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2009 Hana Bank
Sustainability Report





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◆ The 2009 sustainability report is the third report to be published and it is also the second COP(Communication on Progress) of Hana Bank since we have signed the UN Global Compact. The 2009 sustainability report is organized with a strong focus on our activities and achievements for the most material issues. This year’s report encompasses social contribution activities and various efforts Hana Bank is making to better society and promotes environmental values as financial institution. Also, extraordinary efforts have been exerted to portray Hana Bank’s status of sustainability management and share what challenges lie ahead.

◆ By reading this report, readers can get an overview of Hana Bank’s sustainability management activities and achievements that took place from the beginning to the end of 2009. However, some exceptions were made to include important events and activities that have potential to influence stakeholder judgment on Hana Bank’s commitment to sustainability management. Business performance of subsidiary companies excluded.



◆ The G3 guidelines of the Global Reporting Initiative employed for Hana Bank’s 2008 sustainability report was once again used as a guideline for the 2009 report. It is self-declared that 2009 report is executed on the GRI ‘A’ level. Profile related indicators, management approaches, and key performance indicators were all included in this report, as required by the G3 guidelines. Additionally, the 16 supplemental indicators for the financial service sector were also assessed and included in the report.

◆ Hana Bank’s 2009 sustainability report is available in a paper copy or an electronic version at www.hanabank.com
> Hana Bank Overview > Sustainability Management > Sustainable Management Report

CEO Message

The 2009 fiscal year was amidst the global economic recession and financial crisis caused by subprime mortgage loans. Even so, 2009 was a meaningful year, as Hana Bank concentrated on implementation of expansion of stable capital and risk management on the basis of BU(Business Unit) system. Also, we practiced sustainability management by participating in social contribution activities.

With an aspect of the economic upward trend, domestic market became the remarkable one among the major nations. However, in 2010, it is uncertain that the market would continue positive session for the trend forward recovering in the domestic economy, considering latent possibility of financial crisis from Europe. We believe that the recent economic crisis has loudly sounded an alarm on the importance of implementing 'sustainability management practices' which demands economic dependability and the fulfillment of social responsibility.

In today's world, corporations are no longer just an economic entity. As economy and everyday life are fundamentally related, all social entities are now intricately intertwined. We strongly believe that our stakeholders including customers, shareholders, investors, and local communities can only become truly prosperous when corporations pay as much attention to the fulfillment of their corporate social responsibilities as they do on pursuing their own growth. The economic growth of the 21th century should not simply be concentrated on the accumulation of more wealth, but on the contribution to create a better quality of life and happier communities.

In August 2007, Hana Bank joined the UN Global Compact and supports the 10 principles of the Global Compact with respect to human rights, labor rights, the protection of the environment and anti-corruption in order to strengthen our sustainability management practices. We are committed to making the principles as a part of the strategy, culture and day-to-day operations of our company. Also, we espouse public accountability and transparency.

We will continue to make every effort to become an economic entity that fulfills all relevant social responsibilities that pertain to our operation and society. Your encouragement and support remain as valuable as ever in Hana Bank.

Thank you.

July 2010

President & CEO Kim, Jung Tai





Overview
of Hana Bank

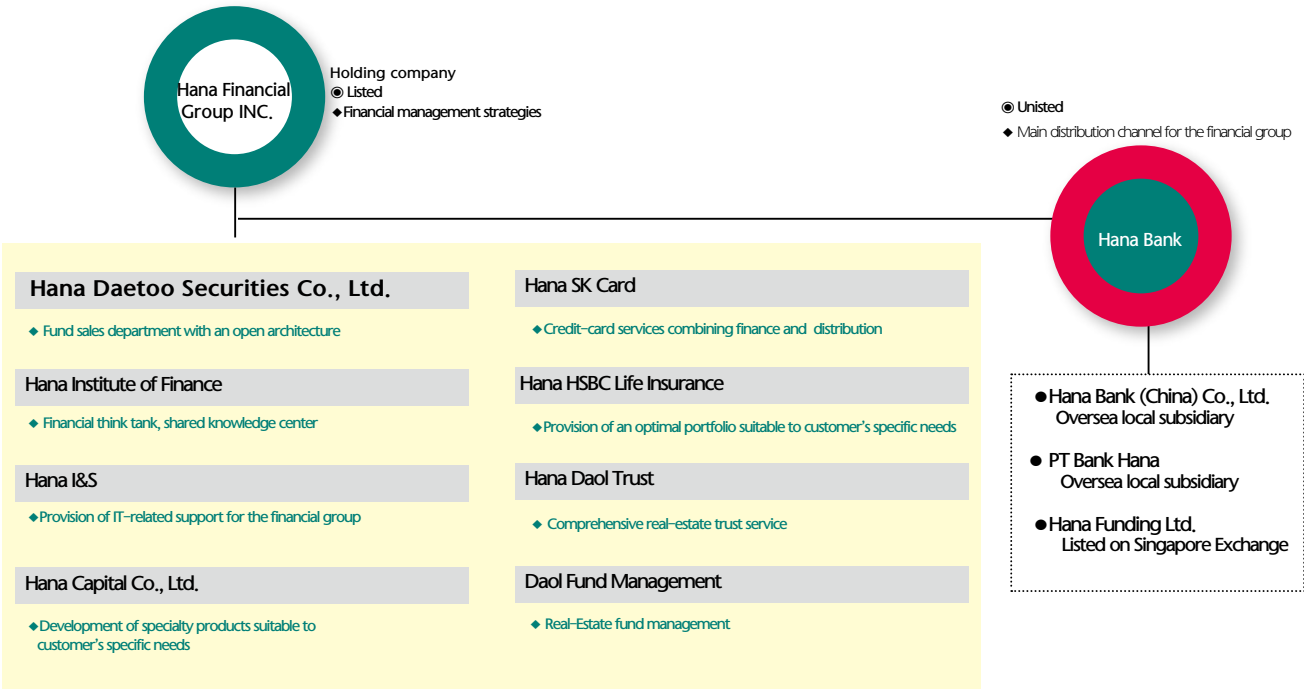
Hana Bank has experienced rapid growth by providing unique products and services. The company is not only a pioneer within the Korean financial industry, but is also doing its best to become a global financial institution with a premier financial services network.

1. Business Performance (for year ended on December 31st, 2009)

We are making a great effort to achieve good business performance each year. Hana Bank's business performance in year 2009 is summarized below.

- Net Income : 273.9 billion KRW
- Return on Equity (ROE) : 3.03 %
- BIS Capital Adequacy Ratio : 14.98 %
- Standard and Below Ratio : 1.05 %
- Coverage against Standard and Below : 129.92 %

* Please refer to page 52 of this report for more detailed information on Hana Bank's key performance data.



2. Hana Bank's Operation Status

1) Holding Company and Subsidiary Companies

Hana Bank is a wholly-owned subsidiary of Hana Financial Group Inc. and it has ownership of three subsidiary companies including Hana Bank (China) Co. Ltd.

2) Products and Services

Hana Bank provides the following products and services:

Banking	369 Fixed Deposit, S-Line Installment Savings, Hana Charitable Account, New Dream Tree Installment Savings, Big Pot Account, etc.
Personal Loans	Hana Home Mortgage Loan, Interest Safety Zone Loan, Home Mid-term Payment Loan for Low Price Housings, etc.
Corporate Loans	Hana Free-currency Loan, Purchasing Payment Loan, Solar Loan, etc.
Trust	Money in Trust, Property in Trust, Public Trust, Living in Trust, etc.
Credit Card	Touch S Card, Touch 7 Card, Home Cashback Card, etc.
Foreign Exchange	Exchange Rate & Transaction Fee Discount Service, Web-based Foreign Exchange Service, etc.
Bancassurance	Pension Savings Insurance, Children's Insurance, etc.

3) Domestic Market Share

Hana Bank's domestic market share is as follows

	2006	2007	2008	2009
Deposits	11.6%	12.1%	11.8%	10.7%
Loans	10.9%	9.9%	9.3%	9.4%

4) Credit Rating

Credit Rating of Hana Bank assessed by leading credit rating agencies

Changes over past three years	Moody's		S&P		Fitch	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
2007	A1	P-1	A-	A-2	A-	F2
2008	A1	P-1	A-	A-2	A-	F2
2009	A2	P-1	A-	A-2	A-	F2

3. Hana Bank's General Status

1) Employee Status

(unit: Persons)

2009		2008		2007	
Domesic	Oversea	Domesic	Oversea	Domesic	Oversea
55	-	61	-	56	-
9,513	46	10,798	54	9,942	101
9,568	46	10,859	54	9,998	101

Executives Total Employees Total

2) Branch Office Status

As of Dec. 31st, 2009 (unit: Offices)

Catagry	Branch offices	Sub-offices	Admini-strative offices	Total
Domesic	612	38	-	650
Oversea	4	-	3	7

Oversea local subsidiaries are not included.

Sustainability
Management
Highlights
of 2009 and 2010



Hana Care Center



Green Bank on the Move

1) The Hana Care Center Opening / March 2009

The Hana Financial Group has opened a nursing home, the 'Hana Care Center' for senior citizens on March 31. It is the first of its kind to be created by a company in the financial sector as a part of social contribution activities targeted to deal with the issue of elder care in our society.

2) Signed a 'Business Contract on Liquidity Support for Firms with New Growth Engines' / March 2009

On March 2, Hana Bank signed a 'Business Contract on Liquidity Support for Firms with New Growth Engines



Korea Management Awards 2009

via Special Financing from Financial Institutes' and plans to finance up to 100 billion KRW. We believe that our support will aid with SMEs, which has growth potential but suffering from financial problems, to overcome.

3) Launch of 'Green Bank on the Move' Initiative / April 2009

Hana Bank has made an announcement to become 'Green Bank on the Move. We will make utmost effort to develop and sell eco-friendly financial products and remind our customers of the importance of natural environment. Other initiatives, including increasing use of eco-friendly products, better environmental management of offices, and "green foot" volunteer environmental projects will be carried forward in order to strengthen the foundation for sustainable green growth.

4) Launch of the New- Banking System / May 2009

On May 4, Hana Bank has launched an New-Banking system which has prepared since three years ago. This system allows our customers to control integrated financial information which includes Bank-, Insurance-, Securities-, and etc. through internet banking. Also, It allows us to offer customers upgraded financial services with integrated information from various channels such as call center, branches.

5) Won the Grand Prize for Public Welfare and MKE Ministerial Commendation at 'Social Contribution 2009' / June 2009

Hana Bank won the grand prize in the sectors of social welfare and the Ministry of Knowledge Economy Ministerial commendation at 'Social Contribution 2009'. Our consistent effort for public contribution, such as Hana Care center, supporting multicultural families, was highlighted as the basis for the Grand prize for public welfare. Also, micro credit business and products for small retailers, such as 'Franchise Store Loans', 'Tax Refund Card', was highlighted as the basis for the ministerial commendation.

6) Won the Grand Prize in the Sectors of Respectable Business at the Korea Management Awards 2009 / October 2009

Hana Bank won the grand prize for respectable business for its fifth consecutive years through our effort to continue to renovate and improved global competitiveness via comprehensive management innovation. The judges highlighted the introduction of private banking services and a 24-hour call center, as well as being an innovative leader in the financial sector with efforts made in all areas, and consistent efforts made towards activities including environmental, cultural, and volunteer/donation activities as the basis for the award.

7) Won Euromoney's Best Private Bank Award / February 2010

Euromoney selected Hana Bank as 'the Best Private Bank in Korea' again in recognition of our excellence in superior asset and risk management amidst the global economic recession and financial crisis. This year's award is especially valuable because it marks our sixth year of excellence in asset management since Hana Bank received the first award in 2004. Hana Bank will make continuing efforts to minimize investment risk and

maximize profit associated with client assets.

8) Opening of Hana High School / March 2010

Hana High School, established by Hana Bank to present new and advanced educational models in accordance with the social responsibility of corporate citizenship, held its opening ceremony and first entrance ceremony, on March 2. Hana High School plans to operate various programs, such as systematic course guidance, specialization of curriculum, differentiation of after-school activities and the Hana certification system, overseen by distinguished faculty members.

