lifetime ECL | 12-month ECL                          | Lifetime ECL | 12-month ECL       | Lifetime ECL |              |
| Beginning Balance                | ₩ 201              | -            | 200                                   | -            | 648                | 138          | 1,187        |
| Reclassification to Lifetime ECL | -                  | -            | (11)                                  | 11           | (7)                | 7            | -            |
| Reclassification to 12-month ECL | -                  | -            | -                                     | -            | 10                 | (10)         | -            |
| Provision allowances             | 58                 | -            | 5,339                                 | 1,731        | 29                 | 244          | 7,401        |
| <b>Ending Balance</b>            | <b>₩ 259</b>       | <b>-</b>     | <b>5,528</b>                          | <b>1,742</b> | <b>680</b>         | <b>379</b>   | <b>8,588</b> |
| Financial guarantee liabilities  | ₩ -                | -            | 34,945                                | 287          | -                  | -            | 35,232       |
| Provision(*)                     | 259                | -            | 5,528                                 | 1,742        | 680                | 379          | 8,588        |

(\*) When amount of expected credit losses exceeds amount of financial guarantee liabilities, the excess amount is recognized as provisions(described in note 25).



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|                                  | 2021               |              |                                       |              |                    |              |              | Total |
|----------------------------------|--------------------|--------------|---------------------------------------|--------------|--------------------|--------------|--------------|-------|
|                                  | Purchase agreement |              | Guarantee (including loan commitment) |              | Unused credit line |              |              |       |
|                                  | 12-month ECL       | Lifetime ECL | 12-month ECL                          | Lifetime ECL | 12-month ECL       | Lifetime ECL |              |       |
| Beginning Balance                | ₩ 267              | -            | 325                                   | -            | 1,013              | 340          | 1,945        |       |
| Reclassification to Lifetime ECL | -                  | -            | -                                     | -            | (11)               | 11           | -            |       |
| Reclassification to 12-month ECL | -                  | -            | -                                     | -            | -                  | -            | -            |       |
| Provision allowances (Reversal)  | (66)               | -            | (125)                                 | 1,800        | (354)              | (213)        | 1,042        |       |
| Execution                        | -                  | -            | -                                     | (1,800)      | -                  | -            | (1,800)      |       |
| <b>Ending Balance</b>            | <b>₩ 201</b>       | <b>-</b>     | <b>200</b>                            | <b>-</b>     | <b>648</b>         | <b>138</b>   | <b>1,187</b> |       |
| Financial guarantee liabilities  | ₩ -                | -            | 11,254                                | 571          | -                  | -            | 11,825       |       |
| Provision(*)                     | 201                | -            | 200                                   | -            | 648                | 138          | 1,187        |       |

(\*) When amount of expected credit losses exceeds amount of financial guarantee liabilities, the excess amount is recognized as provisions(described in note 25).

|                                  | 2021               |              |                                       |               |                    |               |                  | Total |
|----------------------------------|--------------------|--------------|---------------------------------------|---------------|--------------------|---------------|------------------|-------|
|                                  | Purchase agreement |              | Guarantee (including loan commitment) |               | Unused credit line |               |                  |       |
|                                  | 12-month ECL       | Lifetime ECL | 12-month ECL                          | Lifetime ECL  | 12-month ECL       | Lifetime ECL  |                  |       |
| Beginning Balance                | ₩ 1,360,489        | -            | 382,010                               | 64,400        | 1,946,264          | 19,110        | 3,772,273        |       |
| Reclassification to Lifetime ECL | -                  | -            | (13,800)                              | 13,800        | (4,160)            | 4,160         | -                |       |
| Reclassification to 12-month ECL | -                  | -            | 10,000                                | (10,000)      | -                  | -             | -                |       |
| Increase (Decrease)              | (125,016)          | -            | 71,098                                | (8,300)       | 790,622            | (10,383)      | 718,021          |       |
| Execution                        | -                  | -            | -                                     | (13,800)      | -                  | -             | (13,800)         |       |
| <b>Ending Balance</b>            | <b>₩ 1,235,473</b> | <b>-</b>     | <b>449,308</b>                        | <b>46,100</b> | <b>2,732,726</b>   | <b>12,887</b> | <b>4,476,494</b> |       |

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#### (4) Details of changes in balances of off-balance items as of December 31, 2022 and 2021 are as follows:

|                                  | 2022               |              |                                       |               |                    |               |                  | Total |
|----------------------------------|--------------------|--------------|---------------------------------------|---------------|--------------------|---------------|------------------|-------|
|                                  | Purchase agreement |              | Guarantee (including loan commitment) |               | Unused credit line |               |                  |       |
|                                  | 12-month ECL       | Lifetime ECL | 12-month ECL                          | Lifetime ECL  | 12-month ECL       | Lifetime ECL  |                  |       |
| Beginning Balance                | ₩ 1,235,473        | -            | 449,308                               | 46,100        | 2,732,726          | 12,887        | 4,476,494        |       |
| Reclassification to Lifetime ECL | -                  | -            | (17,500)                              | 17,500        | (1,490)            | 1,490         | -                |       |
| Reclassification to 12-month ECL | -                  | -            | -                                     | -             | 3,538              | (3,538)       | -                |       |
| Increase (Decrease)              | (299,289)          | -            | 781,651                               | (46,100)      | (737,191)          | 10,605        | (290,324)        |       |
| <b>Ending Balance</b>            | <b>₩ 936,184</b>   | <b>-</b>     | <b>1,213,459</b>                      | <b>17,500</b> | <b>1,997,583</b>   | <b>21,444</b> | <b>4,186,170</b> |       |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 25. Other liabilities

### (1) Details of other liabilities as of December 31, 2022 and 2021 are as follows:

|   | 2022                | 2021              |
|---|---------------------|-------------------|
| Other financial liabilities:                                  |                     |                   |
| Accounts payable  | ₩ 4,865,439         | 6,997,609         |
| Accrued expenses  | 646,100             | 663,111           |
| Deposits received   | 65,756              | 62,385            |
| Financial guarantee contract liabilities                      | 35,232              | 11,825            |
| Non-controlling interest liabilities                          | 1,772,845           | 1,706,456         |
| Others  | 2,801,585           | 2,598,772         |
|   | <b>₩ 10,186,957</b> | <b>12,040,158</b> |
| Other liabilities:  |                     |                   |
| Deposits received withholding value-added tax and other taxes | ₩ 68,293            | 61,811            |
| Income in advance   | 64,547              | 32,438            |
| Net defined benefit liabilities                               | 26,811              | 36,376            |
| Other long-term employee benefit liabilities                  | 5,003               | 6,627             |
| Others  | 23,795              | 40,611            |
|   | <b>188,449</b>      | <b>177,863</b>    |
|   | <b>₩ 10,375,406</b> | <b>12,218,021</b> |

### (2) Defined benefit liabilities as of December 31, 2022 and 2021 are as follows:

|  | 2022            | 2021          |
|--|-----------------|---------------|
| Defined benefit obligation             | ₩ 26,866        | 36,440        |
| Plan assets                            | (55)            | (64)          |
| <b>Net defined benefit liabilities</b> | <b>₩ 26,811</b> | <b>36,376</b> |

### (3) Details of changes in present value of defined benefit obligation for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022            | 2021          |
|--|-----------------|---------------|
| Beginning balance                                | ₩ 36,440        | 36,517        |
| Current service cost                             | 2,838           | 3,246         |
| Interest expense                                 | 1,361           | 1,156         |
| Remeasurements of the defined benefit obligation | (12,195)        | (3,784)       |
| Paid   | (1,483)         | (792)         |
| Gain (loss) on foreign exchange                  | (95)            | 97            |
| <b>Ending balance</b>                            | <b>₩ 26,866</b> | <b>36,440</b> |

### (4) Details of changes in plan assets for the years ended December 31, 2022 and 2021 are as follows:

|                       | 2022        | 2021      |
|-----------------------|-------------|-----------|
| Beginning balance     | ₩ 64        | 74        |
| Increase (decrease)   | (9)         | (10)      |
| <b>Ending balance</b> | <b>₩ 55</b> | <b>64</b> |

### (5) Details of expenses recognized in profit or loss regarding retirement benefits for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022            | 2021          |
|--|-----------------|---------------|
| Defined contribution                   | ₩ 38,435        | 41,803        |
| Current service cost (defined benefit) | 2,838           | 3,246         |
| Interest expense (defined benefit)     | 1,361           | 1,156         |
|  | <b>₩ 42,634</b> | <b>46,205</b> |

### (6) Details of main actuarial assumptions for the years ended December 31, 2022 and 2021 are as follows:

|                         | 2022        |   | 2021        |   |
|-------------------------|-------------|---|-------------|---|
|                         | Ratio(%)    | Remarks   | Ratio(%)    | Remarks   |
| Demographic assumptions |             |   |             |   |
| Mortality rate          | 0.002-0.099 | Korea Insurance Development Institute's expected death rate | 0.002-0.099 | Korea Insurance Development Institute's expected death rate |
| Turnover rate           | 6.57-31.03  |   | 6.34-29.79  |   |
| Financial assumptions   |             |   |             |   |
| Salary increase rate    | 4.20        | Overall weighted average                                    | 3.60        | Overall weighted average                                    |
| Discount rate           | 6.12        | The yield on high-quality corporate bonds (AA-)             | 3.51-3.72   | The yield on high-quality corporate bonds (AA-)             |

### (7) The sensitivity of the defined benefit obligation to change in the significant actuarial assumptions for the years ended December 31, 2022 and 2021 are as follows:

|                      | 2022                       |             |             |
|----------------------|----------------------------|-------------|-------------|
|                      | Defined benefit obligation | 1% increase | 1% decrease |
| Discount rate        | ₩ 26,866                   | 25,228      | 28,708      |
| Salary increase rate | 26,866                     | 28,725      | 25,184      |
|                      | 2021                       |             |             |
|                      | Defined benefit obligation | 1% increase | 1% decrease |
| Discount rate        | ₩ 36,440                   | 33,812      | 39,424      |
| Salary increase rate | 36,440                     | 39,397      | 33,785      |

# Notes to the Consolidated Financial Statements

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(8) The maturity profile of the defined benefit obligation as of December 31, 2022 and 2021, are as follows:

|                 |   | 2022            |              |              |               |               | Total  |
|-----------------|---|-----------------|--------------|--------------|---------------|---------------|--------|
|                 |   | Within one year | 1 to 2 years | 2 to 5 years | 5 to 10 years | Over 10 years |        |
| Pension benefit | ₩ | 2,245           | 2,327        | 8,913        | 9,128         | 17,491        | 40,104 |

|                 |   | 2021            |              |              |               |               | Total  |
|-----------------|---|-----------------|--------------|--------------|---------------|---------------|--------|
|                 |   | Within one year | 1 to 2 years | 2 to 5 years | 5 to 10 years | Over 10 years |        |
| Pension benefit | ₩ | 1,427           | 2,628        | 10,023       | 12,709        | 20,136        | 46,923 |

As of December 31, 2022 and 2021, the weighted average duration of the defined benefit obligation is 7.41 and 8.34 years.

Notes to the Consolidated Financial Statements

## 26. Derivatives for trading

(1) Details of derivatives for trading as of December 31, 2022 and 2021 are as follows:

|                         | 2022                 |                  |                  | 2021               |                |                |
|-------------------------|----------------------|------------------|------------------|--------------------|----------------|----------------|
|                         | Contracts            | Assets           | Liabilities      | Contracts          | Assets         | Liabilities    |
| Equity:                 |                      |                  |                  |                    |                |                |
| Futures                 | ₩ 2,949,940          | 11,637           | 107,127          | 1,612,768          | 10,901         | 17,878         |
| Options                 | 14,952,908           | 290,040          | 182,050          | 21,630,208         | 70,867         | 166,530        |
| Swaps                   | 10,900,837           | 691,299          | 944,117          | 10,119,522         | 78,543         | 190,663        |
|                         | <b>28,803,685</b>    | <b>992,976</b>   | <b>1,233,294</b> | <b>33,362,498</b>  | <b>160,311</b> | <b>375,071</b> |
| Interest rate:          |                      |                  |                  |                    |                |                |
| Forwards                | 930,000              | 130,673          | 15,204           | 590,000            | 22,127         | 10,678         |
| Futures                 | 1,736,638            | 3,055            | 3,091            | 2,348,633          | 1,602          | 3,879          |
| Options                 | 1,277,958            | 28,790           | 29,465           | 1,535,170          | 19,049         | 31,898         |
| Swaps                   | 86,768,524           | 351,621          | 548,031          | 94,177,822         | 232,498        | 244,101        |
|                         | <b>90,713,120</b>    | <b>514,139</b>   | <b>595,791</b>   | <b>98,651,625</b>  | <b>275,276</b> | <b>290,556</b> |
| Currency:               |                      |                  |                  |                    |                |                |
| Forwards                | 5,588,005            | 114,274          | 106,280          | 1,832,233          | 31,315         | 38,172         |
| Futures                 | 214,932              | 7                | 538              | 184,722            | 17             | 529            |
| Swaps                   | 23,636,132           | 648,684          | 797,179          | 24,335,164         | 256,497        | 255,240        |
|                         | <b>29,439,069</b>    | <b>762,965</b>   | <b>903,997</b>   | <b>26,352,119</b>  | <b>287,829</b> | <b>293,941</b> |
| Credit:                 |                      |                  |                  |                    |                |                |
| Swaps                   | -                    | -                | -                | 23,117             | -              | 141            |
| Commodity:              |                      |                  |                  |                    |                |                |
| Futures                 | 48,704               | 1,446            | 2,010            | 31,624             | 736            | 273            |
| Others:                 |                      |                  |                  |                    |                |                |
| Options                 | -                    | -                | -                | 13,000             | 12             | -              |
| Swaps                   | 317,882              | -                | 110,274          | 333,416            | 41             | 40,600         |
| Others                  | 535,190              | 20,722           | 419              | 489,880            | 20,785         | -              |
|                         | <b>853,072</b>       | <b>20,722</b>    | <b>110,693</b>   | <b>836,296</b>     | <b>20,838</b>  | <b>40,600</b>  |
| Credit value adjustment | -                    | (4,301)          | (3,982)          | -                  | (1,238)        | (1,272)        |
| Day 1 profit or loss    | -                    | (12,070)         | (148,473)        | -                  | (25,222)       | (136,889)      |
|                         | <b>₩ 149,857,650</b> | <b>2,275,877</b> | <b>2,693,330</b> | <b>159,257,279</b> | <b>718,530</b> | <b>862,421</b> |

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December 31, 2022 and 2021

(2) Details of gains or losses on valuation and transaction of derivatives for the years ended December 31, 2022 and 2021 are as follows:

|               | 2022        |             | 2021      |             |
|---------------|-------------|-------------|-----------|-------------|
|               | Valuation   | Transaction | Valuation | Transaction |
| Equity        | ₩ 16,105    | 480,843     | (72,117)  | (68,574)    |
| Interest rate | (71,211)    | 188,272     | 3,182     | 68,885      |
| Currency      | (139,230)   | 228,330     | (1,464)   | 143,785     |
| Credit        | -           | 48          | 21        | (5)         |
| Commodity     | (563)       | 10,381      | 463       | 30,653      |
| Others        | (73,140)    | 272         | (32,316)  | 91,948      |
|               | ₩ (268,039) | 908,146     | (102,231) | 266,692     |

Notes to the Consolidated Financial Statements

## 27. Derivatives for hedging

### (1) Strategy of risk management

The Group has a foreign currency exposure arising from net investments in foreign operations whose functional currency differs from the Group's presentation currency. The Group uses currency swap and foreign currency debentures as a hedging instrument to hedge net investments in foreign operations.

The effectiveness of the hedging relationship is reviewed at the time of designation and a periodic forward review of effectiveness confirms that there is an economic relationship between the hedging target and the hedging instrument. The Group establishes a hedging relationship so that the critical term of the risk recovery is consistent with the hedging target, resulting in a qualitative effectiveness review.

