Sustainable Financing Allocation & Impact Report

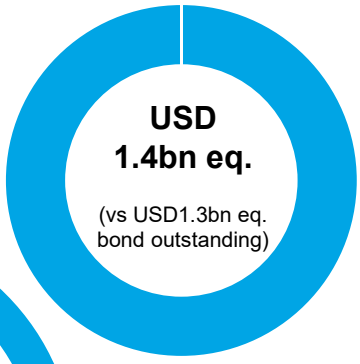
April 2026

Contents

Executive Summary

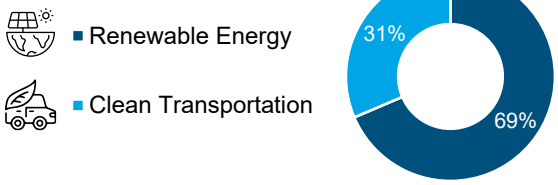
2026 Allocation and Impact Highlights

Full allocation: √

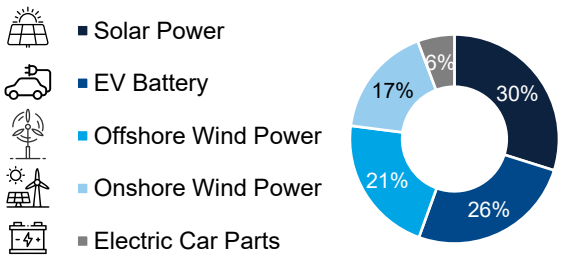


Allocation

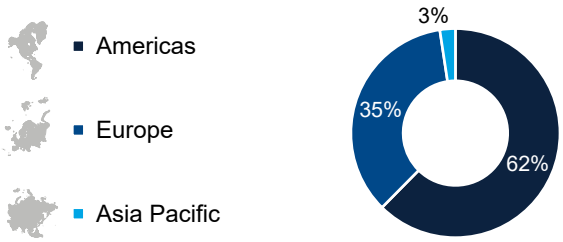
Breakdown by green category



Breakdown by green project type



Breakdown by region



Impact

(KDB's green bonds share after over-allocation adjustments)

1,286 tCO_2e / USD 1 mn

The tonnes of CO_2e avoided per year per USD 1 mn invested in KDB's outstanding green bonds

891 GWh / year

The expected total energy production per year

1,656,327

The estimated tonnes of CO_2e avoided per year

341,701

The number of electric vehicles annually manufactured

Introduction

About Korea Development Bank

Since its establishment in 1954, the Korea Development Bank (“KDB” or “the Bank”) has played a leading role in every step of Korea’s economic development as a policy finance institution. From its inception, the Bank has supported the government’s post-war recovery efforts and expanded the industrial base to lay the foundation for a self-reliant economy.