9) Signed Memorandum of Understanding (MOU) for Operating 'Hope Growing Account' / March 2010

Hana Bank signed memorandum of understanding (MOU) with Ministry of Health & Welfare and Community Chest of Korea for operating 'Hope Growing Account Business'. It is a program that is designed to assist with financial independence for 18 thousand selected citizens who work but categorized in welfare beneficiary defined by the Public Welfare Act.

10) Made an Agreement with Suncheon City about Low Carbon, Green Growth / April 2010

Hana Bank made a comprehensive business alliance with Suncheon City for preservation of eco system in Suncheon Bay and also for successful holding of 2013 Suncheon Bay International EXPO. Additionally, Hana Bank and Suncheon city signed up for the 'Hana 2013 Garden of the Earth EXPO Installment Savings,' designed to support the EXPO. We plan to donate 0.1 percent of proceeds from the product to the committee. Holders of the account benefit from a waiver of remittance fees and also from discount of entrance fee for the EXPO.

Hana Bank's Effort to Fulfill Social Responsibility

From the establishment of Hana Bank, we have consistently provided maximum value to shareholders with economic growth as a core value. In addition, we have put forth effort in diverse areas in order to fulfill corporate social responsibility as a responsible corporate citizen.

1. Sustainability Management

'Sustainability Management' is a way of improving sustainability of not only communities and nations we operate in but the whole planet we live on. In other words, sustainability management means that we take social responsibility and environmental health into account within business management, in addition to the traditionally valued objectives of economic growth and dependability.

Hana Bank has pursued sustainability management since its very foundation. The recently revised mission statement announced in 2005 with the launch of the Hana Financial Group is a good example of our understanding of sustainability management. The four major pillars of our mission are as follows. 1) Pursuit of Customer Satisfaction as a financial partner, 2) Employee Empowerment as a great work place, 3) Maximization of Shareholder Value as a business partner, and 4) Contribution to Community as a leading financial institution. As clearly indicated in our mission statement, we strive to provide a healthy and environmentally-sound economic value to not just our shareholders, but to employees, customers, and all members of the communities in which we operate. That is Hana Bank's way of pursuing sustainability management.

2. Communications Channels for Listening to Various Stakeholder Opinions

Finding the right balance to embrace the diverse demands of customers and other issues often require the most difficult decision making. First, it is important to listen to opinions of stakeholders and allocate human and financial resources to the necessary areas that Hana Bank and stakeholders find most relevant. In order to do better, we must keep improving the corporate resource allocation system.

However, we believe that what the four major stakeholders demand do not conflict with each other. For example, our effort to create an enjoyable work place for employees leads to improved customer satisfaction, which in turn increases shareholder value. We also firmly believe that such changes contribute to making the community better.

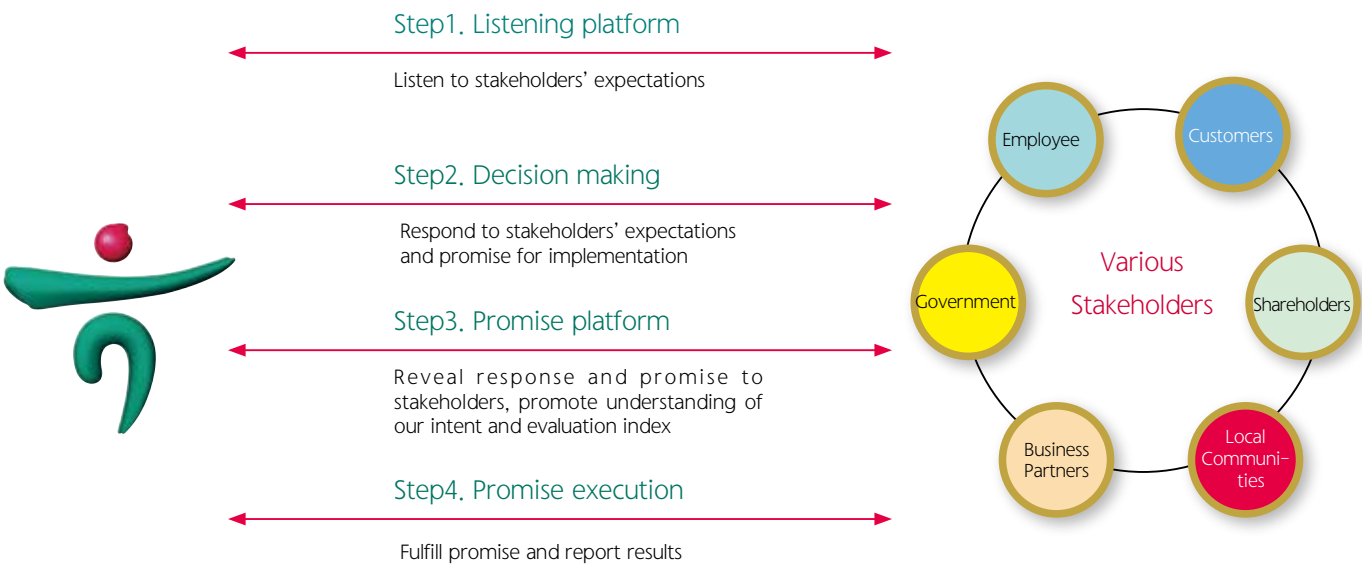
What our stakeholders demand from Hana Bank in terms of corporate social responsibility changes all the time. For example, communities, who used to concentrate on increased social contributions, are now asking us to do more work on environmental issues, especially climate change. We will keep listening to the changing opinions of stakeholders and establish a solid communication channel in order to make the necessary changes to our operation to accommodate their demands.



3. Progress Made since Publication of Our Second Sustainability Report in 2008

Hana Bank set a strategic objective for different stages of sustainability management and detailed business plans for each stage in early 2007. In the first stage, we decided to strengthen the company's foundation for sustainability management and strengthen our internal capacity. In the second stage, we planned to incorporate sustainability management issues into conventional management of Hana Bank in order to firmly establish sustainability management practices in everyday operations of Hana Bank. As a long-term objective, we aim to fully integrate all sustainability issues, including economic development, social contributions, and environmental protection into

Strengthening Stakeholder Relations



all management decisions made by Hana Bank. It is an extension of effort to sustainability management that Hana Bank joined the UN Global Compact, which demands its members to fulfill their social responsibilities. After this, as an active member in a global initiative, we are making our contribution in spreading socially responsible business practices and creating success examples that can serve as models for others.

There are important initiatives that Hana Bank has recently launched. Hana Bank actively performed social contribution strategically, and strengthened financial aid considering the environment and the public-interest. Firstly, Hana Bank has declared its commitment to the 'Low-Carbon Green Growth Initiative' that pursues both environmental protection and economic growth. And we have made an open promise to become 'Green Bank on the Move.' As a way of action, we have mounted various energy saving campaigns, including 'Walk and Donate', 'Leave Your Footprint under the Streams' campaign. In terms of social contribution, we not only provided total lending of 2,382 million KRW in financial aid through microcredit program also operating profits of 1,000 million KRW made through the 'Hana Happiness-Sharing Public Trust' were executed at the end of 2009. In terms of green finance, Hana Bank has offered green finance products such as '- 0.3°C Loan', 'Hana 2013 Garden of the Earth EXPO installment savings'. Also, we plan to launch the 'Hope Growing Account Business' which is a program to assist with financial independence for the lower brackets of income. Above things are some of our best examples using our products and services to practice sustainability management, which also contributes to community development and environmental protection.

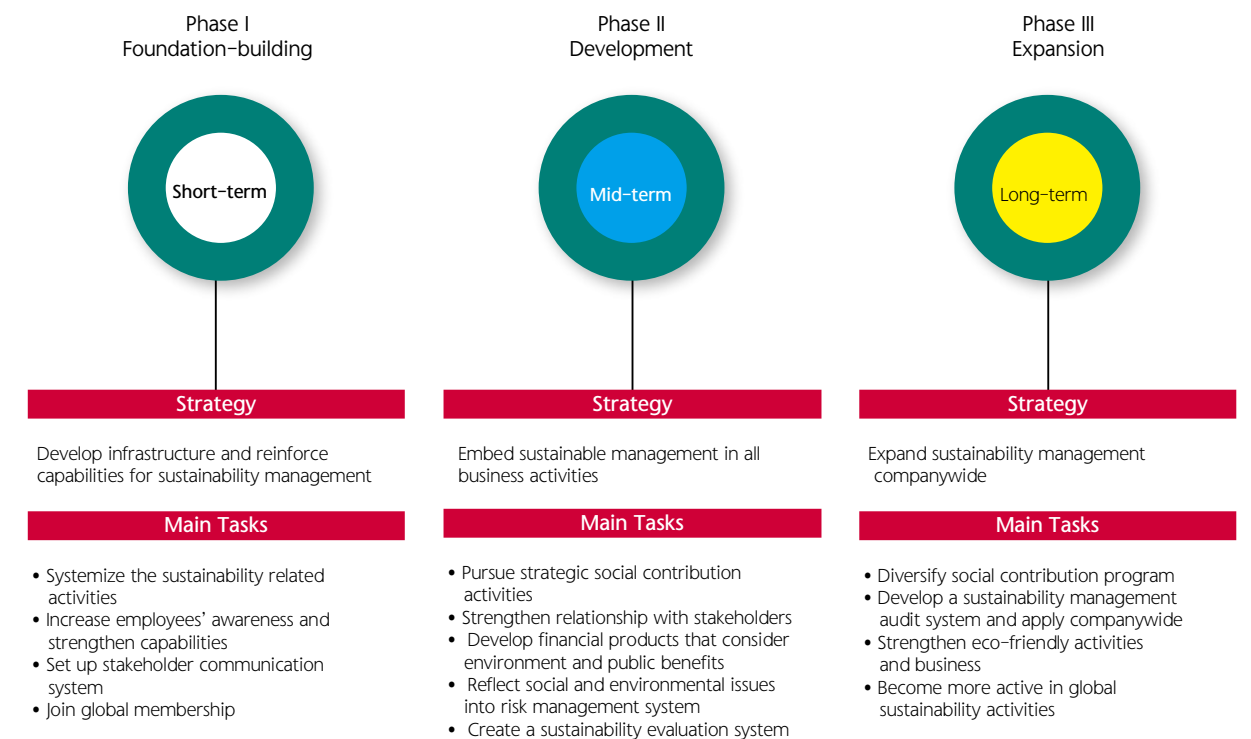
4. Meaning of Joining the 'UN Global Compact'

The UN Global Compact is a UN initiative that demands improvement to socially responsible business management,



as advocated by the former UN secretary Kofi Annan. Membership is voluntary, yet companies who join the Global Compact assume responsibility to publicly communicate what they have done, and what they plan to do, to better promote the ten principles of the 'UN Global Compact.' This report also serves as a way of communicating our achievements over the last year, as well as our plan for the future in order to better promote the 10 principles. The 10 principles consist of pledges that aim to prevent the violation of human rights, to respect basic worker's rights, to eliminate discrimination of all types, to conduct business in an environmentally conscious manner, and discourage corruption of all nature.

Some of the 10 principles are already well-incorporated in our business management. In terms of environmental management, we launched the 'Green Bank on the Move' initiative in April 2009, in order to drive our environmental management practices. As this example shows, the 10 principles of the UN Global Compact have provided a direction towards more robust sustainability management at Hana Bank. As it is required for implementation of other business initiatives, we must set detailed strategic programs and implement a performance review structure in order to promote the 10 principles to the highest standard in our business conduct. We will continue to make the necessary efforts to better our management practices and set a high benchmark for others to follow.