Because the critical terms of the hedging instrument perfectly match the critical terms of the hedged item and the foreign currency exposure of hedging instrument is designated as a hedge of the change in the same nominal amount of the derivatives or non-derivatives, the relative weight of the nominal amount between the hedging instrument and the hedged item is 1:1.

The Group is exposed to credit risk of the hedging instrument which is not offset by credit risk of the hedged item in relation to the net investment risk of the foreign operation. Unsettled portions of the credit risk of the hedging instrument and the credit risk of the hedged item are the main sources of hedge ineffectiveness. However, the Group expects the credit risk does not significantly increase and there is no hedge ineffectiveness.

### (2) Hedge instruments

i) Details of net investments in foreign operations for hedging as of December 31, 2022 and 2021 are as follows:

|  | 2022      |        |             | 2021      |        |             |
|--|-----------|--------|-------------|-----------|--------|-------------|
|  | Contracts | Assets | Liabilities | Contracts | Assets | Liabilities |
| Hedges of a Net Investment in Foreign Operations |           |        |             |           |        |             |
| Currency Swap                                    | ₩ 100,117 | 1,567  | -           | 420,260   | -      | 6,386       |
| Foreign currency debenture                       | 436,407   | -      | 436,407     | -         | -      | -           |
|  | ₩ 536,524 | 1,567  | 436,407     | 420,260   | -      | 6,386       |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

ii) Timing of nominal amounts and the average price of net investments in foreign operations for hedging as of December 31, 2022 and 2021 are as follows:

|   | 2022             |                  |                 |               |                  |         |
|---|------------------|------------------|-----------------|---------------|------------------|---------|
|   | Maturity         |                  |                 |               |                  |         |
|   | Less than 1month | 1month ~ 3months | 3months ~ 1year | 1year ~ 5year | More than 5years | Total   |
| Hedges of a Net Investment in Foreign Operations    |                  |                  |                 |               |                  |         |
| Currency Swap                                       |                  |                  |                 |               |                  |         |
| Nominal Amount(*)                                   | ₩ -              | -                | 100,117         | -             | -                | 100,117 |
| Average foreign currency exchange rate (KRW/Dollar) | -                | -                | 1,271.65        | -             | -                | -       |
| Foreign currency debenture                          |                  |                  |                 |               |                  |         |
| Nominal Amount                                      | ₩ -              | -                | -               | 436,407       | -                | 436,407 |
| Average foreign currency exchange rate (KRW/Dollar) | -                | -                | -               | 1,210.70      | -                | -       |

(\*) If the nominal amount exists simultaneously based on won and foreign currency, such as currency swap, the nominal amount based on foreign currency was converted using the exchange rate at the end of the reporting period.

|   | 2021             |                  |                 |                  |         |
|---|------------------|------------------|-----------------|------------------|---------|
|   | Maturity         |                  |                 |                  |         |
|   | Less than 1month | 1month ~ 3months | 3months ~ 1year | More than 5years | Total   |
| Hedges of a Net Investment in Foreign Operations    |                  |                  |                 |                  |         |
| Currency Forwards                                   |                  |                  |                 |                  |         |
| Nominal Amount(*)                                   | ₩ -              | 319,492          | 100,768         | -                | 420,260 |
| Average foreign currency exchange rate (KRW/Dollar) | -                | 1,178.37         | 1,115.58        | -                | -       |

(\*) If the nominal amount exists simultaneously based on won and foreign currency, such as currency swap, the nominal amount based on foreign currency was converted using the exchange rate at the end of the reporting period.

### (3) Ineffective portion of hedging

i) Details of changes in fair value used on the basis of recognition of hedge ineffectiveness for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022   |             |                     |                       |
|--|--|-------------|---------------------|-----------------------|
|  | Fair value fluctuation for testing hedge effectiveness |             | Hedge effectiveness | Hedge ineffectiveness |
|  | Hedging instruments                                    | Hedged item |                     |                       |
| Hedges of a Net Investment in Foreign Operations |  |             |                     |                       |
| Currency rate fluctuation risk                   | ₩ (49,139)   | 49,139      | (48,520)            | -                     |

|  | 2021   |             |                     |                       |
|--|--|-------------|---------------------|-----------------------|
|  | Fair value fluctuation for testing hedge effectiveness |             | Hedge effectiveness | Hedge ineffectiveness |
|  | Hedging instruments                                    | Hedged item |                     |                       |
| Hedges of a Net Investment in Foreign Operations |  |             |                     |                       |
| Currency rate fluctuation risk                   | ₩ (12,267)   | 12,267      | (34,564)            | -                     |

ii) Details of effect on consolidated statements of comprehensive income in relation to net investment hedge in foreign operations for the years ended December 31, 2022 and 2021, are as follows:

|   | 2022              | 2021            |
|---|-------------------|-----------------|
| Other comprehensive income                            | ₩ (48,520)        | (34,564)        |
| Reclassification of profit or loss                    | 11,648            | -               |
| Income tax expense effects                            | 9,599             | 9,505           |
| <b>Other comprehensive income after tax deduction</b> | <b>(₩ 27,273)</b> | <b>(25,059)</b> |



# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 28. Capital stock

(1) Authorized shares of capital stock for the Company as of December 31, 2022 are 1,000,000,000 shares.

(2) Details of the capital stock for the Company as of December 31, 2022 and 2021 are as follows:

|  | 2022               | 2021               |
|--|--------------------|--------------------|
| Issued shares of capital stock (common stock)      | 615,316,408 shares | 635,316,408 shares |
| Issued shares of capital stock (preferred stock)   | 14,075,750 shares  | 14,075,750 shares  |
| Issued shares of capital stock (2 preferred stock) | 140,000,000 shares | 140,000,000 shares |
| Par value per share (in Korean won)                | 5,000              | 5,000              |
| Capital stock(*)                                   | ₩ 4,101,961        | 4,101,961          |

(\*) Due to the retirement of shares out of profits during 2022, 2021, 2020 and 2018, the amount of capital stock does not correspond to total face value of the Group's issued shares.

(3) The details of the preferred stocks issued by us are as follows.

### 1) Preferred Stock

| Type                                 | Content  |
|--------------------------------------|--|
| Matters concerning profit allocation | <p>(Old articles of incorporation)<br/>For preferred stock, 10/100 of the dividend rate on common stock shall be additionally allocated in cash based on the face value. Provided that a dividend is not paid to a common stock, the amount equivalent to 1% per annum may be allocated to the preferred stock based on the face value.</p> <p>(New articles of incorporation)<br/>For class of shares, more than 1% of the face value per annum, which was determined by the BOD when the shares were issued, is preferentially allocated in cash.<br/>If the dividend rate of common stock exceeds the dividend rate of class of shares, the excess shall be allocated at the same rate as common stock.</p> |
| Matters concerning voting rights     | Where there is a resolution not to make a prescribed dividend on preferred stocks, the voting rights shall be held from the next general meeting to the end of the general meeting where the resolution is made to pay the preferential dividend.  |

### 2) 2 Preferred Stock

| Type                                 | Content  |        |                         |                    |   |              |   |
|--------------------------------------|--|--------|-------------------------|--------------------|---|--------------|---|
| Matters concerning profit allocation | <p>(New articles of incorporation)<br/>For class of shares, more than 1% of the face value per annum, which was determined by the BOD when the shares were issued, is preferentially allocated in cash.<br/>If the dividend rate of common stock exceeds the dividend rate of class of shares, the excess shall be allocated at the same rate as common stock.</p> <p>[Matters concerning profit dividend]<br/>- Preferred dividend: Preferred dividend shall be calculated by multiplying the face value by the preferential dividend rate, and the preferential dividend rate shall be as follows</p> <table border="1"> <thead> <tr> <th>period</th> <th>Preferred Dividend Rate</th> </tr> </thead> <tbody> <tr> <td>2018.01.01 ~ 12.31</td> <td>(Issue price per share/face value per share) x 2.7%</td> </tr> <tr> <td>2019.01.01 ~</td> <td>(Issue price per share/face value per share) x 2.4%</td> </tr> </tbody> </table> <p>If the preferred dividend calculated according to the preferential dividend rate is less than the dividend per common stock, the dividend per common stock shall be the preferred dividend per new shares.</p> <p>- Accumulated: If all or part of the above priority dividend is not allocated in fiscal year, the dividend in the subsequent fiscal year may be allocated in preference to the common stock until such undivided amount can be fully allocated.</p> <p>- Participatory: can participate in additional distribution for common stocks.</p> | period | Preferred Dividend Rate | 2018.01.01 ~ 12.31 | (Issue price per share/face value per share) x 2.7% | 2019.01.01 ~ | (Issue price per share/face value per share) x 2.4% |
| period                               | Preferred Dividend Rate  |        |                         |                    |   |              |   |
| 2018.01.01 ~ 12.31                   | (Issue price per share/face value per share) x 2.7%  |        |                         |                    |   |              |   |
| 2019.01.01 ~                         | (Issue price per share/face value per share) x 2.4%  |        |                         |                    |   |              |   |
| Matters concerning voting rights     | Where there is a resolution not to make a prescribed dividend on preferred stocks, the voting rights shall be held from the next general meeting to the end of the general meeting where the resolution is made to pay the preferential dividend.  |        |                         |                    |   |              |   |

# Notes to the Consolidated Financial Statements

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## 29. Capital surplus

Details of capital surplus as of December 31, 2022 and 2021 are as follows:

|                                    | 2022               | 2021             |
|------------------------------------|--------------------|------------------|
| Additional paid-in capital         | ₩ 1,795,981        | 1,795,981        |
| Gain on sales of treasury stocks   | 358,886            | 358,886          |
| Consideration of convertible right | 2,663              | 2,623            |
| Others                             | 2,134              | 1,976            |
|                                    | <b>₩ 2,159,664</b> | <b>2,159,466</b> |

## 30. Retained earnings and dividends

(1) The Group's retained earnings as of December 31, 2022 and 2021 are as follows:

|   | 2022               | 2021             |
|---|--------------------|------------------|
| Legal reserve(*1)                           | ₩ 186,942          | 168,128          |
| Reserve for loss on future transactions(*2) | 67                 | 67               |
| Other regulatory reserve                    | -                  | 9,454            |
| Regulatory reserve for loan losses          | 110,259            | 120,319          |
| Unappropriated retained earnings            | 4,263,924          | 3,984,808        |
|   | <b>₩ 4,561,192</b> | <b>4,282,776</b> |

(\*1) The Commercial Law of the Republic of Korea requires the Group to appropriate an amount equal to a minimum of 10% of cash dividends paid as a legal reserve, until such reserve equals 50% of its issued capital stock. This reserve is not available for the payment of cash dividends, but may be transferred to capital stock, or used to reduce accumulated deficit, if any, with a resolution of a general meeting of shareholder.

(\*2) Pursuant to Article 50 of the Korean Futures Trading Act and Article 13-10 of the Enforcement Decree of the same Act, the Group reserved for loss on futures. That reserve for loss on futures transactions is not required according to enactment of the Act on Indirect Investment Asset Management Business and is classified as voluntary reserves.

(2) Details of changes in unappropriated retained earnings for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022               | 2021             |
|--|--------------------|------------------|
| Beginning balance  | ₩ 3,984,808        | 3,095,338        |
| Profit for the year  | 639,453            | 1,152,716        |
| Dividends  | (188,137)          | (130,124)        |
| Provision for legal reserve  | (18,814)           | (13,013)         |
| Reversal(provision) of regulatory reserve for loan losses                              | 10,060             | (49,696)         |
| Reversal(provision)  | 9,454              | (3,725)          |
| Retirement of treasury stock   | (174,020)          | (82,334)         |
| Disposal of financial assets measured at fair value through other comprehensive income | 1,120              | 15,646           |
| <b>Ending balance</b>  | <b>₩ 4,263,924</b> | <b>3,984,808</b> |

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- (3) Details of dividends, which are paid in 2022, in respect of the year ended December 31, 2021 are as follows:

| Description       | Issued shares<br>(in shares) | Treasury stock<br>(in shares) | Shares<br>outstanding<br>(in shares) | Cash dividend<br>per share<br>(in won) | Total cash<br>dividend |
|-------------------|------------------------------|-------------------------------|--------------------------------------|--|------------------------|
| Common stock      | 635,316,408                  | 156,035,875                   | 479,280,533                          | ₩ 300                                  | ₩ 143,784              |
| Preferred stock   | 14,075,750                   | 4,219,960                     | 9,855,790                            | 330                                    | 3,253                  |
| 2 preferred stock | 140,000,000                  | 3,000,000                     | 137,000,000                          | 300                                    | 41,100                 |
|                   | <b>789,392,158</b>           | <b>163,255,835</b>            | <b>626,136,323</b>                   |  | <b>₩ 188,137</b>       |

- (4) Statements of appropriation of retained earnings of the Company for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022<br>Expected date of<br>appropriation:<br>March 23, 2023 | 2021<br>Determined date of<br>appropriation:<br>March 24, 2022 |
|--|--|--|
| I. Unappropriated retained earnings  |  |  |
| Unappropriated retained earning carried over from the prior year           | ₩ 2,844,893  | 2,298,954  |
| Retirement in treasury stock   | (174,020)  | (82,334)   |
| Net income for the year  | 397,574  | 825,165  |
|  | <b>3,068,447</b>   | <b>3,041,785</b>   |
| II. Transfer from voluntary reserves, etc.                                 |  |  |
| Transfer from regulatory reserve for loan losses                           | 41,527   | 10,059   |
|  | <b>41,527</b>  | <b>10,059</b>  |
| III. Appropriation of retained earnings                                    |  |  |
| Legal reserve  | 12,342   | 18,814   |
| Cash dividends   |  |  |
| Dividends per share in won   |  |  |
| Common stock   | 123,424  | 188,137  |
| Current year: ₩200 (4.00%)   |  |  |
| Previous year: ₩300 (6.00%)  |  |  |
| Preferred stock  |  |  |
| Current year: ₩220 (4.40%)   |  |  |
| Previous year: ₩330 (6.60%)  |  |  |
| 2 Preferred stock  |  |  |
| Current year: ₩200 (4.00%)   |  |  |
| Previous year: ₩300 (6.00%)  |  |  |
|  | <b>135,766</b>   | <b>206,951</b>   |
| IV. Unappropriated retained earnings to be carried over to subsequent year | ₩ 2,974,208  | 2,844,893  |

## 31. Capital adjustment and accumulated other comprehensive income

- (1) Details of capital adjustment as of December 31, 2022 and 2021 are as follows:

|                | 2022               | 2021             |
|----------------|--------------------|------------------|
| Treasury stock | ₩ (400,890)        | (489,249)        |
| Stock options  | -                  | 159              |
| Others(*)      | 28,897             | 47,965           |
|                | <b>₩ (371,993)</b> | <b>(441,125)</b> |

(\*) It is the stock options and others endowed applying financial investment company compensation system framework.

- (2) Details of accumulated other comprehensive income as of December 31, 2022 and 2021 are as follows:

|  | 2022               | 2021           |
|--|--------------------|----------------|
| Gain(loss) on valuation of financial assets measured at fair value through other comprehensive income  | ₩ (344,323)        | 306,177        |
| Gain on valuation of financial liabilities designated as measured at fair value through profit or loss | 19,464             | 6,721          |
| Gain(loss) on valuation of derivatives   | (36,166)           | (8,894)        |
| Change of equity of investments in associates  | (73,484)           | 60,096         |
| Foreign currency translation adjustments for foreign operations  | 219,388            | 45,679         |
| Remeasurement of defined benefit obligation  | 2,826              | (6,056)        |
|  | <b>₩ (212,295)</b> | <b>403,723</b> |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 32. Regulatory reserve for loan losses

(1) According to the Regulation on Financial Investment Business 3-8, if the allowances for loan losses reserved for the accounting purpose in accordance with K-IFRS are less than the amount of the allowances for loan losses reserving with the supervision purpose, the differences are accumulated as regulatory reserve for loan losses.