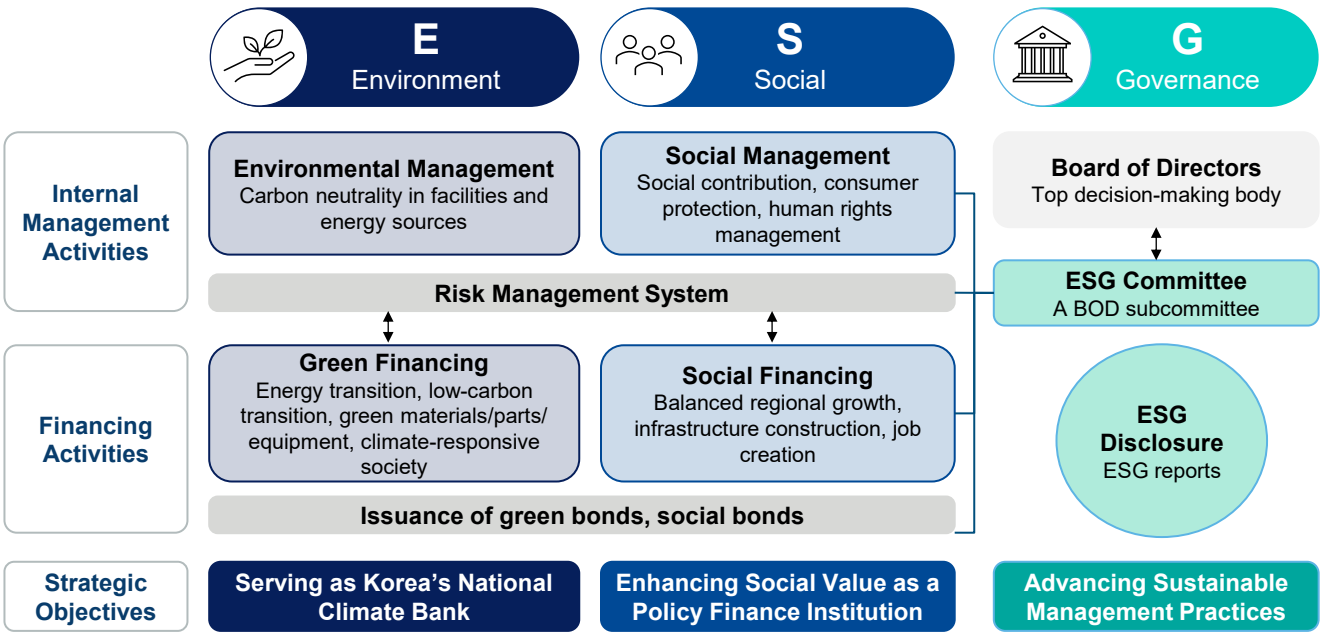
In line with the Korean government’s economic development plans, KDB has fostered major strategic industries, establishing the basis for rapid growth. Even through the two financial crises that severely shook the Korean economy right before and after the turn of the millennium, KDB assumed a leading role in acting as a safety net for the market, propping up the Korean economy as a steadfast pillar.

KDB is already at the forefront of securing future growth engines and technological sovereignty with our immense financial support for cutting-edge industries and our promotion of the venture ecosystem. Furthermore, KDB is fully prepared to provide the funding necessary for digital and green transitions, as well as fostering the materials, parts, and equipment industries in response to the revamp of the global value chain (GVC).