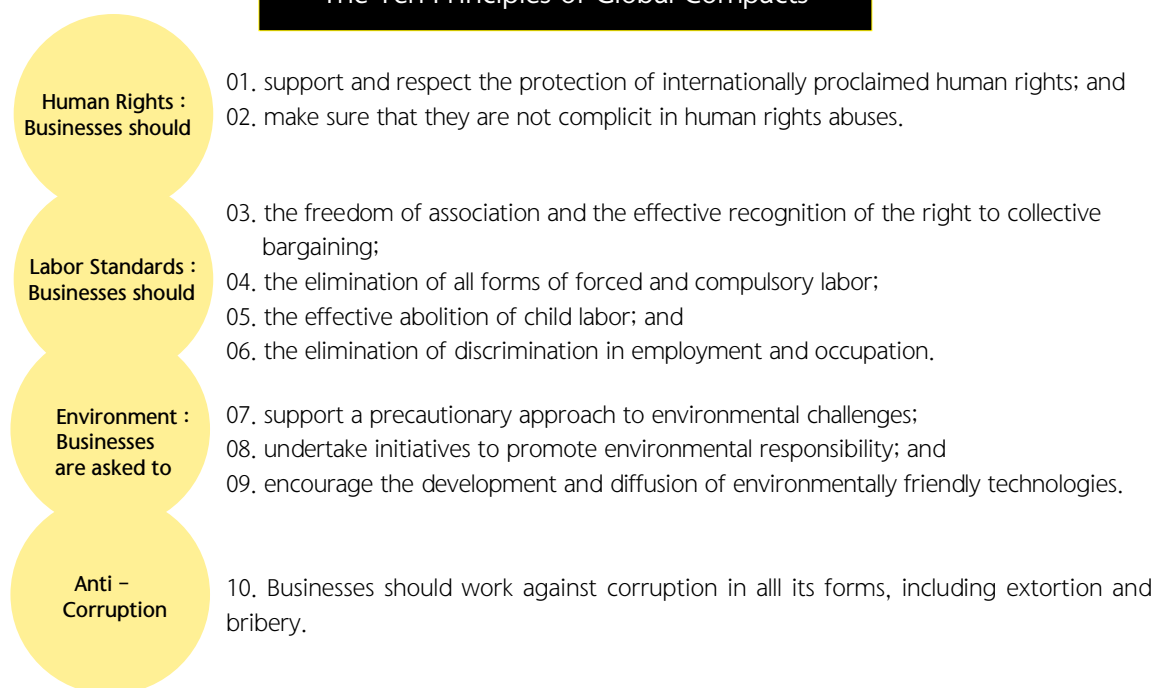


5. Sustainability Management Plan

Hana Bank aims to improve our sustainability management system, instill sustainability management as an integral part of corporate culture, and produce more robust social and environmental performance results. In order to realize this goal, we plan to establish a dedicated sustainability management team. The new team will have a greater capacity compared to the current sustainability management task force. Their first priority will be to drive initiatives that have been announced, both internally and publicly, in addition to also internally communicating the importance of sustainability management while incorporating sustainability management as an integral part of our corporate culture.

In addition, Hana Bank will collaborate with product development and marketing teams to create products and services that can lead to improved social and environmental values. Hana Bank will also be responsible for designing the microcredit business which will not simply be larger in scale, but also more effective in maximizing its effectiveness. There will be a strong emphasis on the recently launched 'Green Bank on the Move' initiative, which will lead to improved environmental management with participation by all employees and executives. We firmly believe that active participation by our employees will be the foundation for our environmental protection activities, an important part of Hana Bank's corporate social responsibility.

The Ten Principles of Global Compacts



Hana Bank’s Activities for Creation of a Happier Society

As a responsible corporate citizen, Hana Bank considers social contribution activities for development of local communities as a natural duty. Thus, we have been engaged in a variety of activities since our foundation.

1. Reasons for Social Contribution Activities

‘Contribution to Community’ is one of Hana Bank’s important missions. The mission originated from our belief that we, as a responsible corporate citizen, must help the underprivileged members of our community to be able to support themselves. It is clear that Hana Bank can only be profitable through continued support of our customers who are members of the communities in which we operate. Moreover, contributing to the communities where we operate and where present and future customers live is a natural responsibility of a progressive company that celebrates corporate responsibility. Our social contribution activities began through helping impoverished families in 1980. Beginning in mid-1990, we strengthened our activities in the social welfare arena, as well as the art and culture, and education areas. In 2004, we strengthened our social contribution activities by organizing the ‘ Hana Sarang Volunteer Corps,’ which consists of employees from within the wider group of companies that is the Hana Financial Group.

● Hana Bank Social Contribution Programs		unit : 100 million KRW, person	
	Programs	Contribution Spending	No. of Employees participated
Community Contribution	- Hana Sarang Volunteer Corps - Hana Happiness-sharing Public Trust - 'Hana Care Center' Nursing Home for Senior Citizens - Hana Puruni Childcare Center	196	5,659
Contribution in Education	- Hana Children's Economy Musical - On-line Economic Education Site 'Hana City' - Dream Art Classroom - Donations for Supporting Univ.'s - Hana High School	582	(18,116) (Beneficiary)
Environmental Stewardship	- Hana Green Concert - Beautiful Forest Visit Program - 'Green Foot' Volunteer Projects	7	510
Arts & Sports Sponsorship	- Hana Yeouido Classical Concert - Hana Classic Academy - Hana Cyber Gallery	62	-
Global	- Support for Multicultural Families - Financial Education Support Program for Foreign Migrant Workers	2	85



2. Local Community Contribution Activities

Community contribution activities can be classified into promoting public welfare of local communities, education and sports sectors. More specifically, multicultural family support, operation of nursing home, and building childcare facilities are aimed at promoting public welfare. In education area, we are attempting to support and also conduct

various activities that focus on the provision of economic education to children and youth. In sports, we are contributing as sponsors of various sports events that community members enjoy.



Advertisement Campaign on the Hana Financial Group's Multicultural Family Initiatives

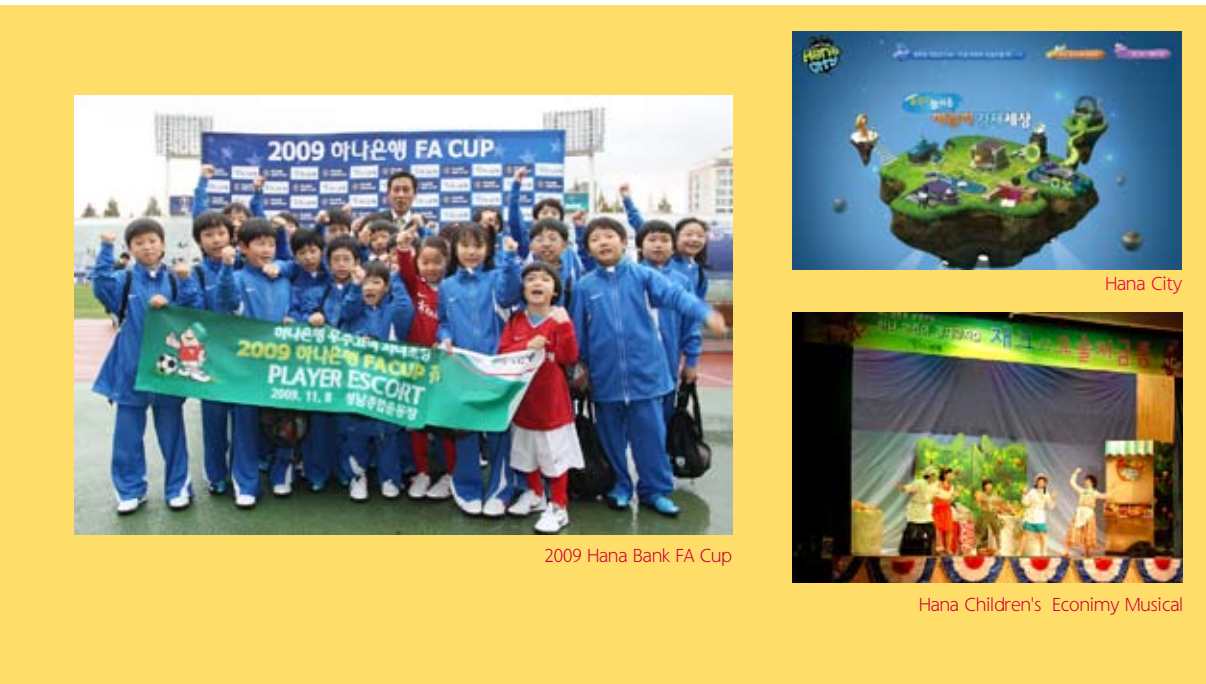
1) Local Community Contribution Programs

① Support for Multicultural Families

Korea is now home to more than 1.2 million foreign residents, and Hana Bank is supporting their integration into Korean society. In October 2008, we held an official event that marked the launch of ‘Hana Kids of Asia – an Alternative Education Program for Multicultural Families’, at Hana Bank’s headquarters. The Hana Kids of Asia program, jointly managed by ‘Save the Children’, was designed to carry on the multicultural family support program that began with the ‘Vietnamese Family Day’ that was held on November 4, 2007, in a more systematic manner and with a long-term perspective. The Hana Kids of Asia program, offers linguistic and cultural education to children from multicultural families in both Korean and Vietnamese. The program also published and distributed 45,000 story books written in both languages. We plan to continue our effort to help multicultural families adjust to life in South Korea, enjoy the cultures and experience less hardship as they settle in Korea.

② Activities for Senior Citizens and Children

Hana Bank is listening to the voice of local communities and we are organizing various initiatives to make our contribution. In addition to the multicultural family support initiatives, we consider the low birth rate and aging society issues as two of the most important problems that we face in Korea. Hana Puruni Childcare Center is our response to the low birth rate problem. The Hana Care Center that serves as a nursing home for senior citizens addresses the aging society issue. The two centers are funded and operated under the Hana Finance Public Welfare Foundation, which was more than 95% funded by Hana Bank.



2) Contribution in Education and Sports

① Education Support Program for Children and Youth

As a major financial institution that leads the economic development of the Republic of Korea, we feel responsible for teaching children and young students about how the economy works. One initiative we have created is sending a musical performance team that performs a creative educational musical titled ‘Jack and the Magic Wallet.’ Hana Bank sent the musical team to perform at schools that request a performance and the team has performed at 74 elementary schools between April 2006 and February 2009. Starting in April 2008, we also organized an educational program titled the ‘Hana Youth Financial Class’ which provides opportunities to learn about finance at the middle school and high school level that request our service. A total of 14 sessions were given at various schools between April 2008 and February 2009.

In October 2008, we launched an educational website, Hana City (www.hanacity.com), for children interested in learning how the economy works. It is designed to help children learn useful economic concepts while having fun. The Hana City is the first web-based Korean social network society(SNS) site with a 3D interface, created to promote public benefit. By joining the site, children can learn about basic economic concepts and experience how they work as they participate in the virtual economy by taking on a job, producing goods, saving and spending money, as a citizen of Hana City. Due to its popularity, the site won the grand prize for social contribution by the finance sector of the ‘Web Award Korea 2008.’ It was also chosen as a recommended site for youth by the Korean Communications Commission in April 2009.

We are also supporting many universities by making donations to support their research and education activities. Another important social contribution initiative related to education is the management of the 'Hana High School'. With a goal of nurturing youth who will serve communities and the country, we are directly funding the school instead of making donations, which makes Hana Bank the first financial institution to take on such an initiative. The Hana Financial Group including Hana Bank supports to subsidize the operating costs of the school and recruit diverse students from diverse backgrounds by allotting 20% of admissions for underprivileged citizens including low income families and children of multicultural family backgrounds. Also, scholarships will be provided based on financial need in order to allow students from unprivileged families to benefit first.

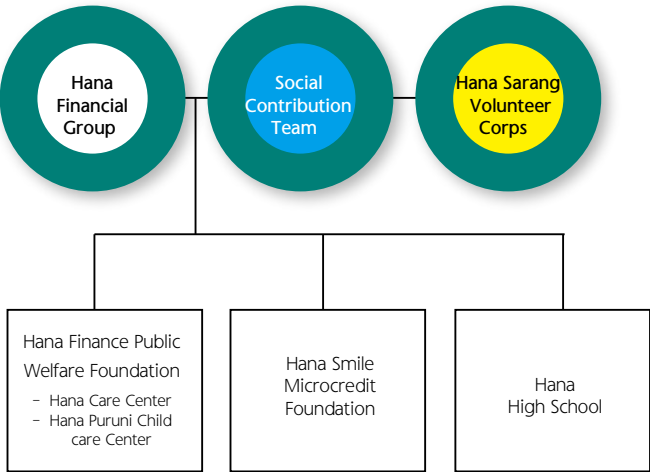
② Financial Education Support Program for Foreign Migrant Workers

Hana Bank’s commitment to providing financial services to the community does not discriminate based on ethnicity and social status. We conduct free financial education programs for foreign workers in Korea. Every Sunday, We conduct lectures at the offices of global centers for foreign workers frequently use, such as foreign remittance, the courses help make their lives more financially sound.