(2) Details of the ending balance of regulatory reserve for loan losses as of December 31, 2022 and 2021 are as follows:

|  | 2022      | 2021     |
|--|-----------|----------|
| Regulatory reserve for loan losses                       | ₩ 110,260 | 120,319  |
| Estimated reversal of regulatory reserve for loan losses | (41,527)  | (10,059) |
|  | ₩ 68,733  | 110,260  |

(3) Details of net income and earnings per share adjusted for regulatory reserve for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022             | 2021             |
|--|------------------|------------------|
| Profit attributable to equity holders of the Company               | ₩ 639,453        | 1,152,716        |
| Estimated reversal of regulatory reserve for loan losses           | 41,527           | 10,059           |
| <b>Profit adjusted for regulatory reserve</b>                      | <b>₩ 680,980</b> | <b>1,162,775</b> |
| Earnings per share adjusted for regulatory reserve (in Korean won) |                  |                  |
| EPS for Common stock   | 1,100            | 1,819            |
| EPS for 2 Preferred stock  | 1,100            | 1,819            |

Notes to the Consolidated Financial Statements

## 33. Commission income and expense

(1) Commission income for the years ended December 31, 2022 and 2021 are as follows:

|                                    | 2022        | 2021      |
|------------------------------------|-------------|-----------|
| Brokerage commissions              | ₩ 613,086   | 958,161   |
| Underwriting commissions           | 93,120      | 112,921   |
| Fee of collective investments      | 86,452      | 94,003    |
| Management fee on asset management | 75,552      | 94,740    |
| Trust fee                          | 71,281      | 62,246    |
| Debt guarantee commissions         | 30,049      | 24,253    |
| Others                             | 247,224     | 246,540   |
|                                    | ₩ 1,216,764 | 1,592,864 |

(2) Commission expenses incurred for the years ended December 31, 2022 and 2021 are as follows:

|                          | 2022      | 2021    |
|--------------------------|-----------|---------|
| Trading commissions      | ₩ 70,445  | 98,472  |
| Investment solicitor fee | 3,118     | 4,949   |
| Others                   | 191,691   | 156,075 |
|                          | ₩ 265,254 | 259,496 |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 34. Gains (Losses) on financial assets measured at fair value through profit or loss

(1) Details of gains on change in value of and disposal of financial assets measured at fair value through profit or loss for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022         | 2021      |
|--|--------------|-----------|
| Gain on disposal of financial assets measured at fair value through profit or loss                     | ₩ 542,925    | 1,411,665 |
| Gain on valuation of financial assets measured at fair value through profit or loss                    | 1,121,209    | 817,000   |
| Gain on disposal of financial liabilities measured at fair value through profit or loss                | 237,313      | 104,477   |
| Gain on valuation of financial liabilities measured at fair value through profit or loss               | 106,910      | 56,883    |
| Gain on transaction of derivatives   | 7,664,780    | 4,534,588 |
| Gain on valuation of derivatives   | 2,250,720    | 838,806   |
| Gain on disposal of financial liabilities designated as measured at fair value through profit or loss  | 151,216      | 334,834   |
| Gain on valuation of financial liabilities designated as measured at fair value through profit or loss | 884,334      | 229,797   |
|  | ₩ 12,959,407 | 8,328,050 |

(2) Details of losses on change in value of and disposal of financial instruments at fair value through profit or loss for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022         | 2021      |
|--|--------------|-----------|
| Loss on disposal of financial assets measured at fair value through profit or loss                     | ₩ 1,576,621  | 895,636   |
| Loss on valuation of financial assets measured at fair value through profit or loss                    | 1,293,578    | 699,139   |
| Loss on disposal of financial liabilities measured at fair value through profit or loss                | 59,748       | 120,718   |
| Loss on valuation of financial liabilities measured at fair value through profit or loss               | 9,028        | 22,784    |
| Loss on transaction of derivatives   | 6,756,634    | 4,267,897 |
| Loss on valuation of derivatives   | 2,518,760    | 941,037   |
| Loss on disposal of financial liabilities designated as measured at fair value through profit or loss  | 302,904      | 542,359   |
| Loss on valuation of financial liabilities designated as measured at fair value through profit or loss | 124,228      | 185,661   |
|  | ₩ 12,641,501 | 7,675,231 |

## 35. Gains and losses on valuation and disposal of financial assets measured at fair value through other comprehensive income

(1) Details of gains on financial assets measured at fair value through other comprehensive income recognized for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022    | 2021   |
|--|---------|--------|
| Gain on disposal of financial assets measured at fair value through other comprehensive income | ₩ 2,430 | 34,781 |

(2) Details of losses on financial assets measured at fair value through other comprehensive income recognized for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022     | 2021   |
|--|----------|--------|
| Loss on disposal of financial assets measured at fair value through other comprehensive income | ₩ 19,332 | 23,266 |



# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 36. Interest income and expense

(1) Details of interest income for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022               | 2021             |
|--|--------------------|------------------|
| Financial assets measured at fair value through profit or loss             |                    |                  |
| Interest on securities   | ₩ 357,389          | 298,552          |
| Interest on derivatives  | 41,524             | 4,147            |
| Interest on loans  | 65,397             | 66,387           |
|  | <b>464,310</b>     | <b>369,086</b>   |
| Financial assets measured at fair value through other comprehensive income |                    |                  |
| Interest on securities   | 307,183            | 137,826          |
| Financial assets measured at amortized cost                                |                    |                  |
| Interest on deposits   | 140,063            | 108,968          |
| Interest on loans  | 1,107,371          | 601,359          |
| Interest on other assets   | 152,948            | 103,110          |
|  | <b>1,400,382</b>   | <b>813,437</b>   |
| <b>Total</b>   | <b>₩ 2,171,875</b> | <b>1,320,349</b> |

(2) Details of interest expenses for the years ended December 31, 2022 and 2021 are as follows:

|                                       | 2022               | 2021           |
|---------------------------------------|--------------------|----------------|
| Interest on derivatives               | ₩ 42,162           | 3,986          |
| Interest on deposits due to customers | 43,478             | 18,793         |
| Interest on borrowings                | 1,121,151          | 192,869        |
| Interest on debentures                | 231,067            | 200,218        |
| Others                                | 234,356            | 136,854        |
|                                       | <b>₩ 1,672,214</b> | <b>552,720</b> |

## 37. Provisions of allowance on expected credit losses

Details of provisions of allowance on expected credit losses recognized for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022            | 2021          |
|--|-----------------|---------------|
| Financial assets measured at fair value through other comprehensive income (Note 10) | ₩ 3,578         | 1,541         |
| Financial assets measured at amortized cost (Note 11)                                | 49,833          | 9,720         |
| Provision for off-balance items (Note 24)  | 7,401           | 1,042         |
|  | <b>₩ 60,812</b> | <b>12,303</b> |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 38. Gains and losses on foreign transaction

(1) Details of the assets and liabilities denominated in foreign currency as of December 31, 2022 and 2021 are as follows:

| (In thousands of dollar, in millions of won)                               | 2022              |                     | 2021              |                     |
|--|-------------------|---------------------|-------------------|---------------------|
|  | Foreign Currency  | Won                 | Foreign Currency  | Won                 |
| <b>Assets</b>  |                   |                     |                   |                     |
| Cash and cash equivalent   | 1,343,957         | ₩ 1,703,196         | 2,414,111         | ₩ 2,861,928         |
| Financial assets measured at fair value through profit or loss             | 5,625,696         | 7,129,445           | 5,312,199         | 6,297,612           |
| Financial assets measured at fair value through other comprehensive income | 198,487           | 251,543             | 144,302           | 171,070             |
| Financial assets measured at amortized cost                                | 20,522,766        | 26,008,502          | 19,430,226        | 23,034,533          |
|  | <b>27,690,906</b> | <b>₩ 35,092,686</b> | <b>27,300,838</b> | <b>₩ 32,365,143</b> |
| <b>Liabilities</b>   |                   |                     |                   |                     |
| Financial liabilities measured at fair value through profit or loss        | 2,487,333         | ₩ 3,152,197         | 1,436,757         | ₩ 1,703,276         |
| Deposits due to customers  | 1,783,786         | 2,260,592           | 2,667,506         | 3,162,328           |
| Borrowings   | 17,831,270        | 22,597,568          | 17,644,430        | 20,917,471          |
| Debentures   | 1,196,570         | 1,516,413           | 1,515,868         | 1,797,062           |
| Other financial liabilities  | 3,100,527         | 3,929,300           | 2,753,311         | 3,264,049           |
|  | <b>26,399,486</b> | <b>₩ 33,456,070</b> | <b>26,017,872</b> | <b>₩ 30,844,186</b> |

(2) Details of gains and losses on foreign currency transactions for the years ended December 31, 2022 and 2021 are as follows:

|   | 2022            | 2021            |
|---|-----------------|-----------------|
| Gains on foreign currency transactions  | ₩ 1,932,653     | 1,157,045       |
| Gains on foreign currency translations  | 206,822         | 178,726         |
| Losses on foreign currency transactions | (1,737,857)     | (1,114,108)     |
| Losses on foreign currency translations | (332,844)       | (295,628)       |
|   | <b>₩ 68,774</b> | <b>(73,965)</b> |

## 39. Other operating income and expense

(1) Details of other operating income for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022             | 2021           |
|--|------------------|----------------|
| Dividend income                        | ₩ 145,668        | 132,884        |
| Distribution income                    | 120,593          | 186,852        |
| Rental income from investment property | 284,127          | 136,937        |
| Reversal of other provisions           | 678              | -              |
| Reversal of provision of litigations   | 2,649            | 205            |
| Others                                 | 117,180          | 76,104         |
|  | <b>₩ 670,895</b> | <b>532,982</b> |

(2) Details of other operating expenses for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022             | 2021           |
|--|------------------|----------------|
| Provision of allowance for litigations | ₩ 1,220          | 26             |
| Others                                 | 253,799          | 235,040        |
|  | <b>₩ 255,019</b> | <b>235,066</b> |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 40. Classification of financial instruments by category

### (1) Details of categories of financial assets as of December 31, 2022 and 2021 are as follows:

|  | 2022  |  |  |                   |
|--|---|--|--|-------------------|
|  | Financial assets measured at amortized cost | Financial assets measured at fair value through profit or loss | Financial assets measured at fair value through other comprehensive income | Total             |
| Cash and cash equivalents  | ₩ 2,847,880                                 | -  | -  | 2,847,880         |
| Financial assets measured at fair value through profit or loss             | -   | 39,179,063   | -  | 39,179,063        |
| Financial assets measured at fair value through other comprehensive income | -   | -  | 15,913,019   | 15,913,019        |
| Financial assets measured at amortized cost                                | 40,906,990                                  | -  | -  | 40,906,990        |
|  | <b>₩ 43,754,870</b>                         | <b>39,179,063</b>  | <b>15,913,019</b>  | <b>98,846,952</b> |

|  | 2021  |  |  |                    |
|--|---|--|--|--------------------|
|  | Financial assets measured at amortized cost | Financial assets measured at fair value through profit or loss | Financial assets measured at fair value through other comprehensive income | Total              |
| Cash and cash equivalents  | ₩ 3,796,551                                 | -  | -  | 3,796,551          |
| Financial assets measured at fair value through profit or loss             | -   | 42,566,516   | -  | 42,566,516         |
| Financial assets measured at fair value through other comprehensive income | -   | -  | 13,306,111   | 13,306,111         |
| Financial assets measured at amortized cost                                | 41,549,459                                  | -  | -  | 41,549,459         |
|  | <b>₩ 45,346,010</b>                         | <b>42,566,516</b>  | <b>13,306,111</b>  | <b>101,218,637</b> |

Notes to the Consolidated Financial Statements

### (2) Details of categories of financial liabilities as of December 31, 2022 and 2021 are as follows:

|   | 2022  |   |  |                   |
|---|---|---|--|-------------------|
|   | Financial liabilities measured at fair value through profit or loss | Financial liabilities designated as measured at fair value through profit or loss | Financial liabilities measured at amortized cost | Total             |
| Financial liabilities measured at fair value through profit or loss               | ₩ 4,495,138   | -   | -  | 4,495,138         |
| Financial liabilities designated as measured at fair value through profit or loss | -   | 10,468,467  | -  | 10,468,467        |
| Deposits due to customers   | -   | -   | 9,650,956  | 9,650,956         |
| Borrowings(*)   | -   | -   | 52,059,468                                       | 52,059,468        |
| Debentures  | -   | -   | 8,685,790  | 8,685,790         |
| Other financial liabilities   | -   | -   | 10,186,957                                       | 10,186,957        |
|   | <b>₩ 4,495,138</b>  | <b>10,468,467</b>   | <b>80,583,171</b>                                | <b>95,546,776</b> |

(\*) Lease liabilities of ₩ 369,469 million are included.

|   | 2021  |   |  |                   |
|---|---|---|--|-------------------|
|   | Financial liabilities measured at fair value through profit or loss | Financial liabilities designated as measured at fair value through profit or loss | Financial liabilities measured at amortized cost | Total             |
| Financial liabilities measured at fair value through profit or loss               | ₩ 2,022,206   | -   | -  | 2,022,206         |
| Financial liabilities designated as measured at fair value through profit or loss | -   | 10,533,734  | -  | 10,533,734        |
| Deposits due to customers   | -   | -   | 14,550,891                                       | 14,550,891        |
| Borrowings(*)   | -   | -   | 50,330,077                                       | 50,330,077        |
| Debentures  | -   | -   | 7,911,389  | 7,911,389         |
| Other financial liabilities   | -   | -   | 12,040,159                                       | 12,040,159        |
|   | <b>₩ 2,022,206</b>  | <b>10,533,734</b>   | <b>84,832,516</b>                                | <b>97,388,456</b> |

(\*) Lease liabilities of ₩ 265,180 million are included.

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## (3) Details of gains (losses) on the financial instruments classified into the categories above for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022                                    |                                      |                   |                   |                                    |                                    |   |
|--|---|--------------------------------------|-------------------|-------------------|------------------------------------|------------------------------------|---|
|  | Dividend income and distribution income | Interest income (expense) and others | Gain on valuation | Loss on valuation | Gain on transaction and redemption | Loss on transaction and redemption | Allowances of provision on expected credit losses(*4) |
| Financial assets:  |   |                                      |                   |                   |                                    |                                    |   |
| Financial assets measured at fair value through profit or loss (except for derivatives)      | ₩ 253,005                               | 422,786                              | 1,121,209         | (1,293,578)       | 542,925                            | (1,576,621)                        | -   |
| Financial assets measured at fair value through other comprehensive income(*1)               | 10,335                                  | 307,183                              | -                 | -                 | 2,430                              | (19,332)                           | (3,578)   |
| Financial assets measured at amortized cost  | -                                       | 1,400,382                            | -                 | -                 | -                                  | -                                  | (49,833)  |
|  | ₩ 263,340                               | 2,130,351                            | 1,121,209         | (1,293,578)       | 545,355                            | (1,595,953)                        | (53,411)  |
| Financial liabilities:   |   |                                      |                   |                   |                                    |                                    |   |
| Financial liabilities measured at fair value through profit or loss (except for derivatives) | -                                       | -                                    | 106,910           | (9,028)           | 237,313                            | (59,748)                           | -   |
| Financial liabilities designated as measured at fair value through profit or loss(*2)        | -                                       | -                                    | 884,334           | (124,228)         | 151,216                            | (302,904)                          | -   |
| Deposits due to customers  | -                                       | (43,478)                             | -                 | -                 | -                                  | -                                  | -   |
| Borrowings   | -                                       | (1,121,151)                          | -                 | -                 | -                                  | -                                  | -   |
| Debentures   | -                                       | (231,067)                            | -                 | -                 | -                                  | -                                  | -   |
| Other financial liabilities  | -                                       | (348,001)                            | -                 | -                 | -                                  | -                                  | -   |
|  | -                                       | (1,743,697)                          | 991,244           | (133,256)         | 388,529                            | (362,652)                          | -   |
| Derivatives(*3)  | -                                       | (638)                                | 2,250,720         | (2,518,760)       | 7,664,780                          | (6,756,634)                        | -   |
|  | ₩ 263,340                               | 386,016                              | 4,363,173         | (3,945,594)       | 8,598,664                          | (8,715,239)                        | (53,411)  |

(\*1) Gains and losses on valuation and disposal of equity securities designated as measured at fair value through other comprehensive income are excluded because they are recognized to equity (details described in Note 10).