KDB's Sustainability Initiatives

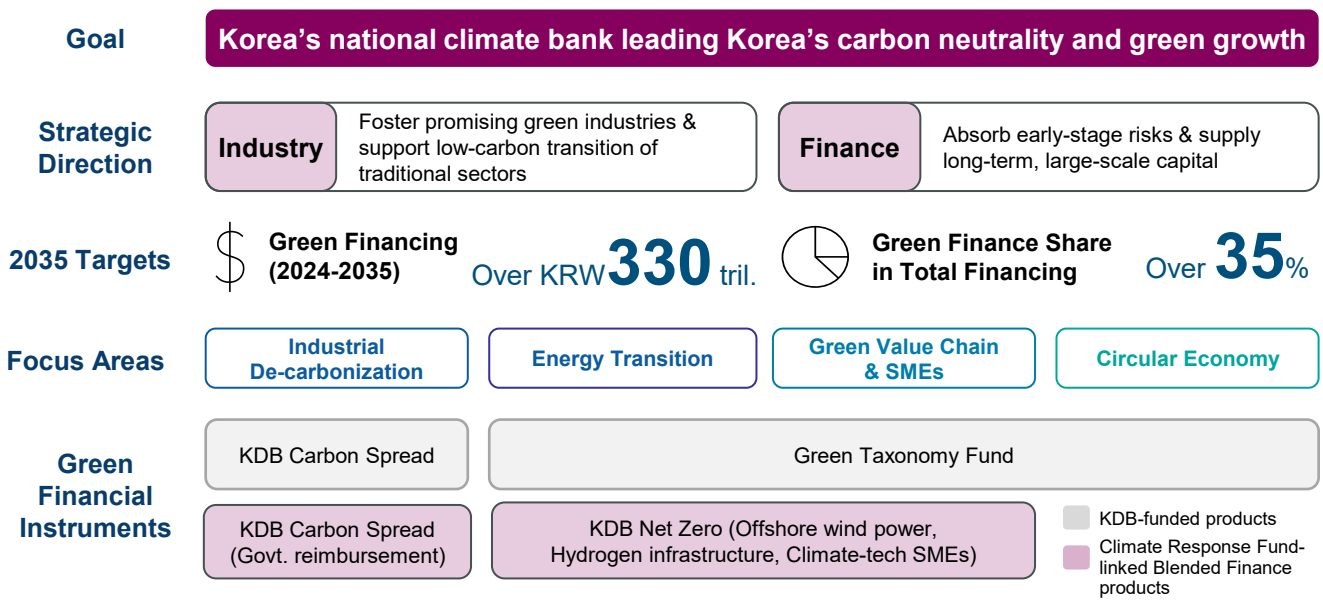
Our Sustainability Management Framework

As Korea's leading policy finance institution, KDB supports the government's carbon neutrality and green growth initiatives while upholding its social responsibility as a public institution. These commitments are implemented through the KDB Sustainable Management Framework, which integrates KDB's operational and strategic initiatives. This framework is carried out through (1) Internal Management Activities; (2) Green & Social Financing Activities; and (3) ESG Decision-Making Governance



Our Sustainability Goal: Advancing Korea's Green Finance Agenda

As Korea's National Climate Bank, KDB is driving the transition toward a carbon-neutral economy by supporting the green transformation of industries. KDB has set a target in 2026 to supply KRW 330 trillion by 2035 in green finance, accounting for over 35% of total lending.



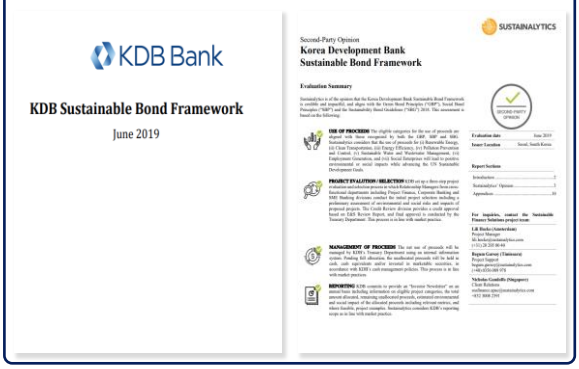
KDB's Sustainable Financing Framework

Our Updated Sustainable Financing Framework

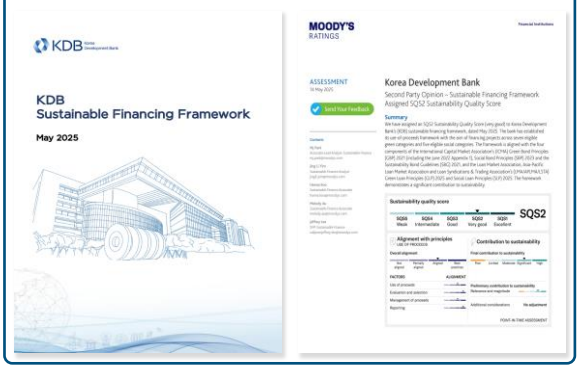
In May 2025, KDB's Use of Proceeds Framework was updated from the "KDB Sustainable Bond Framework 2019" to the "KDB Sustainable Financing Framework 2025", which governs this Allocation and Impact Report. The Framework is available here.

Moody's assigned a SQS2 (Very Good) Sustainability Quality Score to KDB's Sustainable Financing Framework, reaffirming KDB's strong alignment with international principles and KDB's commitment to making a significant contribution to sustainability.

2019 Sustainable Bond Framework & SPO



2025 Sustainable Financing Framework & SPO



ICMA International Capital Market Association

The Green Bond Principles
The Social Bond Principles
The Sustainability Bond Guidelines

Green Loan Principles
Social Loan Principles

APLMA Asia Pacific Loan Market Association
LMA Loan Market Association
LSTA ADVANCING THE CORPORATE LOAN MARKET

Use of Proceeds (2025)

Green

- Renewable Energy
- Clean Transportation
- Energy Efficiency
- Pollution Prevention and Control
- Sustainable Water and Wastewater Management
- Green Buildings
- Climate Change Adaptation