③ Support on Sports Activities

Our sports-related social contributions are focused on player and event sponsorships. We have been sponsoring Korea national football team since 1988, long before the national soccer boom, which reached its height during the 2002 World Cup. We are also supporting the Korea Football Association and FC Seoul pro soccer team as its official sponsor. We also sponsored the ‘Share the Dream Football Match 2008 with Hana Bank’ which was held on the December 25, 2008, and organized by Hong Myung-Bo(HMB) Scholarship Foundation. Additionally, Hana Bank and HMB scholarship Foundation have donated a football stadium for underprivileged children in Pretoria, South Africa.

Golf is one of the sports we are supporting most actively. Starting in 2006, Hana Bank began playing a role in the Korea Open tournament and the LPGA Championship event as co-title sponsors, as a part of our marketing and sponsorship activities. Since 2008, we began to more actively sponsor talented golf players including In-Kyung Kim.



3. Business Unit in Charge of Hana Bank’s CSR Activities

Hana Bank is conducting our social contribution activities in collaboration with other affiliates of the Hana Financial Group and social contribution team of Hana Financial Group Inc. is the team in charge of our activities. The Hana Financial Group has established a microcredit business, a nursing home for senior citizens, and a childcare center in collaboration with Hana Finance Public Welfare Foundation and the Hana Smile Microcredit

Foundation. Hana Bank is providing more than 95% of the funding for the aforementioned activities. We are currently considering forming a Hana Group Social Responsibility Committee in order to carry out social contribution activities in a more strategic and consistent manner.

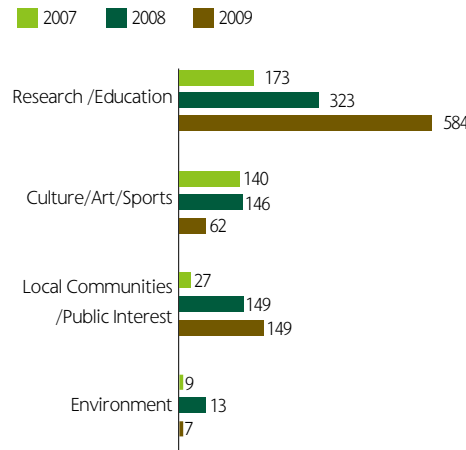
4. Employee Volunteer Activities, Hana Sarang Volunteer Corps

● Hana Sarang Volunteer Corps Status (Unit: Persons)

	Hana Sarang Volunteer Corps Members(Total)	Hana Sarang Volunteer Corps Members (of Hana Bank)
2007	1,876	1,613
2008	2,315	2,004
2009	7,210	6,254

Hana Bank employees have organized the ‘Hana Sarang Volunteer Corps’ and its members are actively participating in volunteer works. As of the end of 2009, a total of 7,210 the Hana Financial Group employees were participating in the Volunteer Corps. Of that number, 6,254 members, which is 86.74% of the Hana Sarang Volunteer Corps, are the Hana Bank employees. Our employees are supporting children of underprivileged families, children who do not have enough food, and disabled people through volunteer work. the end of the 2009, We launched a ‘Hana Add -sharing Campaign’, which aimed to help local community around branches of Hana Bank. Operating costs of Hana Sarang Volunteer Corps are funded by donations from our employees.

● Social Contribution Spent (Unit: KRW 100million)



5. Social Contribution Activities Plan

Hana Bank plans to continue various activities and programs that are relevant to our ‘Environmental Stewardship’ and ‘Arts Sponsorship’ initiatives. In addition, we plan to continue making social activities including multicultural family support, local community contribution activities, as well as sports and education

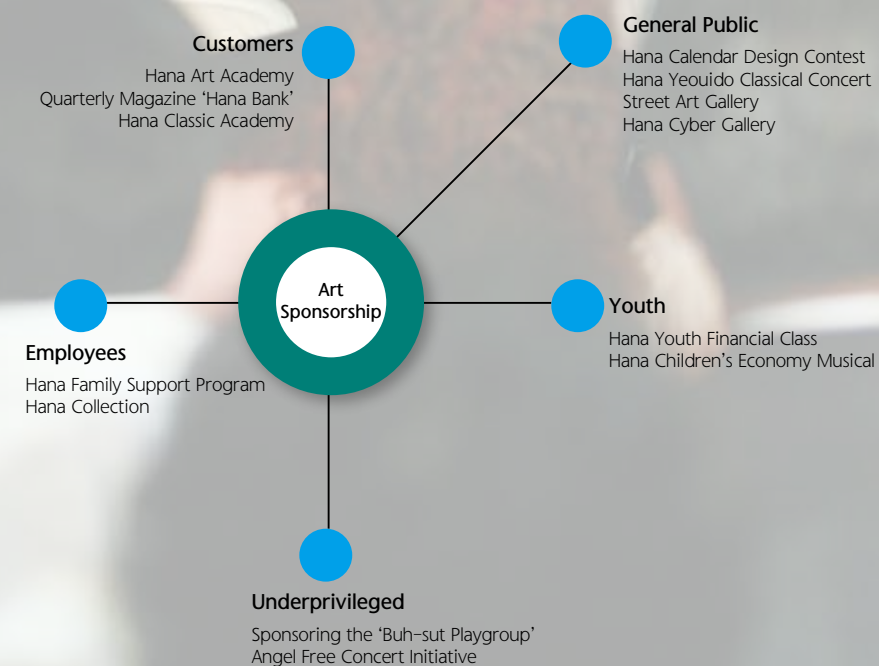
related activities. Our social contribution programs will be modified over time in order to maximize its impact on local communities. The existing programs were not designed as one-time events and we are attempting to sustain them. For example, we planned the ‘Hana Kids of Asia’ as a ten year program with the first batch of activities planned for between 2008 and 2010. We also plan to build more nursing homes and childcare centers. In addition, we are proactively searching for our next area of contribution to local communities.

Hana Bank's Penchant for the Art and Culture

In addition to its donation and volunteer activities, including our environmental protection initiatives, we are passionate supporters of culture and arts.

1. Unique 'Arts Sponsorship' Activities

Since we have a long history of conducting cultural activities as a part of social contribution, there are many employees and executives who are knowledgeable and highly interested in all manners of the arts. This has allowed us to try many new initiatives in this arena. 'Arts Sponsorship' activities began more than 20 years ago when it launched cultural seminars for women in 1987. In 1991, Hana Bank became the first bank to open a multi-purpose art gallery named 'Hana Sarang'. The launch of the Hana Cultural Affairs Advisory Committee has boosted our 'Arts Sponsorship' activities in scale and quality.





Winning Work of the Calendar Design Contest

Many of our cultural activities began in the mid-1990s. For example, the 'Hana Calendar Design Contest' began in 1997 and the 2009 competition marked its 13th year. The quarterly magazine 'Hana Bank', which marked its 97th publication with the spring 2009 issue, is another good example of our creative efforts. A quarterly magazine titled 'Hana Bank' began in 1991, and it is now considered one of the best art magazines published in Korea. More than 130,000 copies are printed and distributed to our customers and the general public. It is also sold as 'Trans Trend Magazine' in larger bookstores located within the Seoul metropolitan area at 3,000 KRW per copy. The money raised through its sales is used as a fund for social contribution activities for local communities.

Many of Hana Bank's 'Art Sponsorship' activities are the first of its kind in Korea. Our Hana Cultural Affairs Advisory Committee, which involved external experts in order to strengthen cultural activities as a part of business management, was the first of its kind. Also, the committee has provided a foundation for our many 'first' cultural activities that served as social contribution activities. Our interest in culture also has led us to produce fusion products that we refer to as 'Culture Products' that combined finance and popular culture. In November 2004, we launched the 'Musical fund'. More recently, we launched the 'Hana Beethoven Virus Fixed Deposits Account'.



Hana Yeouido Classical Concert

2. Joy of Arts and Culture at Hana Bank

Our employees are actively participating in various hobby groups that are related to cultural activities such as paintings, orchid growing, and photography. Hana Bank has put various art works on every floor of the 21-story head office building, giving employees an opportunity to enjoy arts and also be creatively inspired by them in their business daily lives. The art within the headquarters building is periodically replaced and rotated. The quality of the art is recognized for such a high standard that many people ask for a visit to our head office. Such activities are made possible because of our 'Hana Collection' which consists of 4,214 works of various artists.

The prime objective of the 'Hana Collection' initiatives is to provide support for young, talented artists and contribute to the advancement of fine arts in Asia. The collected works are displayed at various sites and in various arrangements. For example, visitors to our head office can always enjoy various works by the video artist, Nam June Paik, such as the 'Economic Highway'. Also, various 'Hana Collection' art pieces are on display at the Hana Bank offices, and we plan to make it circulated in order to enjoy various pieces.

Our cultural activities are not limited to the fine arts. We are also active in providing classical music for our client to appreciate. Our music programs include the 'Hana Yeouido Classical Concert' and the 'Hana Classic Academy'. The Hana Yeouido Classical Concert is held at the 'Hanmaum' hall of the Hana Daetoo Security Headquarter on the third Wednesday of every month since 2006. As of June 2010, more than 20,000 people attended the concert through the



Artwork **Cheomseongdae** by Won Suck Han

29 performances held. 'Hana Classical Academy' is an educational concert series, during which experts explain each classical music piece as well as performing them. A total of 19 concerts were held between 2000 and 2009, and more than 2,700 customers have participated.

3. Art & Culture Activities for General Public and Local Communities.

Many of our cultural initiatives are designed to reach out to not only to our customers, but the general public and local community members. In fact, providing opportunities to enjoy arts and culture is the ultimate objective of 'Arts Sponsorship' activities. The launch of the 'Hana Cyber Gallery', the first of its kind by a domestic financial institute is one of our efforts to realize our objective. The cyber gallery was created to reach out to internet users, and it allows internet users to enjoy the art in the 'Hana Collection'. Visitors to the 'Hana Cyber Gallery' (www.hanabank.com/cybergallery), can enjoy various artworks in the 'Hana Collection' including paintings, photographs, sculptures, and prints.

In 2009, Won Suck Han, installation artist, also made artwork named 'Cheomseongdae', which is composed of discarded headlights, in front of the Hana Bank Head office building. There is also a 'Hana Sarang Gallery' at the Pyungchang-dong Hana Bank branch office, where any visitor can enjoy various artworks on display. So far, the exhibition is held five times.

The 'Hana Calendar Design Contest' was also open to the general public and winning pieces are displayed within high-profile art galleries, as well as printed in Hana Bank's table calendars. This provides participants an opportunity to display their works to the public and allows the general public an opportunity to appreciate fine arts.

In 2009, there was a classic academy for 1,000 elementary school students which was a joint event with Hana Bank and the Seoul Philharmonic Orchestra. Additionally, to fulfill the responsibility as one of leading members of Korean economy, Hana Bank is making effort of providing education to children and teenagers, especially the economy. We are holding a continuous 'Hana Children's Economy Musical' in several elementary schools to offer more joyful economic education to children. This event, which has been held in 112 elementary schools from 2006 to 2009, were planned for children to learn a strict and difficult economic concepts joyfully and easily. While traditional economic educations were executed in a form of lecture. Hana Bank is offering a economic educational performances in a form of musical which is composed of dance and music and gives a dramatic pleasure.

4. Art and Culture Support for the Underprivileged

Fine arts, music, theatre performances and various other cultural activities can enrich lives. Therefore, providing more opportunities to enjoy arts and culture is one of the best ways for making the world a better and happier place. However, there are many people who do not have the opportunity to appreciate art due to including financial reasons or geographical proximity issues. Realizing this, Hana Bank is making an effort to provide access to art and culture experiences to those who have limited access.