(\*2) The changes of own credit risk on financial liabilities designated as measured at fair value through profit or loss was excluded, as changes in fair value by credit risk fluctuation are recognized as other comprehensive income (details described in Note 20).

(\*3) Except for the designation of the derivative to effective hedge instrument, the Group classifies it with financial instruments measured at fair value through profit or loss or designated as measured at fair value through profit or loss.

(\*4) ₩ 7,401 million for provision of allowances on expected credit loss of off-balance sheet items is excluded (details described in Note 37).

Notes to the Consolidated Financial Statements

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December 31, 2022 and 2021

|  | 2021                                    |                                      |                   |                    |                                    |                                    |   |
|--|---|--------------------------------------|-------------------|--------------------|------------------------------------|------------------------------------|---|
|  | Dividend income and distribution income | Interest income (expense) and others | Gain on valuation | Loss on valuation  | Gain on transaction and redemption | Loss on transaction and redemption | Allowances of provision on expected credit losses(*4) |
| Financial assets:  |   |                                      |                   |                    |                                    |                                    |   |
| Financial assets measured at fair value through profit or loss (except for derivatives)      | ₩ 305,594                               | 364,937                              | 817,000           | (699,139)          | 1,411,665                          | (895,636)                          | -   |
| Financial assets measured at fair value through other comprehensive income(*1)               | 12,879                                  | 137,826                              | -                 | -                  | 34,781                             | (23,266)                           | (1,540)   |
| Financial assets measured at amortized cost  | -                                       | 813,437                              | -                 | -                  | -                                  | (264)                              | (9,720)   |
|  | <b>₩ 318,473</b>                        | <b>1,316,200</b>                     | <b>817,000</b>    | <b>(699,139)</b>   | <b>1,446,446</b>                   | <b>(919,166)</b>                   | <b>(11,260)</b>                                       |
| Financial liabilities:   |   |                                      |                   |                    |                                    |                                    |   |
| Financial liabilities measured at fair value through profit or loss (except for derivatives) | -                                       | -                                    | 56,883            | (22,784)           | 104,477                            | (120,718)                          | -   |
| Financial liabilities designated as measured at fair value through profit or loss(*2)        | -                                       | -                                    | 229,797           | (185,661)          | 334,834                            | (542,359)                          | -   |
| Deposits due to customers  | -                                       | (18,792)                             | -                 | -                  | -                                  | -                                  | -   |
| Borrowings   | -                                       | (192,871)                            | -                 | -                  | -                                  | -                                  | -   |
| Debentures   | -                                       | (200,218)                            | -                 | -                  | -                                  | -                                  | -   |
| Other financial liabilities  | -                                       | (274,035)                            | -                 | -                  | -                                  | -                                  | -   |
|  | -                                       | <b>(685,916)</b>                     | <b>286,680</b>    | <b>(208,445)</b>   | <b>439,311</b>                     | <b>(663,077)</b>                   | -   |
| Derivatives(*3)  | -                                       | 162                                  | 838,806           | (941,037)          | 4,534,588                          | (4,267,897)                        | -   |
|  | <b>₩ 318,473</b>                        | <b>630,446</b>                       | <b>1,942,486</b>  | <b>(1,848,621)</b> | <b>6,420,345</b>                   | <b>(5,850,140)</b>                 | <b>(11,260)</b>                                       |

(\*1) Gains and losses on valuation and disposal of equity securities designated as measured at fair value through other comprehensive income are excluded because they are recognized to equity (details described in Note 10).

(\*2) The change of own credit risk on financial liabilities designated as measured at fair value through profit or loss was excluded, as changes in fair value by credit risk fluctuation are recognized as other comprehensive income (details described in Note 20).

(\*3) Except for the designation of the derivative to effective hedge instrument, the Group classifies it with financial instruments measured at fair value through profit or loss or designated as measured at fair value through profit or loss.

(\*4) ₩ 1,042 million for reversal of allowances on expected credit loss of off-balance sheet items is excluded (details described in Note 37).

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# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 41. Employee costs

Details of employee costs for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022             | 2021           |
|--|------------------|----------------|
| Salaries   | ₩ 543,735        | 750,954        |
| Post-employment benefits of defined contribution plans | 38,435           | 41,803         |
| Post-employment benefits of defined benefit plans      | 4,199            | 4,402          |
| Termination benefits                                   | 11,350           | 17,504         |
| Employee benefits                                      | 95,187           | 88,152         |
| Long-term employee benefits                            | (751)            | 974            |
|  | <b>₩ 692,155</b> | <b>903,789</b> |

## 42. Selling and administrative expenses

Details of selling and administrative expenses for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022             | 2021           |
|--|------------------|----------------|
| Electronic data processing             | ₩ 93,716         | 76,536         |
| Rental                                 | 23,783           | 22,564         |
| Commission                             | 57,553           | 40,554         |
| Entertainment                          | 26,598           | 22,420         |
| Advertisement                          | 59,273           | 80,293         |
| Depreciation on property and equipment | 76,576           | 72,829         |
| Depreciation on investment property    | 72,568           | 55,579         |
| Training                               | 3,793            | 3,819          |
| Amortization                           | 33,354           | 36,977         |
| Taxes and dues                         | 75,112           | 72,546         |
| Lease of low-value asset               | 1,844            | 2,035          |
| Others                                 | 124,129          | 101,300        |
|  | <b>₩ 648,299</b> | <b>587,452</b> |

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## 43. Non-operating income

Details of non-operating income for the years ended December 31, 2022 and 2021 are as follows:

|   | 2022             | 2021           |
|---|------------------|----------------|
| Gain on disposal of property and equipment      | ₩ 54             | -              |
| Gain on disposal of investment properties       | -                | 420            |
| Gain on disposal of intangible assets           | -                | 940            |
| Gain on disposal of investments in subsidiaries | 25,140           | 2,918          |
| Gain on disposal of investments in associates   | 210              | 4,149          |
| Gain on valuation of investments in associates  | 190,531          | 195,903        |
| Others  | 16,091           | 63,405         |
|   | <b>₩ 232,026</b> | <b>267,735</b> |

## 44. Non-operating expense

Details of non-operating expense for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022             | 2021           |
|--|------------------|----------------|
| Loss on disposal of property and equipment       | ₩ 111            | 99             |
| Impairment loss on investment properties         | 93,507           | 40,215         |
| Loss on disposal of intangible assets            | 35               | 22             |
| Impairment loss on disposal of intangible assets | 233              | 56,813         |
| Loss on disposal of investments in subsidiaries  | 14,306           | 1,570          |
| Impairment loss on investments in associates     | -                | 247            |
| Loss on disposal of investments in associates    | -                | 128            |
| Loss on valuation of investments in associates   | 123,351          | 2,641          |
| Donations  | 3,299            | 2,816          |
| Others   | 6,475            | 6,477          |
|  | <b>₩ 241,317</b> | <b>111,028</b> |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 45. Income tax expense

(1) Details of income tax expenses for the years ended December 31, 2022 and 2021 are as follows:

|   | 2022             | 2021           |
|---|------------------|----------------|
| Current income tax payable                                  | ₩ 227,072        | 597,354        |
| Changes in deferred income tax due to temporary differences | (231,825)        | (84,219)       |
| Adjustments in respect of prior years                       | (20,133)         | 4,395          |
| Income tax expense recognized as equity                     | 191,496          | (58,785)       |
| <b>Income tax expense</b>                                   | <b>₩ 166,610</b> | <b>458,745</b> |

(2) Reconciliation of profit before income taxes and income tax expense for the years ended December 31, 2022 and 2021 are as follows:

|   | 2022             | 2021           |
|---|------------------|----------------|
| Profit before income tax                        | ₩ 826,269        | 1,642,183      |
| Tax at tax rates applicable to profits          | 216,862          | 441,238        |
| Adjustments:                                    |                  |                |
| Non-deductible expense                          | 5,669            | 4,547          |
| Non-taxable income                              | (39)             | (18)           |
| Temporary differences not recognized            | 2,233            | 24,032         |
| Effects of income tax in respect of prior years | (11,933)         | (608)          |
| Effects of change in tax rate                   | (24,754)         | -              |
| Others  | (21,428)         | (10,446)       |
| <b>Income tax expense</b>                       | <b>₩ 166,610</b> | <b>458,745</b> |
| Effective tax rate                              | 20.16%           | 27.94%         |

Notes to the Consolidated Financial Statements

(3) Details of changes in accumulated temporary differences and the deferred tax assets and liabilities for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022              |                      |                |
|--|-------------------|----------------------|----------------|
|  | Beginning balance | Addition (deduction) | Ending balance |
| Financial assets measured at fair value through profit or loss   | ₩ (628,316)       | 785,263              | 156,947        |
| Investment on subsidiaries and associates  | (657,828)         | (132,226)            | (790,054)      |
| Accrued interest receivable  | (68,869)          | (42,359)             | (111,228)      |
| Impairment loss on financial assets measured at fair value through other comprehensive income          | 11,905            | -                    | 11,905         |
| Gain (loss) on valuation of financial assets measured at fair value through other comprehensive income | (598,289)         | 710,457              | 112,168        |
| Financial assets measured at fair value through other comprehensive income                             | 24,634            | (38,009)             | (13,375)       |
| Gain (loss) on valuation of derivatives  | 33,647            | 190,803              | 224,450        |
| Gain (loss) on valuation of derivative-linked securities   | (2,578)           | 27,024               | 24,446         |
| Gain (loss) on valuation of derivative-linked securities in short position                             | 29,570            | (767,841)            | (738,271)      |
| Gain (loss) on valuation of securities in short position   | (9,194)           | (95,224)             | (104,418)      |
| Incentive payables   | 287,251           | (107,977)            | 179,274        |
| Provision of financial guarantees  | 21,058            | 11,894               | 32,952         |
| Provision of restoration   | 9,295             | (685)                | 8,610          |
| Gain (loss) on foreign currency translation  | 121,433           | 43,377               | 164,810        |
| Property and equipment   | (39,950)          | (61,299)             | (101,249)      |
| Intangible assets  | (419,540)         | 17,452               | (402,088)      |
| Treasury stocks  | 1,727,913         | -                    | 1,727,913      |
| Others   | 350,735           | (5,384)              | 345,351        |
|  | <b>192,877</b>    | <b>535,266</b>       | <b>728,143</b> |
| Not recognized as deferred tax assets  | (1,131,082)       |                      | (1,365,255)    |
| Recognized as deferred tax assets  | 1,323,959         |                      | 2,093,398      |
| Tax rate   | 27.50%, etc.      |                      | 26.4%, etc.    |
| <b>Deferred tax assets</b>   | <b>₩ 404,362</b>  |                      | <b>636,188</b> |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

|  | 2021              |                      |                |
|--|-------------------|----------------------|----------------|
|  | Beginning balance | Addition (deduction) | Ending balance |
| Financial assets measured at fair value through profit or loss   | ₩ (1,018,294)     | 389,978              | (628,316)      |
| Investment on subsidiaries and associates  | (307,008)         | (350,820)            | (657,828)      |
| Accrued interest receivable  | (78,332)          | 9,463                | (68,869)       |
| Impairment loss on financial assets measured at fair value through other comprehensive income          | 11,905            | -                    | 11,905         |
| Gain (loss) on valuation of financial assets measured at fair value through other comprehensive income | (520,549)         | (77,740)             | (598,289)      |
| Financial assets measured at fair value through other comprehensive income                             | 28,595            | (3,961)              | 24,634         |
| Gain (loss) on valuation of derivatives  | 236,422           | (202,775)            | 33,647         |
| Gain (loss) on valuation of derivative-linked securities   | (44,737)          | 42,159               | (2,578)        |
| Gain (loss) on valuation of derivative-linked securities in short position                             | 309,236           | (279,666)            | 29,570         |
| Gain (loss) on valuation of securities in short position   | 58,195            | (67,389)             | (9,194)        |
| Incentive payables   | 235,578           | 51,673               | 287,251        |
| Provision of financial guarantees  | 21,242            | (184)                | 21,058         |
| Provision of restoration   | 8,515             | 780                  | 9,295          |
| Gain (loss) on foreign currency translation  | (164,938)         | 286,371              | 121,433        |
| Property and equipment   | (37,636)          | (2,314)              | (39,950)       |
| Intangible assets  | (493,607)         | 74,067               | (419,540)      |
| Treasury stocks  | 1,727,913         | -                    | 1,727,913      |
| Others   | 255,654           | 95,081               | 350,735        |
|  | <b>228,154</b>    | <b>(35,277)</b>      | <b>192,877</b> |
| Not recognized as deferred tax assets  | (802,841)         |                      | (1,131,082)    |
| Recognized as deferred tax assets  | 1,030,995         |                      | 1,323,959      |
| Tax rate   | 27.50%, etc.      |                      | 27.50% ,etc.   |
| <b>Deferred tax assets</b>   | <b>₩ 320,143</b>  |                      | <b>404,362</b> |

Notes to the Consolidated Financial Statements

#### (4) Temporary differences that are not recognized as deferred tax assets and liabilities as of December 31, 2022 and 2021 are as follows:

|                                  | 2022                 | 2021               |
|----------------------------------|----------------------|--------------------|
| Taxable temporary differences    |                      |                    |
| Investment in subsidiaries, etc  | ₩ (1,088,520)        | (849,722)          |
| Goodwill                         | (397,776)            | (397,776)          |
|                                  | <b>(1,486,296)</b>   | <b>(1,247,498)</b> |
| Deductible temporary differences |                      |                    |
| Investment in subsidiaries, etc  | 115,058              | 110,433            |
| Others                           | 5,983                | 5,983              |
|                                  | <b>121,041</b>       | <b>116,416</b>     |
| <b>Total</b>                     | <b>₩ (1,365,255)</b> | <b>(1,131,082)</b> |

#### (5) Details of deferred tax relating to items that are directly recognized in equity for the years ended December 31, 2022 and 2021 are as follows:

|   | 2022             | 2021          |
|---|------------------|---------------|
| Deferred tax:   |                  |               |
| Gain (loss) on valuation of financial assets measured at fair value through other comprehensive income        | ₩ (208,477)      | 20,067        |
| Gain (loss) on valuation of financial liabilities designated as measured at fair value through profit or loss | 4,432            | 1,406         |
| Changes in equity adjustments from Investments in associates  | (5,473)          | 12,544        |
| Remeasurement of the defined benefit liabilities.   | 3,311            | 1,041         |
| Changes in tax rate of treasury stock   | 18,996           | -             |
| Other   | (4,285)          | 23,727        |
| <b>Income tax expense recognized directly in equity</b>   | <b>(191,496)</b> | <b>58,785</b> |

#### (6) As of December 31, 2022, The Group's deferred tax assets and liabilities were not offset because the taxable authorities are not the same each other, there is not a legally enforceable right to offset the related current tax liabilities and assets and the Group does not intend to settle current tax liabilities and assets on a net basis.

##### Details of Deferred tax assets and liabilities as of December 31, 2022 and 2021 are as follows:

|                          | 2022      | 2021    |
|--------------------------|-----------|---------|
| Deferred tax assets      | ₩ 658,752 | 412,369 |
| Deferred tax liabilities | 22,564    | 8,007   |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 46. Earnings per share ("EPS")

Earnings per share are earnings for one share of common stock (basic earnings per share) or earnings for one share of common stock and diluted potential common stock (diluted earnings per share), and the details are as follows.