NEW

Social

- Employment Generation
- Social Enterprises
- Affordable Basic Infrastructure
- Access to Essential Services
- Socioeconomic Advancement and Empowerment

NEW

Second Party Opinion (2025)

MOODY'S

Moody's Sustainability Quality Score

SQS2
Very good

Alignment with principles
USE OF PROCEEDS

Overall alignment

Not aligned	Partially aligned	Aligned	Best practices

FACTORS	ALIGNMENT
Use of proceeds	
Evaluation and selection	
Management of proceeds	
Reporting	

Contribution to sustainability

Final contribution to sustainability

Poor	Limited	Moderate	Significant	High

Preliminary contribution to sustainability
Relevance and magnitude

Additional considerations — **No adjustment**

KDB

KDB's Green Bond Portfolio At A Glance

Outstanding Bonds & Allocation Summary

Outstanding Sustainable Bonds (as of 31st Dec 2025)

USD1.3bn equiv.[1]

9 Green Bonds

5 Currencies

USD CHF HKD AUD MXN

21 Project Finance Loans Under 5 Types of Green Projects

- Solar Power
- EV Battery
- Offshore Wind Power
- Onshore Wind Power
- Electric Car Parts

UN SDGs Supported

Outstanding Foreign-Currency Bond Details

as of December 31, 2025

No	Issue Year	Maturity	Size	Use of Proceeds	ISIN	Fully allocated
G6	2021	2031	CHF 200mn	Renewable Energy	CH1121837228	√
G7		2051	USD 20mn	Renewable Energy	XS2395577674	√
G10	2022	2032	USD 40mn	Renewable Energy	XS2458348294	√
G11		2027	CHF 225mn	Clean Transportation	CH1179184424	√
G12		2029	HKD 390mn	Renewable Energy	XS2476745430	√
G13		2029	HKD 169mn	Renewable Energy	XS2478301380	√
G14		2032	HKD 349mn	Renewable Energy	XS2496446845	√
G15		2026	MXN 3,500mn	Renewable Energy & Clean Transportation	MXCDKD000007	√
G17	2025	2028	AUD 250mn	Renewable Energy & Clean Transportation	AU3CB0322428	√
			AUD 500mn	Renewable Energy & Clean Transportation	AU3FN0099198	√
Total			**USD 1,288mn[1]**			√

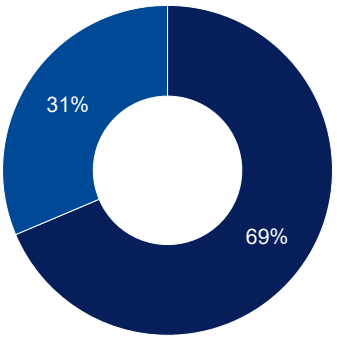
Note:
1) FX rate as of the issuance date of each bond

Allocation Breakdown

In 2025, some of the projects KDB had financed were fully or partially repaid ahead of their original maturities, and KDB proactively sought new eligible projects to replace them. In 2026, KDB will continue its efforts to source eligible projects and allocate both the repaid funds and any unused proceeds accordingly.