For example, we have been sponsoring the 'Buh-sut Playgroup' who gives free performances to the handicapped and unprivileged youth, since 2001. The 'Buh-sut Playgroup' has given free performances for 14 years as of 2009. Talented youth from unprivileged families have received training in the playgroup and joined the team, making Buh-sut Playgroup's contribution even more meaningful.

We are actively searching for sponsorship opportunities and related business opportunities which will allow us to expand our effort to help people with limited opportunities to cultural experiences.

Hana Bank Products that Bring Positive Changes to Society

Our sustainable finance business strives to provide financial services and products that can contribute to making our communities better and more robust.

1. Relationship between Financial Products and Social Issues

Sustainable finance can be defined as what a bank can do to address social issues including climate change, environmental protection, poverty, and decreasing population, using its financial services and products. Hana Bank has recognized the importance of sustainable finance since its very foundation, and has continued to strive to do better. Recently, we have launched products that are designed to address more personal issues relevant to our customers.

● Sustainable Finance Programs by Category

Category	Relevant Products & Services
Products for better Public Welfare	<ul style="list-style-type: none">- Hana Happiness-Sharing Public Trust- Happiness Sharing SRI Equity Investment Fund- Hana Charitable Account- "Add Love" Fixed Deposit Accounts- Hope Growing Account- Hana "2013 Garden of the Earth EXPO" Installment Savings
Financial Support Addressing Social Problems	<ul style="list-style-type: none">- Support Credit Recovery Program- Support Personal Bankruptcy Recovery Program- Microcredit Business
Supporting Products for Small and Medium-sized Enterprises (SMEs)	<ul style="list-style-type: none">- SME Loans : Hana Free-currency Loan, Purchasing Payment Loan, Electronic Bbonds- Small Retailer Finance Products : Franchise Store Loans, Hana Masters Shop Loans, Tax Refund Card- Business Consulting Service : Financial Consulting for SMEs, SME Liquidity Support Team, Export - related Financial Consulting for SMEs
Addressing Customer Concerns	<ul style="list-style-type: none">- S-Line Installment Savings- Baby Installment Savings
Environmental Business-related Products	<ul style="list-style-type: none">- Hana Solar Loan- Water Resource Fund

2. Products for Public Welfare/Financial Support/SME Support that address Social Issues

1) Products for Public Welfare

The ‘Hana Happiness-Sharing Public Trust’ is Korea’s sole public trust and was first created via funding in 1972. It is a program that is designed to sponsor education and support programs using profits generated from managing assets entrusted by our customers. In February 2009, we began accepting assets for the 15th ‘Hana Happiness-Sharing Public Trust’ and total amount of 166 billion KRW was raised. Operating profits of 1,000 million KRW made through the ‘Hana Happiness-Sharing Public Trust’ were executed at the end of 2009, which was the 29th execution of the fund.

The ‘Hana Happiness-Sharing Public Trust’ consists of two different products. One is the ‘Hana Children Education Public Trust’ which supports education programs, and the other is the ‘Share Love with Neighbors Public Trust.’ The ‘Hana Children Education Public Trust’ is designed to help underprivileged children by providing education aids and programs that enhance their learning experiences. It is especially used to support special schools and schools in isolated regions. Another product, the ‘Share Love with Neighbors Public Trust’ is designed to support non-profit organizations that contribute to improving public welfare and national development.

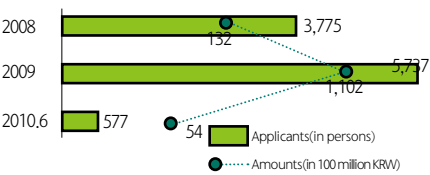
In addition to our public trust program, we are also distributing the ‘Happiness-Sharing SRI Equity Investment Fund.’ In 2003, we have also created ‘Hana Charitable Account’ to promote donation culture. Holders of the account benefits from higher interest rates and they also benefit from a waiver of remittance fees. We have also offered ‘Sarang Hana Add Love’ fixed deposits accounts, for which Hana Bank donated 0.1% of the initial deposit amount to the Hong Myung-Bo Scholarship Foundation for underprivileged children in South Africa. Hana Bank plans to accept assets for Public Trust and execute of the fund for support multicultural families.

2) Financial Support Programs Addressing Social Issues

We have long been interested in assisting the credit and financial recovery of individuals. The 2009 fiscal year was amidst the global economic recession. Under this circumstance, the total amount and the number of cases provided have increased rapidly. Hana Bank is an active participant in the Credit Recovery Program run by the Credit Counseling and Recovery Service, which is administered under the Korea Federation of Banks. As a result, Hana Bank approved the recovery of credit ratings for 5,737 (101.2 billion KRW) in 2009. Hana Bank also supports the credit recovery program approved by the court. So far Hana Bank has approved a recovery credit for of 26.1 billion KRW to our customers.

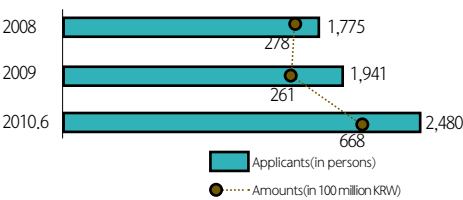
A ‘Transfer Loan’, which transfer existing loan at high interest rate to loan at relatively low interest rate, was launched to alleviate debtors with high interest rates and to offer chances for normal economic activities in January 2009 and we supported 8.6 billion KRW during 2009. Furthermore, ‘Hana Add Hope Loan’ which supports existing alienated people up to 100 thousand KRW with no guarantee was launched in 2009 and 1.8 billion KRW were lent to people with small income or low credit rating.

Credit Recovery Program Applicants and Amounts Approved



* We have operated pre-workout along with credit recovery program since 2009.

Credit Recovery Program Applicants and Amounts Approved by the Court



SME Loan Status (Unit: 100 million KRW)

Outstanding Loans to SMEs	
2006	240,041
2007	269,006
2008	298,651
2009	308,025

3) Supporting Small and Medium-sized Enterprises (SMEs)

Due to the economic recession, there has been an increased emphasis on providing support to SMEs. We have extended greater resources for loans to SMEs and granted 31 trillion won worth of loans to SMEs in 2009. In addition to our financial support, Hana Bank is also providing an array of consulting services including assessment management and finance/organization review, as a business partner to SMEs. The consulting services aim to support SMEs in fully realizing their growth potential. ‘Financial Consulting for SMEs,’ the ‘SME Liquidity Support Team,’ and ‘Export-related Financial Consulting for SMEs’ are specific examples of Hana Bank’s initiatives on helping SMEs. In 2009, we provided free consulting to 7 SMEs such as management consulting, project appraisal and etc.

There are specialized financial products for small retailers which represent 25% of the working population in Korea. Small retailers can quickly fund their businesses using our ‘Franchise Store Loans’ or the ‘Hana Masters Shop Loans.’ They can also easily receive tax returns associated with the loans using our ‘Tax Refund card’. We provided 678 in 2007, 644 in 2008 and 650 in 2009 ‘Franchise Store Loans’ to small retailers.

3. Microcredit Program for Supporting Underprivileged Citizens

The idea of a microcredit business was first created by Nobel Prize Laureate Dr. Muhammad Yunus, who, in 1976, made loans totaling 27 dollars to 42 underprivileged Bangladeshi without asking for any collateral. Our microcredit business is a loan program designed to provide business venture opportunities to people who have the will and potential to become economically independent, but lack funding to start their businesses. By providing loans to people who do not have access to financial services, the microcredit business aims to help beneficiaries break out of poverty.

In December 2009, committed to addressing the social issue of widening income disparity, we launched a branch of the ‘Hana Smile Microcredit Foundation,’ a concerted effort of social corporate leaders to help those

financially distressed. Having its origins in its predecessor ‘Hana Hope Foundation’ established to take charge of operating a microcredit service in September 2008. The foundation adopts a favorable lean policy with less restrictive lending requirements than traditional small business loans. In light of the microcredit program’s spirit, the Hana Smile Microcredit Foundation aims to help beneficiaries to become healthy independent economic entities, rather than simply making

Total Amount Supported

Year	Persons	
	Amounts (KRW million)	
2008	Persons	43
	Amounts (KRW million)	719
2010.6	Persons	142
	Amounts (KRW million)	2,382

a one-time provision of funding. Those eligible for the loan program must qualify as recipients of the government welfare program and be in the second to lowest welfare status defined by the Public Welfare Act may also qualify if certain conditions are met. Usually, the customers of the foundation are entrepreneurs of small business owners who have difficulty obtaining loans through normal channels. As of the first half of 2010, a total of 325 people have received total lending of 4.7 billion KRW in financial aid.

4. Financial Products for Greener Earth

We contribute to the alleviation of environmental problems in two ways. First, we have set up an environmental standard for screening financial support decisions for projects. When Hana Bank grants loans to finance a project or make investments in a relevant project, we make a thorough assessment of environmental risks associated with the project and reflect the assessment results in our overall assessment of the project and the company.

Making loans to environmental businesses and operating environmental business-related financial products are another ways of supporting green businesses. In December 2007, we have introduced the ‘Hana Solar Loan’ which has addressed the ‘lack of certainty’ issue associated with environmental businesses. The Hana Solar Loan allows solar electricity producers to access the necessary funds to start businesses and pay back the loan with the government paid feed-in-tariff over a 15-year period. Before the introduction of the Hana Solar Loan, SMEs struggled to secure the necessary funds to build solar electricity generation facilities due to the high uncertainty of pricing and long pay-back period associated with the business. The launch of the ‘Hana Solar Loan’ has made it easier for renewable energy businesses to access funding, and it also contributes to changing other finance companies’ perception of environmental businesses. As of the end of 2009, a total of 42 billion KRW in funding has been extended to 6 solar electricity businesses through the ‘Hana Solar Loan.’

In order to address issues about environment, we have created ‘- 0.3°C Loan’ which provides lower lending rate up to 0.3% than regular rate to customers who are living in the way of eco-friendly. In April 2010, We have also introduced ‘Hana 2013 Garden of the Earth EXPO installment savings,’ a product designed to support the ‘International Garden EXPO Suncheon Bay Korea 2013’ by donating 0.1 percent of proceeds from the product to the committee.

5. Products that address General Customer Concerns

In addition to providing products that are relevant to customers in special circumstances, we also offer products that meet the needs of general customers. The ‘S-Line installment savings’ and ‘Baby Installment Savings’ are two examples. The two products were designed to address issues that many customers find relevant a few times in their lives.

A low birth rate is currently a serious social problem in South Korea. In order to help alleviate this problem, we have created ‘Baby Installment Savings account’ which provides higher than regular interest rates to customers who are pregnant or have more than two children in their households. As of December 2009, a total of 3,468 customers had signed up for the ‘Baby Installment Savings Account’. In the manner of the ‘Baby Installment Savings Account’, we

have launched ‘Happy Childbirth Installment Saving Account’ which provides a service that is to engrave fetal name on a bank book. It launched in February 2010, a total of 6,928 customers had signed up during 4 months.

The customers who sign up for the ‘S-Line Installment Savings’ receive a ‘Guide to Healthy Living’ and benefit from a high interest rate when they succeed in losing weight. You can often see our customers measuring change in their weight at our branch offices, in hope of benefiting from higher interest. As of December 2009, a total of 164,894 customers had signed up for the ‘S-Line Installment Savings’ account which addresses the personal health issues of being over-weight.

6. Smart Services that provide Maximum Convenience for More Customers

Finding ways to provide better access to more customers is another important financial sustainability activity. We have many devices and systems that allow our customers to access our services anywhere. In addition, we are also attempting to install devices that will allow non-Korean customers to conveniently use our banking services.