### (1) Basic EPS for the years ended December 31, 2022 and 2021 are as follows:

|   | 2022          |                    |
|---|---------------|--------------------|
|   | Common stocks | 2 preferred stocks |
| Net profit attributable equity holder of the Company          | ₩ 486,714     | 141,539            |
| Weighted-average number of common shares outstanding (shares) | 471,105,994   | 137,000,000        |
| Basic EPS (in Korean won)                                     | 1,033         | 1,033              |
|   | 2021          |                    |
|   | Common stocks | 2 preferred stocks |
| Net profit attributable equity holder of the Company          | ₩ 881,712     | 251,454            |
| Weighted-average number of common shares outstanding (shares) | 488,958,634   | 139,445,616        |
| Basic EPS (in Korean won)                                     | 1,803         | 1,803              |

### (2) Details of weighted-average number of shares of common stocks outstanding for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022               |                   |                    |                   |
|--|--------------------|-------------------|--------------------|-------------------|
|  | Common stocks      |                   | 2 preferred stocks |                   |
|  | Stocks outstanding | Cumulative shares | Stocks outstanding | Cumulative shares |
| Issued stock   | 615,316,408        | 225,130,488,920   | 140,000,000        | 51,100,000,000    |
| Treasury stock   | (146,035,874)      | (53,176,801,287)  | (3,000,000)        | (1,095,000,000)   |
| Shares outstanding   | 469,280,534        | 171,953,687,633   | 137,000,000        | 50,005,000,000    |
| Days   | -                  | 365               | -                  | 365               |
| Weighted-average number of shares of common stocks outstanding | -                  | 471,105,994       | -                  | 137,000,000       |

|  | 2021               |                   |                    |                   |
|--|--------------------|-------------------|--------------------|-------------------|
|  | Common stocks      |                   | 2 preferred stocks |                   |
|  | Stocks outstanding | Cumulative shares | Stocks outstanding | Cumulative shares |
| Issued stock   | 635,316,408        | 232,520,488,920   | 140,000,000        | 51,100,000,000    |
| Treasury stock   | (156,035,875)      | (54,050,587,551)  | (3,000,000)        | (202,350,000)     |
| Shares outstanding   | 479,280,533        | 178,469,901,369   | 137,000,000        | 50,897,650,000    |
| Days   | -                  | 365               | -                  | 365               |
| Weighted-average number of shares of common stocks outstanding | -                  | 488,958,634       | -                  | 139,445,616       |

### (3) Diluted EPS

Diluted EPS is same as basic EPS for the years ended December 31, 2022 and 2021.



# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 47. Commitments and contingencies

(1) The Group has entered into various agreements with various financial institutions as of December 31, 2022 and 2021, and the details are as follows, continued:

| Description   | Financial Institution                   | 2022 Contract amount                     |
|---|---|--|
| Collateral financial support borrowings                                 | Korea Securities Finance Corp.          | ₩ 2,600,000                              |
| Agency operation borrowings   |   | ₩ 1,900,000                              |
| Agency operation borrowings (Reserve for claims of customer's deposits) |   | ₩ within the range of amount of deposits |
| Notes discounting   |   | ₩ 300,000                                |
| Notes discounting (Deposits for subscription)                           |   | ₩ within the range of amount of deposits |
| Intraday loan commitment(daily)   |   | ₩ 200,000                                |
| Margin loans  |   | ₩ 1,900,000                              |
| Margin loans(lender)  |   | ₩ 300,000                                |
| Commercial paper acquisition commitment                                 | Shinhan Bank                            | ₩ 200,000                                |
| Overdraft for operation (daily)   | Shinhan Bank, etc.                      | ₩ 1,650,000                              |
| Committed revolving loan facility                                       | Industrial and Commercial Bank of China | USD 50,000,000                           |
| Term loan   | KDB(London Branch)                      | USD 20,000,000                           |
|   | Shinhan Bank New York                   | USD 100,000,000                          |
|   | Bank of Montreal Harris Bank            | USD 275,000,000                          |
|   | Lakeside Bank                           | USD 5,000,000                            |
|   | KDB(Singapore Branch)                   | USD 100,000,000                          |
|   | Woori Bank Singapore                    | USD 40,000,000                           |
|   | Shinhan Bank Hong Kong                  | USD 25,000,000                           |
|   | Kookmin Bank(HK Branch)                 | USD 20,000,000                           |
|   | KEB Hana Singapore                      | USD 20,000,000                           |
|   | DBS Bank Singapore                      | USD 20,000,000                           |
|   | CTBC Bank HK                            | USD 8,000,000                            |
|   | Mizuho Bank Korea                       | USD 113,000,000                          |
|   | Malayan Banking Barhad-Singapore        | USD 20,000,000                           |
|   | Woori Bank Viet Nam                     | VND 550,000,000,000                      |
|   | Nong Hyup Viet Nam                      | VND 250,000,000,000                      |
|   | Shinhan Bank Viet Nam                   | VND 215,000,000,000                      |

| Description                               | Financial Institution                | 2022 Contract amount  |
|---|--------------------------------------|-----------------------|
| Term loan                                 | Kookmin Bank Viet Nam                | VND 120,000,000,000   |
|   | BIDV                                 | VND 531,000,000,000   |
|   | Vietinbank                           | VND 400,000,000,000   |
|   | Eximbank Hanoi                       | VND 600,000,000,000   |
|   | KEB HaNa VN                          | VND 100,000,000,000   |
|   | Mizuho VN                            | VND 200,000,000,000   |
|   | VP Bank                              | VND 1,200,000,000,000 |
| Overdraft                                 | Daegu Bank – Ho Chi Minh City Branch | VND 85,000,000,000    |
|   | Bank of China (Hong Kong) Limited    | HKD 50,000,000        |
| Overdraft for operation (Intra-day)       | Euroclear Bank SA/NV                 | USD 10,000,000        |
|   | Bank of China (Hong Kong) Limited    | HKD 400,000,000       |
| Overdraft for operation (Credit Facility) | The Bank of New York Mellon          | USD 100,000,000       |
|   | Bank of Montreal Harris Bank         | USD 125,000,000       |
| Revolving Credit Facility                 | Korean Investment & Securities       | USD 2,000,000,000     |
|   | Woori Bank(HK Branch)                | USD 20,000,000        |
|   | Bank of China(Hong Kong) Limited     | HKD 200,000,000       |
|   | UOB Indonesia                        | IDR 350,000,000,000   |
|   | CIMB Indonesia                       | IDR 100,000,000,000   |
|   | KEB Hana Bank Indonesia              | IDR 150,000,000,000   |
|   | Permata Bank                         | IDR 50,000,000,000    |
|   | Shinhan Bank Indonesia               | IDR 120,000,000,000   |
|   | BJB                                  | IDR 100,000,000,000   |
|   | BCA                                  | IDR 100,000,000,000   |

| Description   | Financial Institution          | 2021 Contract amount                     |
|---|--------------------------------|--|
| Collateral financial support borrowings                                 | Korea Securities Finance Corp. | ₩ 2,000,000                              |
| Agency operation borrowings   |                                | ₩ 1,800,000                              |
| Agency operation borrowings (Reserve for claims of customer's deposits) |                                | ₩ within the range of amount of deposits |
| Notes discounting   |                                | ₩ 300,000                                |
| Notes discounting (Deposits for subscription)                           |                                | ₩ within the range of amount of deposits |
| Intraday loan commitment(daily)   |                                | ₩ 200,000                                |
| Margin loans  |                                | ₩ 1,900,000                              |
| Margin loans(lender)  |                                | ₩ 300,000                                |

Notes to the Consolidated Financial Statements

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

| Description                               | Financial Institution                | 2021 Contract amount |                 |
|---|--------------------------------------|----------------------|-----------------|
| Commercial paper acquisition commitment   | Shinhan Bank                         | ₩                    | 100,000         |
| Overdraft for operation (daily)           | Shinhan Bank, etc.                   | ₩                    | 1,350,000       |
|   | KDB(London Branch)                   | USD                  | 20,000,000      |
|   | Shinhan Bank New York                | USD                  | 100,000,000     |
|   | Bank of Montreal Harris Bank         | USD                  | 275,000,000     |
|   | Lakeside Bank                        | USD                  | 5,000,000       |
|   | KDB Asia Limited                     | USD                  | 20,000,000      |
|   | KDB(Singapore Branch)                | USD                  | 90,000,000      |
|   | Woori Bank Singapore                 | USD                  | 40,000,000      |
|   | Shinhan Bank Hong Kong               | USD                  | 25,000,000      |
|   | Kookmin Bank(HK Branch)              | USD                  | 40,000,000      |
|   | DBS Bank Singapore                   | USD                  | 40,000,000      |
|   | Nong Hyup Korea                      | USD                  | 30,000,000      |
| Term loan                                 | CTBC Bank (Taiwan) Chengde Branch    | USD                  | 8,000,000       |
|   | Deutsche Bank                        | USD                  | 50,000,000      |
|   | Mizuho Bank Korea                    | USD                  | 40,000,000      |
|   | KEB Hana Bank Singapore              | USD                  | 40,000,000      |
|   | Woori Bank Viet Nam                  | VND                  | 550,000,000,000 |
|   | Nong Hyup Viet Nam                   | VND                  | 250,000,000,000 |
|   | Shinhan Bank Viet Nam                | VND                  | 215,000,000,000 |
|   | Kookmin Bank Viet Nam                | VND                  | 120,000,000,000 |
|   | BIDV                                 | VND                  | 581,000,000,000 |
|   | Vietinbank                           | VND                  | 400,000,000,000 |
|   | Busan VietNam                        | VND                  | 115,000,000,000 |
|   | VP Bank                              | VND                  | 700,000,000,000 |
|   | Daegu Bank – Ho Chi Minh City Branch | VND                  | 85,000,000,000  |
| Overdraft                                 | Bank of China (Hong Kong) Limited    | HKD                  | 50,000,000      |
|   | Euroclear Bank SA/NV                 | USD                  | 10,000,000      |
| Overdraft for operation (Intra-day)       | Bank of China (Hong Kong) Limited    | HKD                  | 400,000,000     |
|   | The Bank of New York Mellon          | USD                  | 100,000,000     |
|   | Bank of Montreal Harris Bank         | USD                  | 125,000,000     |
| Overdraft for operation (Credit Facility) | Korean Investment & Securities       | USD                  | 2,000,000,000   |

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| Description               | Financial Institution   | 2021 Contract amount |                 |
|---------------------------|-------------------------|----------------------|-----------------|
|                           | Woori Bank(HK Branch)   | USD                  | 20,000,000      |
|                           | KDB Asia Limited        | USD                  | 20,000,000      |
|                           | UOB Indonesia           | IDR                  | 200,000,000,000 |
|                           | CIMB Indonesia          | IDR                  | 100,000,000,000 |
| Revolving Credit Facility | Permata Bank            | IDR                  | 50,000,000,000  |
|                           | Bank BRI                | IDR                  | 100,000,000,000 |
|                           | KEB Hana Bank Indonesia | IDR                  | 150,000,000,000 |
|                           | BCA                     | IDR                  | 100,000,000,000 |
|                           | Shinhan Bank Indonesia  | IDR                  | 120,000,000,000 |

- (2) As of December 31, 2022, the Group is involved in 32 lawsuits (December 31, 2021: 36 lawsuits) as a defendant with lawsuit amount of ₩ 280,483 million (December 31, 2021: ₩ 308,651 million). In addition, as of December 31, 2022, the Group is involved in 18 lawsuits (December 31, 2021: 13 lawsuits) as a plaintiff with lawsuit amount of ₩ 22,527 million (December 31, 2021: ₩ 89,208 million). Except for 7 lawsuits for which the Group has recognized provisions, the results of the litigations cannot be predicted at the end of the reporting period.

Mirae Asset MAPS Private Investment Trust 67th, a collective investment vehicle and subsidiary operated by Mirae Asset Global Investment Co., Ltd., referred the dispute to the Singapore International Arbitration Centre which is not included in the above cases, worth ₩ 200,000 million. The relevant details are also explained in Note 47.(10).

- (3) Details of liabilities related financial guarantee contracts as of December 31, 2022 and 2021 are as follows:

|   | Guarantee receiver                   | 2022        | 2021      |
|---|--------------------------------------|-------------|-----------|
| Guarantee (including loan commitment)(*1) | DS Renewable 1st Co., Ltd and Others | ₩ 1,230,959 | 495,408   |
| Purchase agreement(*2)                    | Hyundai Capital Co., Ltd and Others  | 936,184     | 1,235,473 |
|   |                                      | ₩ 2,167,143 | 1,730,881 |

(\*1) The Group provides a guarantee (including loan commitment) under the condition that compensates the holder for losses incurred in the event that a particular debtor (the warrantee) fails to pay at the due date.

(\*2) At the date of issuance of commercial paper and electronic short-term bonds and at the date of roll-over of loans, in the event that part or all of the electronic short-term bonds are not sold in the market, the Group enters into a liquidity offering agreement under which the Group must purchase commercial paper and electronic short-term bonds if certain credit rating conditions, such as the guarantee agency, are met. As of December 31, 2022, the amount the agreement executed under the purchase guarantee agreement was ₩ 308,259 million (₩ 96,090 million as of December 31, 2021). As of December 31, 2022, the amount of money replenished executed under the purchase commitment was ₩ 1,156 million.

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(4) As of December 31, 2022, the amount of unexecuted loan agreement and etc. are ₩ 2,019,027 million (₩ 2,745,613 million as of December 31, 2021), and the amount unsigned of loan agreements with submission of a letter of commitment is ₩ 9,600 million (₩ 690,500 million as of December 31, 2021).

(5) As of December 31, 2022 and 2021 the securities in custody on behalf of the Group's customers are as follows:

|                                  | 2022          | 2021        | Valuation method    |
|----------------------------------|---------------|-------------|---------------------|
| Trust or securities in custody   | ₩ 210,549,851 | 275,468,812 | Fair value          |
| Saver securities in custody      | 2,454,654     | 2,298,608   | Fair value          |
| Collective investment securities | 79,936,852    | 80,408,877  | Standard sold price |
|                                  | ₩ 292,941,357 | 358,176,297 |                     |

(6) Details of loaned securities as of December 31, 2022 and 2021 are as follows:

|                   | 2022        | 2021      | Valuation method |
|-------------------|-------------|-----------|------------------|
| Equity securities | ₩ 5,740,784 | 8,876,452 | Fair value       |
| Bonds             | 876,135     | 52,732    | Fair value       |
| Others (ETF)      | 658,488     | 902,387   | Fair value       |
|                   | ₩ 7,275,407 | 9,831,571 |                  |

(7) Details of borrowed securities as of December 31, 2022 and 2021 are as follows:

|                   | 2022         | 2021       | Valuation method |
|-------------------|--------------|------------|------------------|
| Equity securities | ₩ 6,697,203  | 8,530,404  | Fair value       |
| Bonds             | 7,473,145    | 9,064,171  | Fair value       |
| Others (ETF)      | 364,232      | 673,269    | Fair value       |
|                   | ₩ 14,534,580 | 18,267,844 |                  |

(\*) The Company allows securities lending and borrowing transactions, manages memorandum account for the securities borrowed from the Korea Securities Depository and recognizes them as financial liabilities measured at fair value through profit or loss when the Company sells securities borrowed.

(8) Mirae Asset Securities (UK) Ltd., Mirae Asset Securities (USA) Inc., Mirae Asset Securities & Investments (USA), LLC and others signed a \$ 31.2 million CREDIT LINE setup deal for electronic remittance transactions using SEPA and ACH networks, etc with Citibank (Korea, London, New York). As the Company of the above entities, the Company recognized the establishment of the "Credit Line" and provided Letter of Support to make reasonable efforts ("Reasonable Effects") to repay when default is occurred. In addition, Mirae Asset Securities (Vietnam) JSC, PT. Mirae Asset Securitas Indonesia and others signed a loan agreement of \$ 366 million and VND 250,000 million with the Singapore branch of the KDB Industrial Bank of Korea and others. Mirae Asset Securities (HK) Limited holds liable for these liabilities as the parent company of the above entities. Also, for USD 140 million of the above commitment amount, the Company as the parent company of the above corporations has provided "Letter of Comfort" to make good-will efforts to repay the default

("Good Faith Effort"). Mirae Asset Securities (UK) Ltd. executed loan agreements of \$20 million with the London branch of the KDB Industrial Bank of Korea. Mirae Asset Securities(USA) Inc. has commitments to enter into securities purchase under agreement to resell and securities sale under agreement to repurchase of USD 5,194 million and USD 7,073 million, respectively. However, the counterparty may cancel the agreement before it is executed.