Portfolio Breakdown by Eligible Category

✓ 69% of proceeds are allocated to Renewable Energy

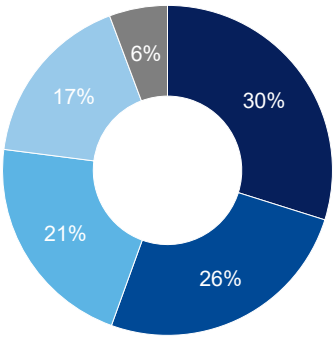


Renewable Energy

Clean Transportation

Portfolio Breakdown by Project Type

✓ 30% of proceeds are allocated to Solar Power



Solar Power

EV Battery

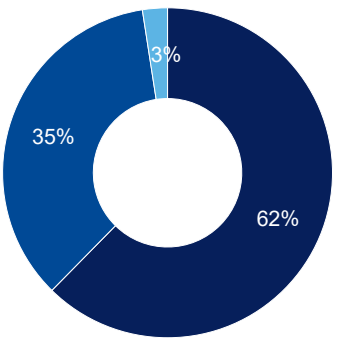
Offshore Wind Power

Onshore Wind Power

Electric Car Parts

Portfolio Breakdown by Region

✓ 62% of proceeds are allocated to Americas



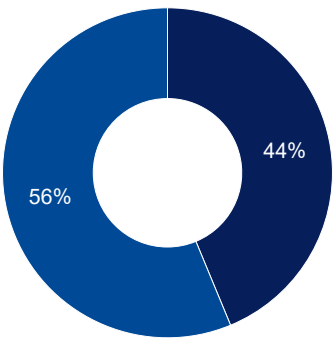
Americas

Europe

Asia Pacific

Financing vs Refinancing

✓ 44% of proceeds are allocated to New Financing



New Financing

Refinancing

Allocation Details

Total Allocation: USD 1,401.5m eq. (vs USD1,287.8m eq. bond outstanding)

A pro rata has been applied for impact calculations so that the total reported impact corresponds to 100% of the green bond proceeds.

			KDB Share (USD mn)[1]			Status of Projects	
Green Bond Series	Sector	Total Project Size (USD mn)	Total Share Size	Allocated (Disbursed Outstanding Amount)	To be Disbursed	Operation	Construction
6th Green Bond	Offshore Wind Power	7,033.2	188.5	133.7	-		
CHF 200mn	Solar Power	219.0	40.4	29.5	-		
(CH1121837228)	Onshore Wind Power	659.4	87.6	56.2	-		
	Sub Total	**7,911.5**	**316.6**	**219.3**	**-**	**51%**	**49%**
7th Green Bond	Solar Power	618.0	57.5	24.9	-		
USD 20mn							
(XS2395577674)							
	Sub Total	**618.0**	**57.5**	**24.9**	**-**	**100%**	**0%**
10th Green Bond	Solar Power	230.0	55.0	44.8	-		
USD 40mn							
(XS2458348294)							
	Sub Total	**230.0**	**55.0**	**44.8**	**-**	**100%**	**0%**
11th Green Bond	EV Battery	1,274.7	311.3	310.6	-		
CHF 225mn							
(CH1178184424)							
	Sub Total	**1,274.7**	**311.3**	**310.6**	**-**	**100%**	**0%**
12th Green Bond	Solar Power	476.0	131.0	57.6	73.0		
HKD 390mn							
(XS2476745430)							
	Sub Total	**476.0**	**131.0**	**57.6**	**73.0**	**0%**	**100%**
13th Green Bond	Onshore Wind Power	3,250.7	170.3	22.1	131.6		
HKD 169mn							
(XS2478301380)							
	Sub Total	**3,250.7**	**170.3**	**22.1**	**131.6**	**100%**	**0%**
14th Green Bond	Offshore Wind Power	2,674.1	41.1	34.3	-		
HKD 349mn	Solar Power	617.0	109.6	11.2	68.0		
(XS2496446845)							
	Sub Total	**3,291.1**	**150.7**	**45.4**	**68.0**	**75%**	**25%**
15th Green Bond	Offshore Wind Power	3,518.9	123.9	92.8	28.3		
MXN 3,500mn	EV Battery	3,500.0	350.0	49.1	301.0		
(MXCDKD000007)	Solar Power	580.0	111.0	43.3	-		
	Electric Car Parts	158.0	40.0	40.0	-		
	Sub Total	**7,756.9**	**624.9**	**225.2**	**329.3**	**37%**	**63%**
17th Green Bond	Solar Power	1,224.7	270.0	207.3	51.4		
AUD 500m+250mn	Offshore Wind Power	629.7	49.3	40.7	-		
(AU3CB0322428)	Onshore Wind Power	1,721.0	239.4	163.6	75.9		
(AU3FN0099198)	Electric Car Parts	118.0	40.0	40.0	-		
	Sub Total	**3,693.4**	**598.8**	**451.6**	**127.3**	**100%**	**0%**
	Grand Total	**28,502.4**	**2,416.1**	**1,401.5**	**729.1**		