In addition to the continued expansion of our ATM network, we are also collaborating with mobile telecommunication service providers to provide mobile phone-based banking services, in order to provide our



services to more customers. Our customers can also access the various services and products by accessing the Hana N Plaza internet website at www.hananplaza.com. In November 2009, Hana Bank started to provide mobile banking services for ‘smart phone users’ , such as i-Phone and other smart phone based on the android, window

mobile OS, which are the first of its kind in Korea. Together with this, we have offered a service ‘Hana N Money’ which is a program to manage personal finance management. In the trend of drastic increase of smart phone users, Hana Bank is making a great effort for our customers as leading-provider.

Hana has been running a program titled ‘Hana Bank on the Move’ since the late 1990s. It provides extended access to customers at vacation spots and highway rest areas during holiday seasons. Provision of banking services in disaster-relief areas is another important part of the ‘Hana Bank on Move’ program.

7. Expansion Plan for Sustainable Finance Activities

In addition to continuing our efforts in promoting our existing sustainable finance initiatives, we are also planning to create products that correspond with our new ‘Green Bank on the Move’ initiative and address environmental and health issues. We also plan to continue expanding our microcredit business. Additionally, we have announced our aspiration to execute more than 8 hundred billion of loan assets to support SMEs in 2010, and formed a support organization that encompasses both corporate finance and personal finance offices. In addition to supporting SMEs financially, we will continue to support SMEs to ensure their success through collaboration using the new organization.

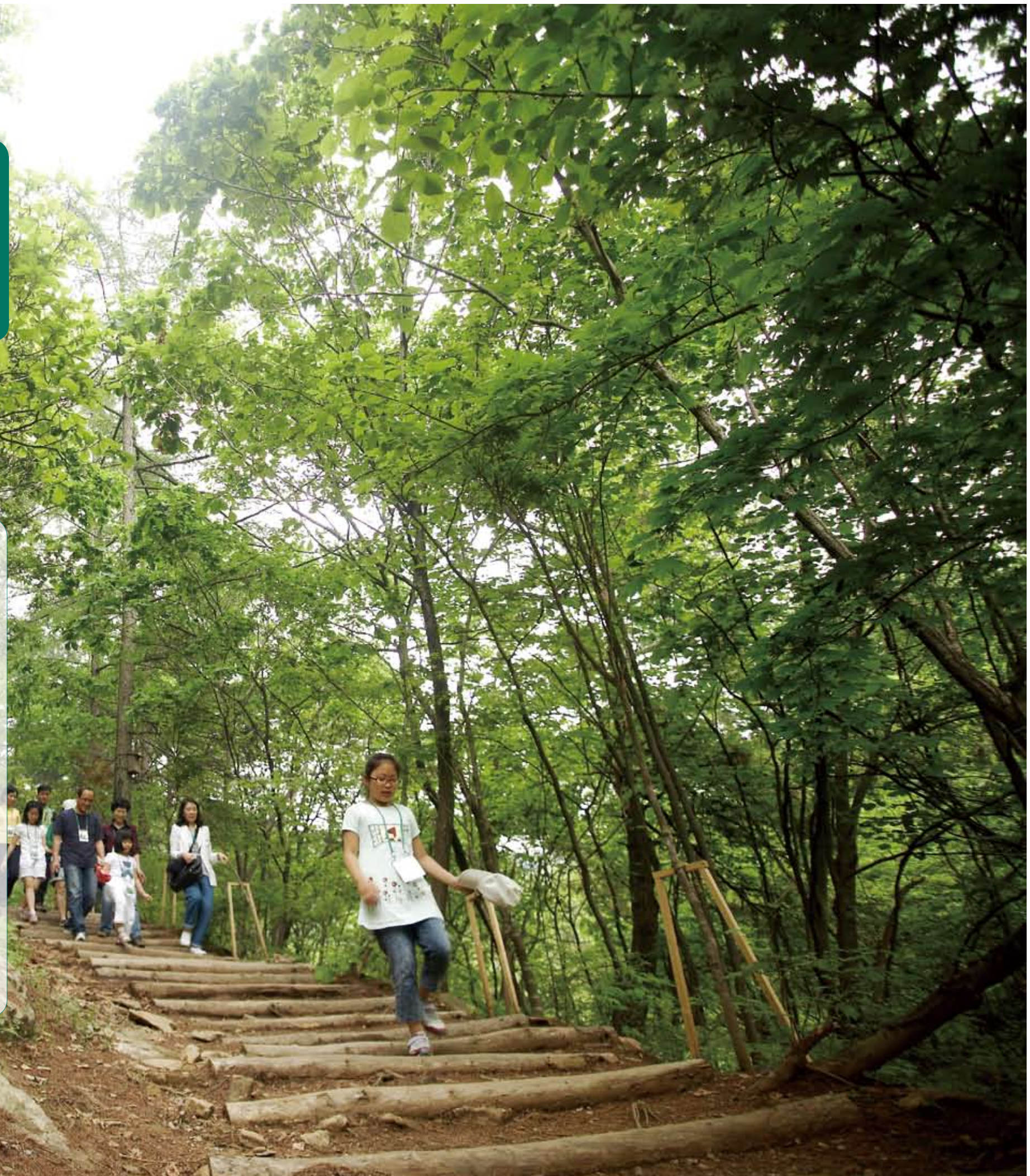
Action for Green Earth

Hana Bank's environmental management practices will help us to recover from the current national recession, prevent environmental crises, and provide Hana Bank with a springboard to a new growth.

1. Green Bank on the Move' Initiative

We aspire to be one of the leading banks which play catalytic role of realizing eco-friendly growth. In line with this aspiration, we have announced our new initiative to become a 'Green Bank on the Move,' and chose 'Green Foot' as our iconic brand for green growth. We chose a foot as a symbol because it is a fundamental part of our body that is always standing our environment. Moreover, a foot symbolizes our will to act and go places even when faced with hardship. Thus, our 'Green Bank on the Move' is an expression of our aspiration to be an environmental leader in the banking industry. It is also a declaration that we will proactively take part where we are most needed with strengthened on-site management and optimal teamwork.

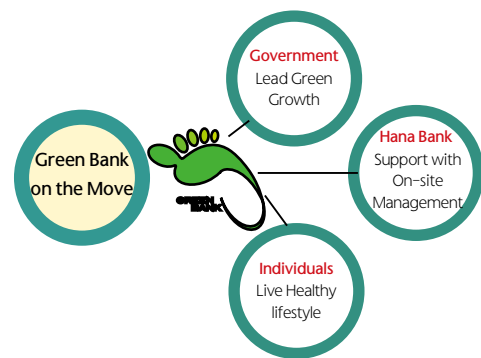
We have been taking the lead in conducting many activities that were designed to raise the environmental awareness from our customers, children and members of local communities. 'Green Bank on the Move' is a unique environmental management program designed to promote three goals of 'strengthening leadership on green growth,' 'on-site management,' and 'contributing to the health of community members.' By promoting 'Green Bank on the Move,' Hana Bank will further strengthen our environmental stewardship activities and serve a pivotal role in promoting green growth in Korea.





Love River Foot Relay for Han River Parks

2. 'Green Foot' Activities for Promoting Green Growth



'Green Foot' activities can be categorized by national-, company-, and personal-level activities. On a national level, we plan to actively participate in the Korean government's 'Low Carbon, Green Growth Initiative' by using less energy and conducting activities that raise environmental awareness in local communities. On a company level, our members strive to be a more passionate partner with a more on-site approach for customers who need us. Last but not the least, we will strengthen our effort to create financial products and activities that will contribute to the healthy and happy life of our customers and employees.

More specifically, we are planning to have several initiatives on a national level. The activities include a no-car on the first working day of every month (promoting mass transportation use), sponsor the 'Love River Foot Relay for the Han River Parks' and other smaller rivers (volunteer work to remove invasive plants), banking products, credit card products, and loans that support eco-friendly businesses. In addition to the new initiatives, we also plan to further strengthen our more than a decade-old environmental awareness program which sponsors activities including the 'Hana Green Poster Contest' the 'Beautiful

Forest Visit Program' and the 'Hana Green Concert,' on a company level.

Also, on a company level, we launched a 'Walk and Donate Campaign' which is an initiative to raise the environmental awareness from our employees. It is operated in a way to wear pedometers and donate 1 won for each 10 steps they took. A total 3,700 employees participated during 2009(Season 1~ 3) and 37 million KRW were collected. 74 million KRW, which is the total amount of contribution raised and company provided-fund By matching grant, delivered for use as an Haiti emergency relief/reconstruction fund through World Vision and also donated to the 'Plant 1 million trees in the world' fund organized by the UNEP in Korea.

We also plan to launch a 'Green Private Banker' service which will lead the Green Foot campaign, and help promoting our new private banking business as a new growth engine. We plan to actively conduct green marketing campaigns at various points of customer contact and thus, 152 private bankers working for Hana VIP clubs and 17 private bankers managing gold club participated in the Green Private Banker launch event. We also plan to provide discounted interest rates for loans taken out by customers who lead an eco-friendly life style. Existing products, such as the 'S-Line Installment Savings' and '- 0.3°C Loan' will be made available to more customers as well.

As we illustrated, the scope of our Green Foot initiative is not limited to Hana Bank itself. Our green initiative's greatest significance lies on the basis that it contributes to the national 'Green Growth' initiatives as well as lives of our customers. Hana Bank will continue to take the necessary steps forward, without pause, for all of our customers.

3. Energy-saving Efforts

We are striving to reduce the environmental impact associated with our operation. Since we are not in the manufacturing business, our activities make relatively little impact, yet we do consume resources such as energy and paper. In recognition of the climate change issue, we are making an effort to reduce energy use, a major source of CO₂, which is the main culprit of climate change. According to our calculation, our CO₂ emissions for 2009 were 15,201 tons.

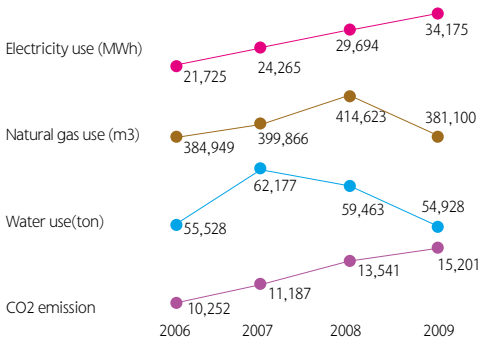
In order to reduce CO₂ emissions, Hana Bank has changed its heating systems that used bunker C oil or kerosene to more eco-friendly electric heaters. We also have several operation support team-led energy conservation campaigns including office temperature guidelines for summers, as well as limiting elevator use for lower floors. The Hana Financial Group's 'Save Energy Save Korea' campaign is another example of our efforts to save energy in all operations. In terms of transportation, we have signed a treaty with the Seoul metropolitan government on energy conservation practices, and our employees are participating in the Seoul city initiatives on limiting personal car use and increasing the use of mass transportation.

We are also keen on reducing our environmental impact associated with paper use. Recycling single-sided printouts is one of our most important initiatives. Some of our envelopes are used many times over by writing addresses using pencil and erasing them for reuse. Recycling used slips is another important activity. In 2009, we launched a 'Mug-to-use Campaign' which is concentrated on reducing the quantity of disposable paper cups consumed. We used a total of 574,929KG of paper in 2009. Also, starting in 1997, we have gradually increased use of more eco-friendly office



Walk & Donate Campaign

supplies such as recycled cartridges for inkjet and laser printer, contributing to environmental protection as well as an overall cost reduction. We are also purchasing toilet paper made with recycled paper.



* The CO2 emission increase in 2008, 2009 is due to an increase in electricity-use related to newly-installed IT devices at the Bundang Data Center.

4. Environmental Protection Program for Local Communities

We have diverse programs that are aimed to promote environmental protection at a community level. Since 1993, we have held the ‘Hana Green Poster Contest,’ which is aimed to give children a chance to appreciate nature. The Grand Prize for the winning team in the group contest category is the creation of a ‘dream art classroom’ for the school, designed by a professional interior architect. The dream classroom provides talented young students a place to nurture their artistic talents.

We have provided ‘dream art classrooms’ to 19 schools since 2001. The poster contest, in which 40,000 children participate each year, has been held 17 times so far.