(9) In December 27, 2019, the Group and HDC Hyundai Industrial Development Co., Ltd., a consortium partner of the Group, made an agreement to purchase old shares of Asiana Airlines Inc., with Kumho Industrial Co., Ltd. (Acquisition amount : ₩ 64,567 million) and to acquire new shares of Asiana Airlines Inc. (Acquisition amount: ₩ 425,313 million). On the same date, the Group made a shareholder agreement with HDC Hyundai Industrial Development Co., Ltd. regarding the acquisition of Asiana Airlines Co.'s old and new shares.

As of December 31, 2022, the deposit paid by the Group is ₩ 48,988 million, and the deposit is evaluated at fair value by reflecting the uncertainty of collection considering related contracts, etc.

The Group and HDC Hyundai Industrial Development Co., Ltd. have faced a lawsuit by Kumho Industrial Co. and Asiana Airlines Co. to implement the necessary procedures for cancellation of contracts and termination of the pledge right to a down payment. In response, strategic investor HDC. Strategic investors, HDC Hyundai Industrial Development Co., Ltd. and financial investors, the Group are planning to respond to this issue after reviewing it at a legal level, the first trial was ruled by the full loss in November 2022. Since then, the Group and HDC Hyundai Industrial Development Co., Ltd. have appealed, and the appeal is currently underway.

(10) Mirae Asset MAPS Private Investment Trust 67th(hereinafter referred to as the "buyer") operated by Mirae Asset Global Investment Co., Ltd. as a collective investment vehicle and subsidiary of the Company, signed an MOU on May 26, 2022 with BSR-EP II Korea Office Holding Pte. Limited (hereinafter referred to as "Seller") for the purpose of acquiring a limited company that owns IFC Seoul and ₩ 200,000 million of deposit was paid according to the agreement of the MOU. However, the MOU was signed on the premise that REITs, which will be established later, become the final buyer, and when the Ministry of Land, Infrastructure and Transport disapproved of establishment of REITs, the seller claimed that the buyer did not do his best to obtain the business approval of the REITs and notified termination of the MOU due to the violation of the MOU. The buyer denied that he did not do his best to obtain the business approval of the REITs by the Ministry of Land, Infrastructure and Transport, and insisted that the deposit should be returned in accordance with the MOU clause that requires returning the deposit if the REITs' business approval is not approved by the Ministry of Land, Infrastructure and Transport. In addition, the buyer notified the seller of the termination of the MOU based on the above reasons agreed in the MOU. Accordingly, the buyer refers the dispute to the Singapore International Arbitration Centre(SIAC) on September 26, 2022 to receive a refund of the previously paid deposit. However, there is uncertainty about the results of the above arbitration, so the results cannot be reasonably predicted at the end of the reporting period.

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 48. Share-based payments

### (1) Stock options

1) Details of the Group's share-based compensation as of December 31, 2022, is as follows:

|  | Mirae Asset securities (HK) Limited | Mirae Asset Venture Investment Co., Ltd. |                                    |
|--|-------------------------------------|--|------------------------------------|
| Granted to                                 | Executives                          | Executives and employees                 | Executives and employees           |
| Grant date                                 | 2008.04.02                          | 2015.03.31, 2015.07.08                   | 2018.08.03                         |
| Granted shares                             | 74,700,000 shares                   | 2,880,000 shares                         | 750,000 shares                     |
| Grant method                               | Issuance of treasury stock          | Issuance of new shares                   | Issuance of new shares             |
| Vesting condition                          | 3 months of service from grant date | 2 years of service from grant date       | 2 years of service from grant date |
| Exercise period                            | 2008.07.02–2023.04.02               | 2017.03.31–2024.07.08                    | 2020.08.04–2027.08.04              |
| Exercise price (in KRW)                    | HKD 1.04                            | 1,734                                    | 4,000                              |
| Granted shares                             | 74,700,000 shares                   | 2,880,000 shares                         | 750,000 shares                     |
| Residual shares as of December 31, 2021    | 49,800,000 shares                   | 360,000 shares                           | 525,000 shares                     |
| Exercisable shares as of December 31, 2021 | 49,800,000 shares                   | 360,000 shares                           | 525,000 shares                     |
| Option pricing model                       | Black-Scholes option pricing model  | DCF, Binomial tree                       | DCF, Binomial tree                 |
| Risk-free interest rate                    | 0.13%                               | 2.09%, 2.41%                             | 2.54%                              |
| Expected stock price volatility            | 41.20%                              | 52.03%, 62.13%                           | 95.33%                             |
| Assumption for dividend                    | -                                   | -  | -                                  |
| Stock price at grant date (in KRW)         | -                                   | 1,076, 1,287                             | 2,737                              |
| Fair value of stock options (in KRW)       | HKD 0.7160                          | 951.2, 1203.7                            | 3,554.4                            |

2) Expenses recognized in relation to share-based payment arrangements are as follows:

|   | Mirae Asset Securities (HK) Limited | Mirae Asset Venture Investment Co., Ltd. |
|---|-------------------------------------|--|
| Estimated amount of shares vested at settlement date (shares)(*1) | 49,800,000                          | 885,000                                  |
| Total compensation cost   | HKD 35,658,000                      | ₩ 2,265                                  |
| Balances of Stock Options as of December 31, 2022(*2)             | -                                   | -  |

(\*1) The Group assumed that the stock options are fully vested at the end of the service period as the Group could not make a reasonable assumption of the forfeiture rate.

(\*2) Mirae Asset Securities (HK) Limited and Mirae Asset Venture Investment Co., Ltd. recognized capital adjustment related to share-based payments of HKD 35,658,000 and ₩ 1,767 million for the year ended December 31, 2022.

These were adjusted and thus there is no balance of capital adjustment in the consolidated statement of financial position as of December 31, 2022.

3) Details of changes in granted shares for the years ended December 31, 2022 and 2021 are as follows:

| (In shares)                                 | 2022              |       |                 |          |                   |
|---|-------------------|-------|-----------------|----------|-------------------|
|   | Beginning         | Grant | Expired         | Exercise | Ending            |
| Mirae Asset Securities                      |                   |       |                 |          |                   |
| 2014 Type 2                                 | 15,000            | -     | (15,000)        | -        | -                 |
| Mirae Asset Securities (HK) Limited         |                   |       |                 |          |                   |
| 2018 Equity Settled Share Option            | 49,800,000        | -     | -               | -        | 49,800,000        |
| Mirae Asset Venture Investment Co., Ltd.(*) |                   |       |                 |          |                   |
| 2015  | 360,000           | -     | -               | -        | 360,000           |
| 2018  | 525,000           | -     | -               | -        | 525,000           |
|   | <b>885,000</b>    | -     | -               | -        | <b>885,000</b>    |
|   | <b>50,700,000</b> | -     | <b>(15,000)</b> | -        | <b>50,685,000</b> |

(\*\*) This is the quantity adjusted to the number of shares after increasing of capital stock without consideration.

| (In shares)                                 | 2021              |       |         |                  |                   |
|---|-------------------|-------|---------|------------------|-------------------|
|   | Beginning         | Grant | Expired | Exercise         | Ending            |
| Mirae Asset Securities                      |                   |       |         |                  |                   |
| 2014 Type 2                                 | 15,000            | -     | -       | -                | 15,000            |
| Mirae Asset Securities (HK) Limited         |                   |       |         |                  |                   |
| 2018 Equity Settled Share Option            | 49,800,000        | -     | -       | -                | 49,800,000        |
| Mirae Asset Venture Investment Co., Ltd.(*) |                   |       |         |                  |                   |
| 2015  | 360,000           | -     | -       | -                | 360,000           |
| 2018  | 720,000           | -     | -       | (195,000)        | 525,000           |
|   | <b>1,080,000</b>  | -     | -       | <b>(195,000)</b> | <b>885,000</b>    |
|   | <b>50,895,000</b> | -     | -       | <b>(195,000)</b> | <b>50,700,000</b> |

(\*\*) This is the quantity adjusted to the number of shares after increasing of capital stock without consideration.

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## (2) Share-based Payments

1) In conformity with the Financial Investment Company Compensation Framework, the Group deferred portions of management incentives and divided payments across 3 to 6 years, and therefore recognized equity and liabilities as of December 31, 2022 and 2021 are as follows:

|                     | 2022     | 2021    |
|---------------------|----------|---------|
| Accrued expenses(*) | ₩ 86,669 | 121,570 |
| Capital adjustment  | 8        | 8       |

(\*) The Group recognized reversal of ₩ 4,158 million in 2022 in relation to share price-linked share-based payments.

2) The changes in the quantity of share price-linked share-based compensation for December 31, 2022 and 2021 are as follows:

| Grant date | 2022              |                  |                    |                   |
|------------|-------------------|------------------|--------------------|-------------------|
|            | Beginning         | Grant            | Payment, etc.      | Ending            |
| 2017       | 1,779             | -                | (1,779)            | -                 |
| 2018       | 864,783           | -                | (837,401)          | 27,382            |
| 2019       | 2,618,089         | -                | (1,218,460)        | 1,399,629         |
| 2020       | 4,289,013         | -                | (1,268,088)        | 3,020,925         |
| 2021       | 5,202,093         | -                | (339,782)          | 4,862,311         |
| 2022       | -                 | 2,573,588        | -                  | 2,573,588         |
|            | <b>12,975,757</b> | <b>2,573,588</b> | <b>(3,665,510)</b> | <b>11,883,835</b> |

(\*) In accordance with share price-linked share-based payment, the amount of deferred grants is divided over three to six years and paid in cash. The fair value of the base price to be paid in the future is evaluated as the arithmetic average of the closing price for the past one year, and the fair value of the base price as of December 31, 2022, is ₩ 7,293.

| Grant date | 2021              |                  |                    |                   |
|------------|-------------------|------------------|--------------------|-------------------|
|            | Beginning         | Grant            | Payment, etc.      | Ending            |
| 2017       | 745,326           | -                | (743,547)          | 1,779             |
| 2018       | 1,639,602         | -                | (774,819)          | 864,783           |
| 2019       | 3,768,460         | -                | (1,150,371)        | 2,618,089         |
| 2020       | 4,456,707         | -                | (167,694)          | 4,289,013         |
| 2021       | -                 | 5,202,093        | -                  | 5,202,093         |
|            | <b>10,610,095</b> | <b>5,202,093</b> | <b>(2,836,431)</b> | <b>12,975,757</b> |

(\*) In accordance with share price-linked share-based payment, the amount of deferred grants is divided over three to six years and paid in cash. The fair value of the base price to be paid in the future is evaluated as the arithmetic average of the closing price for the past one year, and the fair value of the base price as of December 31, 2021, is ₩ 9,369.

## 49. Related-party transactions

(1) As of December 31, 2022, the list of associates and other related parties of the Group are as follows:

| Type                                      | Name of the related parties  |
|---|--|
| Associates                                | Mirae Asset Life Insurance Co., Ltd  |
|   | Pantos Logistics Co., Ltd(*1)  |
|   | Mirae Asset-NAVER New Growth Fund I  |
|   | Mirae Asset-GS Retail New Growth Fund I  |
|   | Mirae Asset-Celltrion New Growth Fund I  |
|   | Mirae Asset E-mart New Growth Fund I   |
|   | Mirae Asset Partners PEF 4th   |
|   | Mirae Asset Daewoo Special Purpose Acquisition 5 Co., Ltd.                                     |
|   | Mirae Asset Dream 1st SPAC   |
|   | Mirae Asset Vision 1st SPAC  |
|   | Mirae Asset Vision 2nd SPAC  |
|   | Mirae Asset Vision 3rd SPAC  |
|   | Nextrade Co., Ltd  |
|   | SKS Mirae Assets Corporate Recovery Private Equity Fund(*5)                                    |
|   | Mirae Asset Naver Asia Growth PEF  |
|   | Daejo PFV Co., Ltd.  |
|   | Suwon Galleria SIA Complex Development PFV   |
|   | Godeok Gangil 10 PFV Co., Ltd  |
|   | Moonjung Station Maestro Project Financing Vehicle Co. Ltd.                                    |
|   | Mirae Asset Curious Corporate Recovery Private Equity Fund                                     |
|   | Mirae Asset WE Semiconductor Startup Venture Specialized PEF 1                                 |
|   | Sili Logistics PFV Co., Ltd  |
|   | MTV Bandalseom C1 Development PFV Co., Ltd   |
|   | Wirye Active Senior House Co. Ltd  |
|   | KJ Logis Co., Ltd.   |
|   | Seolleung Maestro Station Influence Area Public Housing Project Financial Investment Co., Ltd. |
|   | Wirye Medical Complex PFV Co., Ltd   |
|   | Vital Fore Asset Management Co., Ltd   |
|   | Amnam Distribution Logistics Development Co., Ltd.   |
|   | Wolsong City Development Co., Ltd  |
|   | Hanmi Global IDC Co., Ltd  |
| Tera Power Co., Ltd                       |  |
| AIP Anseong Co., Ltd                      |  |
| Cheongna Smart City Co., Ltd              |  |
| Yongin Deokseong Data Center PFV Co., Ltd |  |



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| Type  | Name of the related parties  |
|---|--|
| Associates  | Value Ocean Co., Ltd   |
|   | Dream Island Leisure Co., Ltd  |
|   | Mirae Asset Securities Korea 3rd Private Investment Fund   |
|   | Godeok Urban Bridge PFV Co., Ltd   |
|   | Eco 2022 Private Investment Fund   |
|   | All Together Korea Investment Private Investment Pool Professional Private Investment Trust 10th |
|   | Mirae Asset Contents Panda iMBC Contents Investment Fund(*5)                                     |
|   | Mirae Asset Next Revolution Investment Fund(*5)  |
|   | Mirae Asset Next Revolution Investment Fund II(*5)   |
|   | Mirae Asset Global Unicorn Venture Investment Fund III (*5)                                      |
|   | Mirae Asset Global Unicorn Venture Investment Fund V (*5)  |
|   | SMC RMB Investors II Limited   |
|   | Transwestern Corporate Properties I LLC(*2)  |
|   | Traphaco Joint Stock Company(*3)   |
|   | Nabou Green Energy Limited(*4)   |
|   | Asia Cinema Group Ltd.   |
| Mirae Asset Venture Investments (India) Private Limited(*6) |  |
| Other related parties                                       | Mirae Asset Capital Co., Ltd.  |
|   | Mirae Asset Global Investment Co., Ltd.  |
|   | Mirae Asset Consulting Co., Ltd, and member firm in a Large Business Group                       |

(\*1) Pantos Logistics Co., Ltd. is an associate of Mirae Asset Securities Korea II Private Equity Fund.

(\*2) Transwestern Corporate Properties I LLC is an associate of MAPS US Professional Investment Private Real Estate Investment Trust 9-1.

(\*3) Traphaco Joint Stock Company is an associate to which MAGBI Fund Ltd and Super Delta Pte. Ltd. jointly invested.

(\*4) Nabou Green Energy Limited is an associate to which the Company and Renewable PG Limited Liability Company, the subsidiary, jointly invested.

(\*5) Associate of Mirae Asset Venture Investment.

(\*6) Associate of Mirae Asset Capital Markets (India) Private Limited.