**All figures are rounded up to the nearest number*

Note:
1) FX rate as of Dec 31, 2025

Impact Details

Impact Highlights

1,286 tCO_2e/ USD 1 mn
The tonnes of CO_2e avoided per year per USD 1 mn invested in KDB's outstanding green bonds

1.7 mn
The estimated tonnes of CO2e avoided per year (KDB's green bonds share)

891 GWh / year
The expected total energy production per year (KDB's green bonds share)

341,701
The number of electric vehicles annually manufactured (KDB's green bonds share)

tCO_2e Avoided By The Green Portfolio

The CO_2e emission equivalent avoided by using renewable energy and/or by replacing internal combustion vehicles with electric vehicles serves as an indicator of environmental impact.

Portfolio Category	Allocated (USD mn)	Estimated tCO_2e Avoided (tCO_2e/year)	Estimated tCO2e Avoided per year per USD 1 mn (tCO2e/USD 1 mn)
Renewable Energy	922	322,694	350
Clean Transportation	366	1,333,633	3,643
Total	**1,288**	**1,656,327**	**1,286**

KDB's green bonds share (after over-allocation adjustments)

1. Breakdown of tCO_2e avoided from Renewable Energies

	Total Project		KDB Green Bond Share		
Green Bond Series	Expected Energy Production (GWh/year)	Estimated tCO_2e Avoided (tCO_2e/year)	Expected Energy Production (GWh/year)	Estimated tCO_2e Avoided (tCO_2e/year)	Estimated tCO_2e Avoided per year per USD 1 mn (tCO_2e/USD 1 mn)
G6	6,350	2,158,612	211	77,595	356
G7	604	212,763	20	6,886	344
G10	385	135,459	67	23,558	589
G12	484	170,210	50	17,773	358
G13	1,007	526,504	7	3,488	162
G14	2,353	959,558	33	13,132	295
G15	4,873	1,584,234	161	53,249	404
G17	3,033	1,220,988	343	127,012	320
Total	**19,089**	**6,968,329**	**891**	**322,694**	**350**

2. Breakdown of tCO_2e avoided from Clean Transportation

	Total Project		KDB Green Bond Share		
Green Bond Series	Annual Production of Electric Vehicles (Number of EV)	Annual tCO_2e Avoided (tCO_2e/year)	Annual Production of Electric Vehicles (Number of EV)	Estimated tCO_2e Avoided (tCO_2e/year)	Estimated tCO_2e Avoided per year per USD 1 mn (tCO_2e/USD 1 mn)
G11	1,000,000	3,902,919	189,188	738,385	3,062
G15	420,000	1,639,226	38,174	148,991	1,725
G17	350,000	1,366,022	114,339	446,257	11,576
Total	**1,770,000**	**6,908,167**	**341,701**	**1,333,633**	**3,643**

Impact Calculation Methodologies

Methodology Used For Impact Calculations

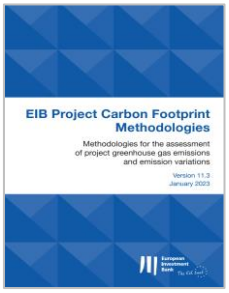
Impact Calculation Methodology Update

Impact attribution:
Impacts are allocated to the green bond on a proportional basis, reflecting the share of eligible project financing supported by green bond proceeds.

Over-allocation treatment:
Where the eligible portfolio exceeds the green bond proceeds (over-allocation), impacts are adjusted pro-rata so that the total reported impact corresponds to 100% of the green bond proceeds.

Rationale:
This refinement strengthens the alignment between reported impacts and the use of green bond proceeds, enhancing transparency and comparability over time. It refines the approach used in prior years and reflects KDB's ongoing commitment to continuous improvement and market best practice.