Since 1993, we have been operating the ‘Beautiful Forest Visit Program’ in collaboration with the Forests and Culture

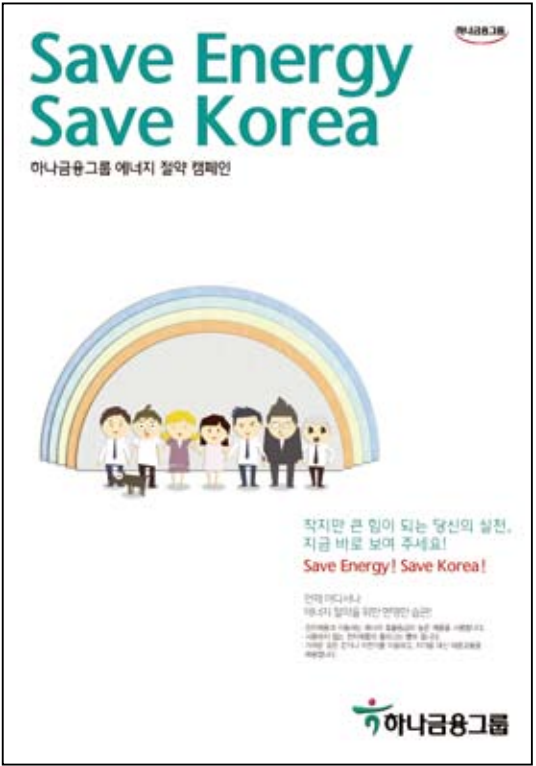
Research Group, with a goal of raising awareness to the importance of the forest and promoting better forest management. Both our customers and non-customers can participate in the program and a total of 2,420 customers participated in one of 39 separate visits so far, as of 2009. The participants had a great family experience and learned about the importance of the forest.

In June 2006, Hana Bank signed a ‘Forest care program agreement’ with the Korean Forest Service, a ten year commitment to manage a set area of forest

known as the ‘Hana Forest.’ Since then, we have planted tree saplings, created trails and put up signs in order to care for the ‘Hana Forest’ and to make it more accessible. We plan to hold various events at the Hana Forest with our customers and employees in the future.

Lastly, Hana Bank also holds the ‘Hana Green Concert,’ which combines our cultural activities with our green initiative. The first ‘Hana Green Concert’ was held in 1993, and it is a significant event which is held up to three times a year. It is an opportunity for us to inform people about the importance of environmental protection, while providing an opportunity to allow the general public to appreciate music. Many different types of music are played

at the concert including classical, popular and fusion music. The concert has been held a total of 43 times between 1993 and the end of 2009.



5. Environmental Management Plan

In environmental management, just a strong will and a good philosophy is not enough because changes only happen when concrete measures are taken with the support of both employees and customers who understand its importance. We plan to continue to raise the awareness and level of understanding among our employees, create products that catalyze behavioral changes of our customers, and increase contributions to environmental protection at a community level with our social contribution activities.

Hana Bank, a Healthy and Enjoyable Place to Work

We respect and value our employees, and we are striving to help them realize their full potential by supporting their education and growth. In fact, one of our four missions is to 'Provide employee empowerment as a great work place.' Satisfying our employees is relevant to our stakeholders because personal satisfaction encourages them to passionately provide the best quality service to our customers.

1. Importance of Employee Values at Hana Bank

All our business activities, from creation of financial services and products to their delivery to customers, are all carried out by our employees. Naturally, employees are the key to our success. The success of sustainability management is also dependant on the efforts of our employees. This is why we chose 'fostering a pleasant work place to satisfy our employees' as one of our four key missions. We are striving to provide stronger support in various areas to create a pleasant work experience for our employees and provide opportunities for our employees to develop.

Our support for employees can be largely categorized into employee education programs and employee benefits. We are providing customized and focused education programs, as well as providing employee benefits that create a pleasant work environment while maintaining a healthy balance between work and life. We also have a wide range of employee communication programs through which the opinions of various individual employees can be communicated.

2. Personal Development Programs

Hana Bank is providing a diverse set of training programs to extend the skills of each employee. Our Career Development Plan, Leadership training, and Community of Practices system (CoP) are prime examples of our personal development programs. Additionally, we are supporting employee who plans to acquire a certificate in various field of finance.

	CFA Lv1	CFA Lv2	CFA Lv3	AFPK	CFP	FX Specialist I	FX Specialist II
2008	32	8	11	1,221	119	32	26
2009	53	15	12	1,756	158	124	120
2010,6	77	15*	12*	1,860	208	172	133

* Names of the examinee passed the 2010 exam for CFA Lv 2,3 have not announced until June 2010

1) Career Development Plan

Hana Bank is operating a Career Development Plan which guides each employee to become an expert in their field. This plan is created to help each employee to become an expert in their field by providing a tailored and structured three stage education program. The program allows the employees to obtain the necessary level of knowledge at each stage of their career, as well as affecting their actual career development track, as employees are assigned to job positions relevant to their training and background experiences. As of June 2010, a total of 14,737 employees were participating in the 10 career fields to strengthen their competency.

2) Leadership Training Program

In addition to providing employee opportunities to become more knowledgeable, we are also operating a customized leadership training program to nurture our employees as responsible leaders. There are diversified programs conducted depending on their position, such as ‘Hana Leaders Academy’ for executives, ‘Fine Academy’ for women branch managers, ‘Reading and Leading Program’ which is for all employees and offered to approximately 5,000 people during 2009.

3) Community of Practices system (CoP)

CoP is an on-site-oriented learning method, which is designed to share diverse knowledge and various perspectives among participants, that advances the traditional one-way transfer of knowledge. Each CoP is organized with more than five participants who hold on- and off-line meetings to study and find solutions to job-related issues, in addition to personal subjects of interest. The CoP study results are openly shared with all Hana Bank employees. As of December 2009, there were 296 working CoPs with 4,707 employees.

3. Promoting Internal Communications

We are absolutely confident that communication among employees is a key factor in energizing our organization and creating growth. This belief comes from our unique history. Hana Bank has experienced great change in our

organizational structure as we have gone through a number of mergers, and experienced the conversion to a holding company structure, which requires a great deal of communication in order to promote a sense of unity and keep talented employees at the company. Therefore, we have created and maintained an effective communications network among our employees. We are also actively conducting various communication campaigns in order to promote common understanding among our employees.

Hana Bank is actively using on-line communications resources including the company groupware ‘Hana Portal’ and the on-line communications channel ‘Hana World.’ In 2009, We launched campaigns via hana portal which are ‘the Energy of Optimism’ in terms of activating optimistic corporate culture and ‘Walk and Donate’ as a part of effort to attract participation from employees for ‘Green foot’ campaign. ‘Hana Echo’ is one of our key on-line communications programs, which allows our employees to directly ask about regular business affairs, as well as report personal grievances directly to relevant departments. In addition, each branch office and headquarters team has appointed a Customer Satisfaction (CS) leader who acts as a promoter of communications among employees in addition to their CS work. There is also a volunteer initiative called the ‘Hana-ville Meeting’ which promotes communication between the Hana Innovators and the CEO.

We have launched an intelligent business management system named ‘New-Turn’ in January 2009, with the goal of promoting more robust knowledge-sharing among our employees. The ‘New-Turn’ business management system is designed to increase the capacity of employees to create, share and utilize important information relevant to our operation and strengthen our core capacity. It has an improved search functionality that allows speedy responses to customer demands. Users of the ‘New-Turn’ system can also save time because work-related information, including know-how and regulation changes, can be checked at the site. Since the ‘New-Turn’ system encourages open sharing and participation, it makes us acquire the added benefit of promoting communication among employees.

In this relationship, we are attempting to set a high benchmark for others. A meeting between six employer representatives, including the CEO, and six members of the labor union, including its leader, is held on a quarterly basis. Many productive agreements were made so far. For instance, Hana converted 460 part-time employees into non-fixed term employees in 2007, reflecting a strong demand by the labor union. A common statement for unity was also announced in 2008, demonstrating our friendly labor-employer relationship.

4. Programs for Better Quality of Life

1) Employee Benefits

In addition to employee benefits required by law, Hana Bank offers a set of original employee benefits. First, we provide a free comprehensive health check for employees over 35, and spouses over 36 years old, in order to ensure their health and safety. We are also fully paying for an employee health care plan which partly pays the medical expenses of our employees in case of hospitalization due to diseases and natural disasters. Additionally, we provide partial support for medical expenses associated with employees and their families.

In order to promote stable families, we are providing rental housing for some of our employees who do not have house ownership and are responsible for taking care of additional family members. We also offer a temporary

boarding house for employees who were assigned to an office in regions away from their home. Our employees also benefit from a tuition subsidy for their children, which provide support from the start of kindergarten through college. We also operate a child-care facility for working mothers, as well as providing free access to resorts and vacation spots as part of our employee benefits programs.

Since 2009, Hana Bank has implemented an initiative ‘Refresh Holiday’, which is the first of its kind by a domestic financial institute, in order to change employee’s perception of the ‘REST’ and improve quality of their life. All of employees are encouraged to take annual leave more than 10 days for providing opportunity to take some time for introspection and refresh. Also it is expected to contribute to improve productivity and prevent financial accidents.

2) Work & Life Balance Program

Reflecting our employee’s desire to improve quality of life, we created a work and life balance program. A total of seven subprograms are provided. First, the ‘Life Care Center’ provides consultation services for common problems that our employees face at each stage of their lives. We also have a ‘Family Program’

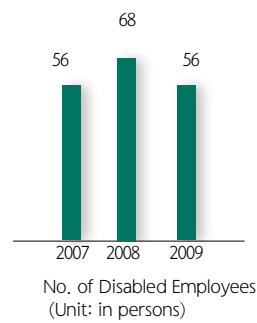
● Programs for Promoting Work and Life Balance

	Programs	2008	2009
Life care Center	Wedding Supporter System(employees)	Wedding ceremony supported : 21 Dating service supported : 70	Wedding ceremony supported : 64 Dating service supported : 122
	Child SupportProgram(employees)	Psychological test supported : 14 Counseling service : 322	Psychological test supported : 4 Counseling service : 541 Education for parents provided: 3
	Personal and Family Crisis Counseling(employees)	Life/Career Planning Consulting provided : 20	Life/Career Planning Consulting provided: 51
Family Program	Hana Family Love Program	All employees signed up for Hana Family Love Card and benefited from exclusive financial services	All employees signed up for Hana Family Love Card and benefited from exclusive financial services
	Oh, Happyday’ Program	Oh, Happyday beneficiary : 9,537 individuals Elementary School Enfolment Gift given : 503 students College Entrance Examination Support Gift : 348 students	Oh, Happyday beneficiary : 9,637 individuals Elementary School Enfolment Gift given : 453 students
Hobby Support Program	Employee Hobby Group Support	76 million KRW	84 million KRW
	Flight Discount Access	202 employees	63 employees
Health Support Program	Employee Health Check-up Service	560 employees	668 employees
	Quit Smoking Program Support Programs	79 supported, 38 succeeded	60 supported, 22 succeeded
Retired Employee Support Program	Hanmaeum Retired Employee Support center	Job information provided : 1,004 Employment succeeded : 13	Job information provided : 935 Employment succeeded : 87
Personal Finance Consulting Program	Employee Credit Recovery Support	Credit recovery counseling : 4	Credit recovery counseling : 8 Credit recovery supported : 2
Grievance Handling Program	In-office Grievance Counseling Services	In-house consultation : 152 Outsourced consultation/Stress relief service : 519	In-house consultation: 160 Outsourced consultation/Stress relief service: 239

which provides fun programs for employees and their family members. Other subprograms include a hobby and leisure support program, a health-support program with a focus on stress relief, a retired employee support program, a personal finance consulting program, and a grievance handling program for resolving work-related issues.

5. Measure to Prevent Discrimination

● Disabled Employees Status



We strive to be fair in all human resource management processes; from hiring to appraisals and promotions. We are an equal opportunity employer and do not discriminate against job applicants based on place of birth, gender, religion, or race. Compensation is made on the basis of job performance, and workers engaged in identical duties are evaluated against an equal standard. We are also endeavoring to embrace diversity in our work place. During the course of our growth, the proportion of female employees has grown consistently and the number of females in management-level positions or higher has increased as well. We are also an active employer of disabled workers. In June 2005, we signed an agreement with the Korea Employment Promotion Agency for the Disabled to hire more physically-challenged workers. The number of disabled employees is 56 as of 2009.