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## (2) Significant assets and liabilities from transactions with related parties as of December 31, 2022 and 2021 are as follows:

|  | 2022        |            |        |            |         |
|--|-------------|------------|--------|------------|---------|
|  | Receivables |            |        | Payables   |         |
|  | Loans(*)    | Guarantees | Others | Debentures | Others  |
| Associates   |             |            |        |            |         |
| Mirae Asset Life Insurance Co., Ltd.                         | ₩ -         | -          | -      | 50,054     | 25,061  |
| Daejo PFV Co., Ltd.  | -           | -          | 14,604 | -          | 2       |
| Suwon Galleria Station Area Complex Development PFV Co., Ltd | 6,307       | -          | -      | -          | -       |
| Moonjung Station Maestro Project Financing Vehicle Co. Ltd.  | -           | -          | 6,399  | -          | -       |
| Asia Cinema Group Ltd.                                       | 15,583      | -          | 24     | -          | -       |
| Others   | 29,419      | -          | 18,120 | -          | 1,708   |
| Other related parties  |             |            |        |            |         |
| Mirae Asset Capital Co., Ltd.,                               | -           | -          | -      | -          | 207,646 |
| Mirae Asset Global Investment Co., Ltd.                      | -           | -          | -      | -          | 95,878  |
| Others   | 70,961      | 34,225     | 2,346  | -          | 68,801  |
|  | ₩ 122,270   | 34,225     | 41,493 | 50,054     | 399,096 |

|  | 2021        |            |        |            |         |
|--|-------------|------------|--------|------------|---------|
|  | Receivables |            |        | Payables   |         |
|  | Loans(*)    | Guarantees | Others | Debentures | Others  |
| Associates   |             |            |        |            |         |
| Mirae Asset Life Insurance Co., Ltd.                         | ₩ -         | -          | -      | 391,564    | 184,136 |
| Daejo PFV Co., Ltd.  | -           | -          | 9,503  | -          | 164     |
| Suwon Galleria Station Area Complex Development PFV Co., Ltd | 6,426       | -          | -      | -          | 3       |
| Moonjung Station Maestro Project Financing Vehicle Co. Ltd.  | -           | -          | 5,898  | -          | -       |
| Asia Cinema Group Ltd.                                       | 14,687      | -          | 18     | -          | 87      |
| Others   | 20,692      | -          | 4,933  | -          | 12,068  |
| Other related parties  |             |            |        |            |         |
| Mirae Asset Capital Co., Ltd.,                               | -           | -          | -      | 50,233     | 193,247 |
| Mirae Asset Global Investment Co., Ltd.                      | -           | -          | -      | -          | 109,286 |
| Others   | -           | 17,737     | 10,198 | -          | 49,671  |
|  | ₩ 41,805    | 17,737     | 30,550 | 441,797    | 548,662 |

(\*) Loans, etc. are the amount after deducting the credit loss allowance. The amount of bad debt allowances is set at ₩ 1,348 million for the year ended December 31, 2022. The amount of bad debt allowances is set at ₩ 641 million for the year ended December 31, 2021. The amount of recognised impairment cost is ₩ 706 million for the year ended December 31, 2022 and ₩ 198 million for the year ended December 31, 2021.

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### (3) Significant transactions with related parties for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022               |             |        |   |             |        |
|--|--------------------|-------------|--------|---|-------------|--------|
|  | Profit transaction |             |        | Loss transaction                        |             |        |
|  | Dividends          | Commissions | Others | Selling and administrative expense, etc | Commissions | Others |
| Associates   |                    |             |        |   |             |        |
| Mirae Asset Life Insurance Co., Ltd.(*1)                     | ₩ 3,897            | 206         | 9,038  | 45                                      | 289         | 7,331  |
| Daejo PFV Co., Ltd.  | -                  | 1,353       | 666    | -                                       | -           | -      |
| Suwon Galleria Station Area Complex Development PFV Co., Ltd | -                  | 147         | 316    | -                                       | -           | 26     |
| Moonjung Station Maestro Project Financing Vehicle Co. Ltd.  | -                  | -           | 500    | -                                       | -           | -      |
| Asia Cinema Group Ltd.                                       | -                  | 41          | 961    | -                                       | -           | 50     |
| Others   | 35,435             | 16,868      | 1,174  | -                                       | 12          | 421    |
| Other related parties  |                    |             |        |   |             |        |
| Mirae Asset Capital Co., Ltd                                 | -                  | 161         | 14,939 | -                                       | 9,114       | 16,459 |
| Mirae Asset Global Investment Co., Ltd.                      | -                  | 211         | 7,059  | 4,174                                   | 18,597      | 2,241  |
| Others(*2)   | 8,973              | 4,620       | 4,818  | 33,995                                  | 11,025      | 5,016  |
|  | ₩ 48,305           | 23,607      | 39,471 | 38,214                                  | 39,037      | 31,544 |

Notes to the Consolidated Financial Statements

|  | 2021               |             |        |   |             |        |
|--|--------------------|-------------|--------|---|-------------|--------|
|  | Profit transaction |             |        | Loss transaction                        |             |        |
|  | Dividends          | Commissions | Others | Selling and administrative expense, etc | Commissions | Others |
| Associates   |                    |             |        |   |             |        |
| Mirae Asset Life Insurance Co., Ltd.(*1)                     | ₩ 3,897            | 264         | 4,430  | -                                       | 293         | 32,545 |
| Daejo PFV Co., Ltd.  | -                  | 100         | 397    | -                                       | -           | -      |
| Suwon Galleria Station Area Complex Development PFV Co., Ltd | -                  | 577         | 252    | -                                       | -           | -      |
| Moonjung Station Maestro Project Financing Vehicle Co. Ltd.  | -                  | 570         | 500    | -                                       | -           | -      |
| Asia Cinema Group Ltd.                                       | -                  | 44          | 1,033  | -                                       | -           | -      |
| Others   | 22,036             | 11,581      | 658    | -                                       | 2           | 65     |
| Other related parties  |                    |             |        |   |             |        |
| Mirae Asset Capital Co., Ltd                                 | -                  | 138         | 6,654  | -                                       | 2           | 29,052 |
| Mirae Asset Global Investment Co., Ltd.                      | -                  | 186         | 752    | 6,939                                   | 22,188      | 7,308  |
| Others(*2)   | 10,712             | 2,604       | 1,829  | 38,825                                  | 14,868      | 1,683  |
|  | ₩ 36,645           | 16,064      | 16,505 | 45,764                                  | 37,353      | 70,653 |

(\*1) The amount of transaction purchased of financial instruments including bonds for the year ended December 31, 2021 is ₩ 19,050 million and the amount of transaction sold is ₩ 23,219 million.

(\*2) The amounts of lease liability repayment for the years ended December 31, 2022 and 2021 are ₩ 18,198 million and ₩ 15,341 million.

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## (4) Significant borrowing transactions with related parties for the years ended December 31, 2022 and 2021 are as follows:

|                                     | 2022             |          |                  |                |
|-------------------------------------|------------------|----------|------------------|----------------|
|                                     | Beginning        | Increase | Decrease         | Ending         |
| Associates                          |                  |          |                  |                |
| Mirae Asset Life Insurance Co., Ltd | ₩ 390,000        | -        | (340,000)        | 50,000         |
| Others relate parties               |                  |          |                  |                |
| Mirae Asset Capital Co., Ltd        | 100,000          | -        | (100,000)        | -              |
|                                     | <b>₩ 490,000</b> | <b>-</b> | <b>(440,000)</b> | <b>50,000</b>  |
|                                     | 2021             |          |                  |                |
|                                     | Beginning        | Increase | Decrease         | Ending         |
| Associates                          |                  |          |                  |                |
| Mirae Asset Life Insurance Co., Ltd | ₩ 390,000        | -        | -                | 390,000        |
| Others relate parties               |                  |          |                  |                |
| Mirae Asset Capital Co., Ltd        | 100,000          | -        | -                | 100,000        |
|                                     | <b>₩ 490,000</b> | <b>-</b> | <b>-</b>         | <b>490,000</b> |

(\*1) Transactions under agreement such as CMA, MMW and etc. are excluded.

(\*2) Discount on debentures is excluded.

## (5) Significant loan transactions with related parties for the years ended December 31, 2022 and 2021 are as follows:

|  |                 | 2022            |                |                 |                 |                |
|--|-----------------|-----------------|----------------|-----------------|-----------------|----------------|
|  |                 | Beginning       | Increase       | Decrease        | Others          | Ending         |
| Associates   |                 |                 |                |                 |                 |                |
| Mirae Asset Daewoo 3rd SPAC(*1)                              | Corporate bonds | ₩ 1,192         | -              | -               | (1,192)         | -              |
| Mirae Asset Daewoo 5th SPAC                                  | Corporate bonds | 1,000           | -              | -               | -               | 1,000          |
| Mirae Asset Vision 1st SPAC                                  | Corporate bonds | 1,490           | -              | -               | -               | 1,490          |
| Mirae Asset Dream Special Purpose Acquisition 1 Company      | Corporate bonds | -               | 5,900          | -               | -               | 5,900          |
| Mirae Asset Vision Special Purpose Acquisition 2 Company     | Corporate bonds | -               | 1,390          | -               | -               | 1,390          |
| Mirae Asset Vision Special Purpose Acquisition 3 Company     | Corporate bonds | -               | 1,419          | -               | -               | 1,419          |
| KJ Logis Co., Ltd.   | Loans           | 1,998           | -              | -               | -               | 1,998          |
| Amnam Distribution Logistics Development Co., Ltd.           | Loans           | 955             | -              | -               | -               | 955            |
| Daejo PFV Co., Ltd.  | Corporate bonds | 9,500           | 5,100          | -               | -               | 14,600         |
| Suwon Galleria Station Area Complex Development PFV Co., Ltd | Loans           | 6,450           | -              | -               | -               | 6,450          |
| Moonjung Station Maestro Project Financing Vehicle Co. Ltd   | Corporate bonds | 5,001           | -              | -               | -               | 5,001          |
| MTV Bandalseom C1 Development PFV Co., Ltd                   | Loans           | 1,733           | -              | (1,300)         | -               | 433            |
| Asia Cinema Group Ltd.                                       | Loans           | 15,243          | 2,984          | (2,015)         | -               | 16,212         |
| Wolsong City Development Co., Ltd                            | Loans           | 499             | -              | -               | -               | 499            |
| Hanmi Global IDC Co., Ltd                                    | Corporate bonds | 798             | -              | (798)           | -               | -              |
| AIP Anseong Co., Ltd   | Loans           | 2,997           | -              | -               | -               | 2,997          |
| Nabou Green Energy Limited                                   | Loans           | 30,800          | -              | -               | -               | 30,800         |
| Wirye Medical Complex PFV Co., Ltd                           | Loans           | -               | 10,600         | -               | -               | 10,600         |
| Yongin Deokseong Data Center PFV Co., Ltd                    | Corporate bonds | -               | 2,500          | -               | -               | 2,500          |
| Value Ocean Co., Ltd   | Loans           | -               | 2,995          | -               | -               | 2,995          |
| Others   |                 |                 |                |                 |                 |                |
| MQ Growth Partner Limited(*2)                                | Loans           | -               | -              | (29,990)        | 29,990          | -              |
| Eco Energy Holding Limited(*2)                               | Loans           | -               | 153,000        | -               | (80,000)        | 73,000         |
|  |                 | <b>₩ 79,656</b> | <b>185,888</b> | <b>(34,103)</b> | <b>(51,202)</b> | <b>180,239</b> |

(\*1) It was excluded from associates for the year ended December 31, 2022.

(\*2) It was transferred to a third party for the year ended December 31, 2022.

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

|  |                 | 2021      |          |          |         |        |
|--|-----------------|-----------|----------|----------|---------|--------|
|  |                 | Beginning | Increase | Decrease | Others  | Ending |
| Associates   |                 |           |          |          |         |        |
| Mirae Asset Daewoo 3rd SPAC                                  | Corporate bonds | ₩ 1,192   | -        | -        | -       | 1,192  |
| Mirae Asset Daewoo 4th SPAC(*1)                              | Corporate bonds | 1,085     | -        | -        | (1,085) | -      |
| Mirae Asset Daewoo 5th SPAC                                  | Corporate bonds | 1,000     | -        | -        | -       | 1,000  |
| Mirae Asset Vision 1st SPAC                                  | Corporate bonds | -         | 1,490    | -        | -       | 1,490  |
| KJ Logis Co., Ltd.   | Loans           | 1,998     | -        | -        | -       | 1,998  |
| Amnam Distribution Logistics Development Co., Ltd.           | Loans           | 955       | -        | -        | -       | 955    |
| Daejo PFV Co., Ltd.  | Corporate bonds | 6,600     | 2,900    | -        | -       | 9,500  |
| Suwon Galleria Station Area Complex Development PFV Co., Ltd | Loans           | 6,450     | 6,450    | (6,450)  | -       | 6,450  |
| Moonjung Station Maestro Project Financing Vehicle Co. Ltd   | Corporate bonds | 5,001     | -        | -        | -       | 5,001  |
| MTV Bandalseom C1 Development PFV Co., Ltd                   | Loans           | 2,166     | -        | (433)    | -       | 1,733  |
| Cheongdam Complex PFV Co., Ltd                               | Loans           | -         | 4,000    | (4,000)  | -       | -      |
| Asia Cinema Group Ltd.                                       | Loans           | 14,089    | 2,907    | (1,753)  | -       | 15,243 |
| Wolsong City Development Co., Ltd                            | Loans           | -         | 499      | -        | -       | 499    |
| Hanmi Global IDC Co., Ltd (*2)                               | Corporate bonds | -         | 998      | -        | (200)   | 798    |
| AIP Anseong Co., Ltd   | Loans           | -         | 2,997    | -        | -       | 2,997  |
| Nabou Green Energy Limited                                   | Loans           | 30,800    | -        | -        | -       | 30,800 |
|  |                 | ₩ 71,336  | 22,241   | (12,636) | (1,285) | 79,656 |

(\*1) It was excluded from associates for the year ended December 31, 2021.

(\*2) It was transferred to a third party for the year ended December 31, 2021.

## (6) Financial transactions with other related parties for the years ended are December 31, 2022 and 2021 as follows:

| Type         | Name of the related parties  | 2022              |                  |
|--------------|--|-------------------|------------------|
|              |  | Cash Outflows(*1) | Cash Inflows(*2) |
| Associates   | Mirae Asset–Celltrion New Growth Fund I  | ₩ 3,600           | 7,650            |
|              | Mirae Asset Naver Asia Growth PEF  | 39,042            | 142,612          |
|              | Mirae Asset Curious Corporate Recovery Private Equity Fund                                       | 5,628             | 7,065            |
|              | Mirae Asset Dream Special Purpose Acquisition 1 Company  | 100               | -                |
|              | Mirae Asset Vision Special Purpose Acquisition 2 Company   | 10                | -                |
|              | Mirae Asset Vision Special Purpose Acquisition 3 Company   | 14                | -                |
|              | Nextrade Co., Ltd  | 9,700             | -                |
|              | All Together Korea Investment Private Investment Pool Professional Private Investment Trust 10th | 34                | -                |
|              | Mirae Asset Global Unicorn Venture Investment Fund III   | 2,800             | -                |
|              | Mirae Asset Global Unicorn Venture Investment Fund V   | 1,000             | -                |
|              | Mirae Asset Flux Fintech Innovative Investment Fund  | 775               | -                |
|              | Mirae Asset WE Semiconductor Startup Venture Specialized PEF 1                                   | 5,130             | -                |
|              | Value Ocean Co., Ltd   | 5                 | -                |
|              | Dream Island Leisure Co., Ltd  | 250               | -                |
|              | Cheongna Smart City Co., Ltd   | 11,050            | -                |
|              | Yongin Deokseong Data Center PFV Co., Ltd  | 500               | -                |
|              | Mirae Asset Securities Korea 3rd Private Investment Fund   | 3,000             | -                |
|              | Godeok Urban Bridge PFV Co., Ltd   | 1,500             | -                |
|              | Eco 2022 Private Investment Fund   | 100               | -                |
|              | Mirae Asset E-mart New Growth Fund I   | 8,200             | -                |
|              | Mirae Asset–GS Retail New Growth Fund I  | -                 | 1,538            |
|              | Mirae Asset–NAVER New Growth Fund I  | -                 | 645              |
|              | Mirae Asset Life Insurance Co., Ltd  | 160,664           | -                |
| <b>Total</b> | <b>253,102</b>   | <b>159,510</b>    |                  |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

| 2022                  |   |                   |                  |
|-----------------------|---|-------------------|------------------|
| Type                  | Name of the related parties   | Cash Outflows(*1) | Cash Inflows(*2) |
| Other Related Parties | Mirae Asset MAPS Frontier Private Real Estate Investment Trust 18th | 123,977           | -                |
|                       | Mirae Asset Partners PEF 9th  | -                 | 6,684            |
|                       | Mirae Asset Global Investment Co., Ltd.                             | 66,547            | 62,899           |
|                       | Mirae Asset Capital Co., Ltd.                                       | 37,085            | 89,489           |
|                       | Mirae Asset Consulting Co., Ltd.                                    | 216               | 3,315            |
|                       | Mirae Asset Ventures I LLC  | -                 | 61               |
|                       | Mirae Asset Ventures II LLC   | -                 | 746              |
|                       | <b>Total</b>  |                   | <b>227,825</b>   |
| <b>Grand Total</b>    |   | <b>₩ 480,927</b>  | <b>322,704</b>   |

(\*1) It includes the amount the Group invested in the related parties and the amount of non-controlling liabilities repaid.