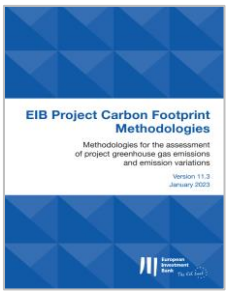
Renewable Energy



The Methodology for the Assessment of Project GHG Emissions and Emission Variations (the version 11.3)[1] released in January 2023 by the European Investment Bank was used to calculate the CO_2e Avoided per each renewable energy project

For the capacity factors of renewable energies by country, we first used the Projected Costs of Generating Electricity published in 2020[2] & 2015[3] by the International Energy Agency. If factors for certain countries are not available from IEA references, the capacity factors provided by International Renewable Energy Agency[4] were used

Clean Transportation



The Methodology for the Assessment of Project GHG Emissions and Emission Variations (the version 11.3)[1] released in January 2023 by the European Investment Bank was used to calculate the CO_2e Avoided by replacing internal combustion vehicles with electric vehicles

The average annual miles of driving per driver released by the Federal Highway Administration of the U.S. Department of Transportation[5] was also used for calculating the annual amount of CO_2e

U.S. Department of Transportation
Federal Highway Administration

Average Annual Miles per Driver by Age Group

Age	Male	Female	Total
16-19	8,206	6,873	7,624
20-34	17,976	12,004	15,098
35-54	18,858	11,464	15,291
55-64	15,859	7,780	11,972
65+	10,304	4,785	7,646
Average	16,550	10,142	13,476

Note: that any difference in CO_2e avoided from the previous Investor Newsletter is due to applying different versions of the aforementioned methodologies and exchange rates.

Source:
1) https://www.eib.org/attachments/lucalli/eib_project_carbon_footprint_methodologies_2023_en.pdf
2) https://www.iea.org/reports/projected-costs-of-generating-electricity-2020
3) https://www.oecd-nea.org/ndd/pubs/2015/7057-proj-costs-electricity-2015.pdf
4) http://www.irena.org/Data/Energy-Profile
5) https://www.fhwa.dot.gov/ohim/onh00/bar8.htm

Featured Project

LG Energy Solution Wrocław

LG Energy Solution Wrocław Sp. z o.o.

Allocation and Impact

USD310.6m allocation

~738,385 tons
of CO2e avoided per year
(KDB's green bond share)

189,188 EVs
produced annually
(KDB's green bond share)

Project overview

LG Energy Solution Wrocław is Europe's largest electric-vehicle battery manufacturing plant, located in Biskupice Podgórne near Wrocław, Poland, on a 107-hectare site. Established in 2016 as a greenfield investment, the facility produces lithium-ion batteries for electric cars and supports major automotive brands including Audi, BMW, Fiat, Ford, Porsche and Volkswagen.

Key features

The plant operates as a state-of-the-art technology park with dozens of modern production lines and a workforce of several thousand people representing over a dozen nationalities. LG Energy Solution Wrocław produces around 700,000 EV batteries per year, with a stated ambition to reach one million batteries per year, and its current production capacity is 86GWh (2022) with a target of 90GWh by 2025.

Impact

By scaling local battery manufacturing capacity, the Wrocław facility strengthens Europe's EV supply chain and supports the transition to lower-emission transport through wider availability of EV batteries.

Useful links

KDB's website

https://www.kdb.co.kr/CHGLMA00N00.act?_mnuId=IHIHEN0001

KDB's annual reports

https://www.kdb.co.kr/BZCOWS00N00.act?_mnuId=IHIHEN0024&wcmsPath=%2Fhmp%2Fch%2Fgl%2Fir%2FCHGLIR0100.html

KDB's sustainability website

https://www.kdb.co.kr/CHGLIR05N00.act?_mnuId=IHIHEN0028

KDB's Sustainable Financing Framework

https://www.kdb.co.kr/wcmscontents/pdf/KDB_Sustainable_Financing_Framework_2025.pdf

KDB's Second Party Opinion (SPO)

https://www.kdb.co.kr/wcmscontents/pdf/Second_Party_Opinion_by_Moodys_2025.pdf

KDB's past allocation and impact reports

https://www.kdb.co.kr/wcmscontents/pdf/KDB_Investor_Newsletter_2025.pdf

KDB's past SPO on allocation and impact reports

https://www.kdb.co.kr/wcmscontents/pdf/Periodic_Review_by_DNV_2025.pdf