(\*2) It includes the amount invested by the related parties to the Group and the amount of non-controlling liabilities borrowed.

Notes to the Consolidated Financial Statements

| 2021                  |  |                   |                  |
|-----------------------|--|-------------------|------------------|
| Type                  | Name of the related parties  | Cash Outflows(*1) | Cash Inflows(*2) |
| Associates            | Mirae Asset-GS Retail New Growth Fund I  | ₩ 10,000          | -                |
|                       | Mirae Asset-Celltrion New Growth Fund I  | 16,875            | 9,900            |
|                       | Hancom-Miraeasset 4IR Fund   | -                 | 3,848            |
|                       | New Growth Engine Green Future PEF   | -                 | 116              |
|                       | Mirae Asset Naver Asia Growth PEF  | 125,420           | -                |
|                       | Mirae Asset Curious Corporate Recovery Private Equity Fund                                       | 7,916             | -                |
|                       | 2019 PCC New Technology Fund   | -                 | 1,000            |
|                       | All Together Korea Investment Private Investment Pool Professional Private Investment Trust 10th | 17                | -                |
|                       | Wolsong City Development Co., Ltd  | 1                 | -                |
|                       | Hanmi Global IDC Co., Ltd  | 2                 | -                |
|                       | Tera Power Co., Ltd  | 600               | -                |
|                       | AIP Anseong Co., Ltd   | 2                 | -                |
|                       | Wirye Medical Complex PFV Co., Ltd   | 850               | -                |
|                       | Mirae Asset Vision Special Purpose Acquisition 1 Company   | 10                | -                |
|                       | Cheongdam Complex PFV Co., Ltd   | -                 | 915              |
|                       | Vital Fore Asset Management Co., Ltd   | 85                | -                |
|                       | Mirae Asset WE Semiconductor Startup Venture Specialized PEF 1                                   | 1,900             | -                |
|                       | Sili Logistics PFV Co., Ltd  | 250               | -                |
|                       | Mirae Asset Life Insurance Co., Ltd  | -                 | 12,590           |
|                       | <b>Total</b>   |                   | <b>163,928</b>   |
| Other Related Parties | Mirae Asset Global ETFs Holdings Limited   | -                 | 63,661           |
|                       | Global X Management Company Inc  | -                 | 160,674          |
|                       | Mirae Asset Global Investment Co., Ltd.  | 4,910             | 14,741           |
|                       | Mirae Asset Capital Co., Ltd.  | 11,509            | 64,278           |
|                       | Mirae Asset Consulting Co., Ltd.   | -                 | 5,869            |
|                       | Mirae Asset Ventures I LLC   | -                 | 1,588            |
|                       | Mirae Asset Ventures II LLC  | -                 | 3,559            |
|                       | Mirae Asset Growth 10 Investment Company Limited   | -                 | 3,726            |
| <b>Total</b>          |  | <b>16,419</b>     | <b>318,096</b>   |
| <b>Grand Total</b>    |  | <b>₩ 180,347</b>  | <b>346,465</b>   |

(\*1) It includes the amount the Group invested in the related parties and the amount of non-controlling liabilities repaid.

(\*2) It includes the amount invested by the related parties to the Group and the amount of non-controlling liabilities borrowed.



# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

(7) The Group has not recognized any payment guarantee contracts(including purchase commitment) with other related parties as of December 31, 2022 and 2021.

(8) Investment agreements entered with other related parties for the years ended are December 31, 2022 and 2021 as follows:

| 2022                  |   |                  |                |          |
|-----------------------|---|------------------|----------------|----------|
| Type                  | Name of the related parties   | Cost             | Revenue        |          |
| Associates            | Mirae Asset-Celltrion New Growth Fund I                             | ₩ 2,025          | -              | -        |
|                       | Mirae Asset E-mart New Growth Fund I                                | 32,800           | -              | -        |
|                       | Mirae Asset Naver Asia Growth PEF                                   | -                | -              | -        |
|                       | Mirae Asset Curious Corporate Recovery Private Equity Fund          | 5,656            | -              | -        |
|                       | All Together Korea Investment Private Investment Pool               | 534,600          | -              | -        |
|                       | Professional Private Investment Trust 10th                          | -                | -              | -        |
|                       | Mirae Asset WE Semiconductor Startup Venture Specialized PEF 1      | 11,970           | -              | -        |
|                       | Tera Power Co., Ltd   | 2,399            | -              | -        |
|                       | Mirae Asset Flux Fintech Innovative Investment Fund                 | 2,325            | -              | -        |
|                       | Daejo PFV Co., Ltd  | 400              | -              | -        |
|                       | KJ Logis Co., Ltd.  | 4,000            | -              | -        |
|                       | Suwon Galleria Station Area Complex Development PFV Co., Ltd        | 980              | -              | -        |
|                       | Wirye Medical Complex PFV Co., Ltd                                  | 4,400            | -              | -        |
|                       | Asia Cinema Group Ltd.  | 5,069            | -              | -        |
|                       | <b>Total</b>  |                  | <b>606,624</b> | <b>-</b> |
| Other Related Parties | Mirae Asset MAPS Frontier Private Real Estate Investment Trust 27th | 11,759           | -              | -        |
|                       | Mirae Asset Global Investment Co., Ltd.                             | -                | 5,281          | -        |
|                       | Mirae Asset Capital Co., Ltd.                                       | -                | 19,682         | -        |
|                       | Mirae Asset Consulting Co., Ltd.                                    | -                | 277            | -        |
|                       | Mirae Asset Ventures I LLC  | -                | 305            | -        |
|                       | Mirae Asset Ventures II LLC   | -                | 4              | -        |
| <b>Total</b>          |   | <b>11,759</b>    | <b>25,549</b>  | <b>-</b> |
| <b>Grand Total</b>    |   | <b>₩ 618,383</b> | <b>25,549</b>  | <b>-</b> |

| 2021                  |  |                  |               |               |
|-----------------------|--|------------------|---------------|---------------|
| Type                  | Name of the related parties                                    | Cost             | Revenue       |               |
| Associates            | Mirae Asset-Celltrion New Growth Fund I                        | ₩ 5,625          | -             | -             |
|                       | Mirae Asset Naver Asia Growth PEF                              | 48,699           | -             | -             |
|                       | Mirae Asset Curious Corporate Recovery Private Equity Fund     | 11,284           | -             | -             |
|                       | All Together Korea Investment Private Investment Pool          | 534,600          | -             | -             |
|                       | Professional Private Investment Trust 10th                     | -                | -             | -             |
|                       | Mirae Asset WE Semiconductor Startup Venture Specialized PEF 1 | 17,100           | -             | -             |
|                       | Tera Power Co., Ltd  | 2,400            | -             | -             |
|                       | KJ Logis Co., Ltd.   | 4,000            | -             | -             |
|                       | Suwon Galleria Station Area Complex Development PFV Co., Ltd   | 1,890            | -             | -             |
|                       | Asia Cinema Group Ltd.   | 4,742            | -             | -             |
| <b>Total</b>          |  | <b>630,340</b>   | <b>-</b>      | <b>-</b>      |
| Other Related Parties | Mirae Asset Capital Co., Ltd.                                  | -                | -             | 18,534        |
|                       | Mirae Asset Consulting Co., Ltd.                               | -                | -             | 1,200         |
|                       | Mirae Asset Ventures I LLC                                     | -                | -             | 359           |
|                       | Mirae Asset Ventures II LLC                                    | -                | -             | 3             |
| <b>Total</b>          |  | <b>-</b>         | <b>-</b>      | <b>20,096</b> |
| <b>Grand Total</b>    |  | <b>₩ 630,340</b> | <b>20,096</b> | <b>-</b>      |

Notes to the Consolidated Financial Statements

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

(9) Collateral pledged or received with related parties for the years ended are December 31, 2022 and 2021 as follows:

| Type                  | Name of the related parties        | 2022               |                     | 2021               |                     | Notes   |
|-----------------------|------------------------------------|--------------------|---------------------|--------------------|---------------------|---|
|                       |                                    | Collateral Pledged | Collateral Received | Collateral Pledged | Collateral Received |   |
| Associates            | Asia Cinema Group Ltd.             | ₩ -                | 27,650              | ₩ -                | 28,085              | Evaluated amount  |
|                       | Nabou Green Energy Limited         | -                  | 9,796               | -                  | 11,791              | Amount excluding the senior collateral value among the evaluated collateral |
|                       | Wirye Medical Complex PFV Co., Ltd | -                  | 8,732               | -                  | -                   | Evaluated amount  |
|                       |                                    | -                  | 1,868               | -                  | -                   | Joint and several guarantee   |
|                       | <b>Total</b>                       | <b>-</b>           | <b>48,046</b>       | <b>-</b>           | <b>39,876</b>       |   |
| Other Related Parties | YK Development Co., Ltd.           | -                  | -                   | -                  | 39,600              | Collateral amount   |
|                       | Eco Energy Holding Limited         | -                  | 141,427             | -                  | -                   | Seniority excluded from collateral valuation                                |
|                       | <b>Total</b>                       | <b>141,427</b>     | <b>-</b>            | <b>39,600</b>      |                     |   |
|                       | <b>Grand Total</b>                 | <b>₩ -</b>         | <b>189,473</b>      | <b>₩ -</b>         | <b>79,476</b>       |   |

(11) The Group has entered into the discretionary investment service agreement for the Group's Wrap Account with Mirae Asset Global Investment Co., Ltd., a related party.

|   | 2022      | 2021    |
|---|-----------|---------|
| Wrap Account                            |           |         |
| Outstanding balance of the Wrap Account | ₩ 312,530 | 385,124 |
| Wrap Account                            |           |         |
| Operating expenses                      | (2,264)   | (3,336) |

(12) Compensations for key management, which consists of officers and chief managers who have important duties and responsibilities over the planning, operating and control, for the years ended December 31, 2022 and 2021 are as follows:

|                     | 2022            | 2021          |
|---------------------|-----------------|---------------|
| Salaries            | ₩ 18,574        | 13,306        |
| Retirement benefits | 1,751           | 1,598         |
| Share-based Payment | 619             | 18,995        |
| Others              | 1,174           | 840           |
|                     | <b>₩ 22,118</b> | <b>34,739</b> |

Notes to the Consolidated Financial Statements

(10) Dividends paid by the Group to related parties for the years ended December 31, 2022 and 2021 are as follows:

|   | 2022   | 2021            |
|---|--|-----------------|
| Associates                              |  |                 |
| Mirae Asset Life Insurance Co., Ltd     | Investment in partnerships and others<br>₩ 251                   | -               |
| Other related parties                   |  |                 |
| Mirae Asset Capital Co., Ltd.           | Stocks<br>Investment in partnerships and others<br>49,902<br>540 | 32,152<br>4,294 |
| Mirae Asset Global Investment Co., Ltd. | Investment in partnerships and others<br>428                     | -               |
|   | <b>₩ 51,121</b>  | <b>36,446</b>   |

# Notes to the Consolidated Financial Statements

December 31, 2022 and 2021

## 50. Interests in unconsolidated structured entities

### (1) Characteristics and scope of the interests in unconsolidated structured entities

| Characteristics       | Purpose   | Main business   | Financing method   | Total Asset  |            |
|-----------------------|---|---|--|--------------|------------|
|                       |   |   |  | 2022         | 2021       |
| SPC                   | Liquidity improvements for the asset holder through early liquidation of assets | <ul style="list-style-type: none"> <li>- Execution of asset-backed plans</li> <li>- Transfer and collect liquidated assets</li> <li>- Issuance and redemption of ABS</li> </ul> | Issuance of ABS  | ₩ 25,285,025 | 25,218,810 |
| Project financing SPC | SOC, investing and financing for real estate development                        | - SOC for construction and real estate development  | Investor investments and borrowing from financial institutions   | 36,240,264   | 37,696,398 |
| Investment fund (*)   | Generate revenue from investment in financial and non-financial instruments     | <ul style="list-style-type: none"> <li>- Managing and operating fund assets</li> <li>- Paying management and other fee, and distribution of operating revenue</li> </ul>        | <ul style="list-style-type: none"> <li>- Sales of beneficiary certificates</li> <li>- General Partner and Limited Partner investments</li> </ul> | 63,192,743   | 57,852,299 |

(\*) Beneficiary of certificate, PEF, etc. are included, and the total asset of ETFs above table is presented in its carrying amount.

### (2) Carrying amounts and maximum exposure to loss of the interests related to unconsolidated structured entities as of December 31, 2022 and 2021 are as follows:

|  | 2022               |                  |                   |                   |
|--|--------------------|------------------|-------------------|-------------------|
|  | SPC                | Financing SPC    | Investment fund   | Total             |
| <b>Assets</b>  |                    |                  |                   |                   |
| Financial assets measured at fair value through profit or loss             | ₩ 1,884,821        | 272,217          | 8,048,874         | 10,205,912        |
| Financial assets measured at fair value through other comprehensive income | 827,784            | -                | -                 | 827,784           |
| Associates   | -                  | 28,758           | 818,890           | 847,648           |
| Loans  | 65,469             | 1,372,709        | 124,619           | 1,562,797         |
| Others   | 7,033              | 16,417           | 1,641             | 25,091            |
| <b>Total</b>   | <b>2,785,107</b>   | <b>1,690,101</b> | <b>8,994,024</b>  | <b>13,469,232</b> |
| <b>Liabilities</b>   |                    |                  |                   |                   |
| Other Liabilities  | 68,862             | 33,289           | 113               | 102,264           |
| Purchasing commitments and guarantees                                      | 989,423            | 1,408,235        | 1,221,633         | 3,619,291         |
| <b>Maximum exposure amount of loss</b>                                     | <b>₩ 3,774,530</b> | <b>3,098,336</b> | <b>10,215,657</b> | <b>17,088,523</b> |
|  | 2021               |                  |                   |                   |
|  | SPC                | Financing SPC    | Investment fund   | Total             |
| <b>Assets</b>  |                    |                  |                   |                   |
| Financial assets measured at fair value through profit or loss             | ₩ 2,267,908        | 286,163          | 8,359,335         | 10,913,406        |
| Financial assets measured at fair value through other comprehensive income | 1,021,451          | -                | -                 | 1,021,451         |
| Associates   | -                  | 12,228           | 911,284           | 923,512           |
| Loans  | 150,020            | 1,515,902        | 7,024             | 1,672,946         |
| Others   | 5,332              | 24,653           | 12,592            | 42,577            |
| <b>Total</b>   | <b>3,444,711</b>   | <b>1,838,946</b> | <b>9,290,235</b>  | <b>14,573,892</b> |
| <b>Liabilities</b>   |                    |                  |                   |                   |
| Other Liabilities  | 3,762              | 13,937           | 83,663            | 101,362           |
| Purchasing commitments and guarantees                                      | 2,451              | 1,402,335        | 1,863,004         | 3,267,790         |
| <b>Maximum exposure amount of loss</b>                                     | <b>₩ 3,447,162</b> | <b>3,241,281</b> | <b>11,153,239</b> | <b>17,841,682</b> |

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December 31, 2022 and 2021

## 51. Supplemental cash flow information

Significant non-cash transactions for the years ended December 31, 2022 and 2021 are as follows:

|  | 2022        | 2021   |
|--|-------------|--------|
| Gains(losses) on valuation of financial assets measured at fair value through other comprehensive income | ₩ (861,616) | 56,040 |
| Reclassification of properties to investment properties  | (128)       | -      |
| Retirement of treasury stocks  | 174,020     | 82,334 |
| Changes in equity method capital   | (139,052)   | 38,554 |