● Female Employee Status

	2007	2008	2009
No. of Female Employees (in persons)	6,143	6,747	5,804
Proportion of Female Employee(%)	61.2	62.2	60.7
Female Employees at Management-level or higher (in persons)	60	66	61
Proportion of Female Employees at Management-level or higher(%)	6.0	5.9	6.4

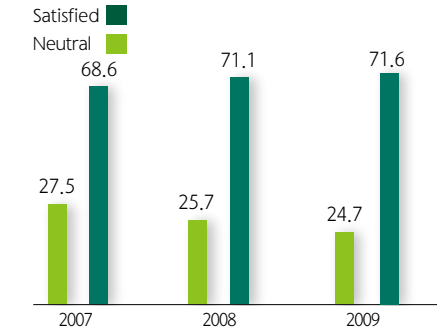
6. Employee Satisfaction and Improvement Plan

We have strengthened activities including employee benefits, training programs, internal communication improvements, which are all aimed to develop Hana Bank into a more satisfying place to work. Our efforts have been successful so far, as the annual job satisfaction

survey results have remained high with employees responding ‘very satisfied’ and ‘satisfied’ at 68.6%, 71.1%, 71.6% in 2007, 2008 and 2009 respectively. We will continue to expand on our existing programs to further improve employee satisfaction.

A special emphasis will be placed on increasing training programs and improving internal communication. Our next generation knowledge-based business management system will play an important role in promoting the two areas of emphasis. Lastly, we will continue to strengthen our work and life balance promotion programs such as ‘Refreshment Holiday’.

● Employee Job Satisfaction(%)



Effort to Keep Our Promise as a Healthy Financial Institution

Hana Bank's ethical management is a launching pad for attaining the virtuous cycle of mutual trust with our stakeholders, happiness for our employees and sustainable growth of the bank.

1. Code of Ethics

The fundamental frame of Hana Bank's ethical management was first made when transferring bank in 1991 along with enacting 'Ethical Platform and Practical Guidance for Officials and Employees' to establish ethical standard that corresponds to the bank business. Afterwards, 'Hana Bank Action Guide' was made in 2001 to establish unified standard for officials and employees through acquisition of Chung Cheong Bank and merger with Boram Bank. In 2001, we enacted new 'Ethical Platform for Hana People' after merging with Seoul Bank and realizing the need for reorganization of Ethical platform. In April 2009, the code of ethics amended to reflect global standard and prepare ISO26000. In this manner, we will keep continuing improvement in ethical management system.

As specified in 'Ethical platform for Hana People', it is a 'ethical model' which sets the very basic ethical value standards to follow, not as an individual, but as a financier. It also regulates the joint responsibilities and obligations of the company, officials and employees towards customer, stockholder, local society, officials and employees.

** Full text of Hana Bank's Code of Ethics can be found on Hana Financial Group's website.
(www.hanafn.com > Corporate Culture > Integrity)

2. Ethical Management Activities

1) Education Program

Hana Bank has incorporated ethical management as an integral part of our employee training. Our compliance people undergo rigorous group training sessions once a year, and all employees are required to take ‘Best Practices in Ethical Management’, which is an online training course from 2005. Futhermore We conducted an ethical management awareness survey which gave our employees a chance to reflect on their individual actions. These programs helped reinforce our corporate values and greatly enhanced integrity and accountability of our people, thereby resulting in significant decrease in violation of the Code of Ethics.

2) Ethical Management Implementation Program

To achieve ethical management such as prevention of unfaithfulness and wrong doings, we are operating various practical programs, along with education for officials and employees. Main ethical management practice programs are as follows.

● Program to Practice Ethical Management

Securities Account and Transaction Detail Report System	The system monitors potential violation of any regulations or laws. It promotes adherence to laws related to marketable securities transactions such as prohibition of insider trading and actions that create conflict of interest. It also requires employees in charge of asset management and loan review to report details of marketable securities transactions every half quarter in order to promote asset and loan quality.
Employee Reporting & Informer Protection System	Regulate the reporting obligation of employees and protect their identity by arranging regulations on internal employee report and reporter protection.
Reporting Gifts and Bribes Received	Code of Ethics regulates that “No employee shall demand a gift or money regardless of the amount, in return for his/her (expected) service.” However, if compelled to receive bribes or gifts, the system requires a person to report the incident voluntarily.
Sending Warnings to Violators of Code of Ethics	The system warns violators about their wrongful actions to prevent further violation of the Code of Ethics and guidelines. Its purpose is not to penalize violators but to inform them of the Code of Ethics and guidelines.

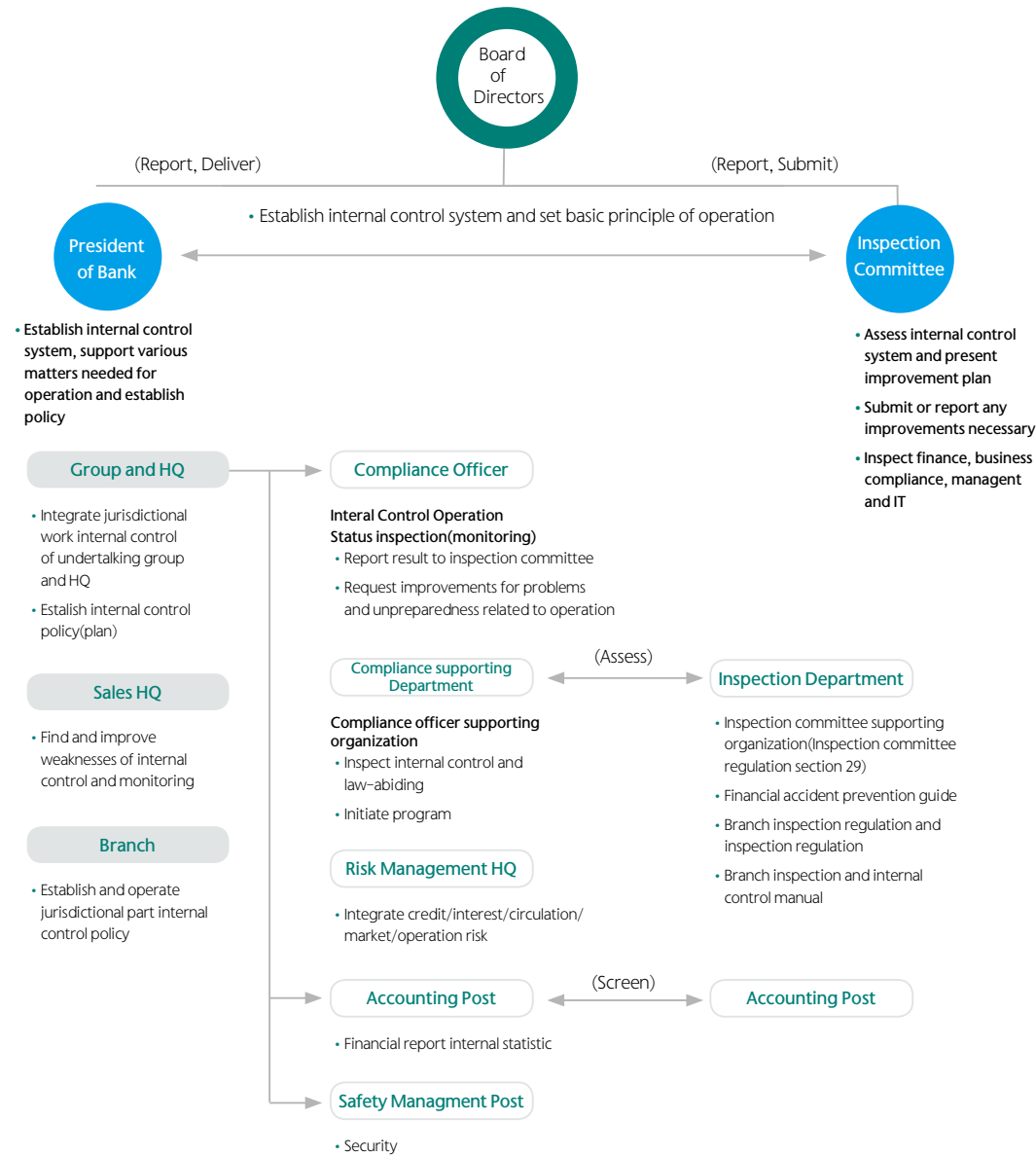
3) Money Laundering Prevention System

In order to prevent domestic and international money laundering and to settle transparent financial transaction custom, Hana Bank is prohibiting direct and indirect participation of officials and employees in money laundering through internal moral platform and making sure they acknowledge the importance of money laundering prevention.

Furthermore, by establishing and improving computation system, we achieved substantial prevention of money laundering. In 2006, education was given 82 times to total 3,508 officials and employees. Also, money laundering prevention was achieved through direct visiting education regarding compliance with domestic and local laws at offshore branches.

3. Internal Control System

For asset protection, accuracy and reliability of financial data, efficient usage of bank resources and various plans and regulations of the bank, Hana Bank is executing continuous guidance and inspection towards officials and employees. To do so, we have prepared internal control system and are operating our own internal control standards. Internal control is being operated systematically through the bank president, inspection committee, compliance officer and organization such as compliance supporting team in multiple managements for mutual check.



Endeavor to Anticipative Risk Management

Hana Bank is planning stability by preventing risks that could occur in management activities. We have established and been operating integrated risk management system to increase the values of various stakeholders.

1. Basic Concepts of Risk Management

Risk Management in Hana Bank is based on following basic principles to utilize limited resources in changing financial environment.

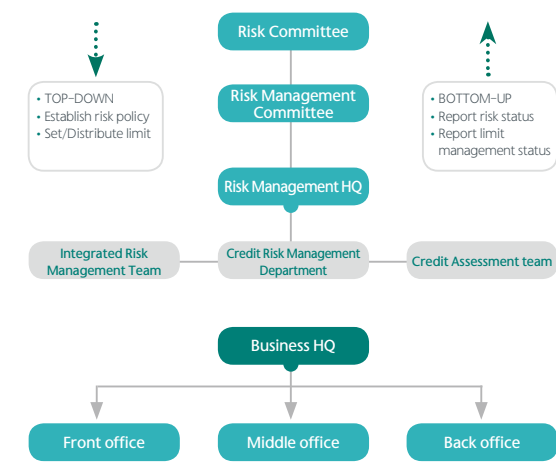
- 1) Minimization of sudden change in earnings through the proper combination of risk and revenue
- 2) Maximization of shareholder value
- 3) Following proper procedure which conforms to decided risk allowance limit in Operation.
- 4) Observing types and size of risk being confronted according to changes in potential economic values. And establishing risk management system in order to effectively utilize resources and distribute capital.

2. Risk Management system

Hana Bank operates risk management system to manage risk systematically. Risk control is transparently being done by placing risk committee under the responsibility of the board of directors. The related organizations are operated in a way that all processes are managed specifically and practically.

Risk management is comprised of the risk committee which sets the allowance limit of various risks and the risk management committee which inspects the conformity of the allowance limit along with the monthly status of risk as the main body of the risk management. Subordinately, the middle office of each business headquarters and risk management headquarters comprised of integrated risk management team, credit risk management team, and credit assessment team take charge of daily risk management and reporting.

● Risk Management Organization and System



In November 2008, Hana Bank received approval from the Financial Supervisory Service regarding required Basel II conditions by establishing AMA(Advanced Measurement Approach) for operational risk and IRB(Internal Ratings Based Approach) for credit risk which satisfy the conditions. It made Hana Bank the first financial institution which got approvals for all sectors, markets, credit and operating risks, from the Financial Supervisory Service(FSS). The efficiency of Hana Bank's risk management system is reflected in our BIS ratios which represent status of industry-leading.

Capital Adequacy Ratio 16.16%
Primary Capital Ratio :12.22% (as of March 31th, 2010)

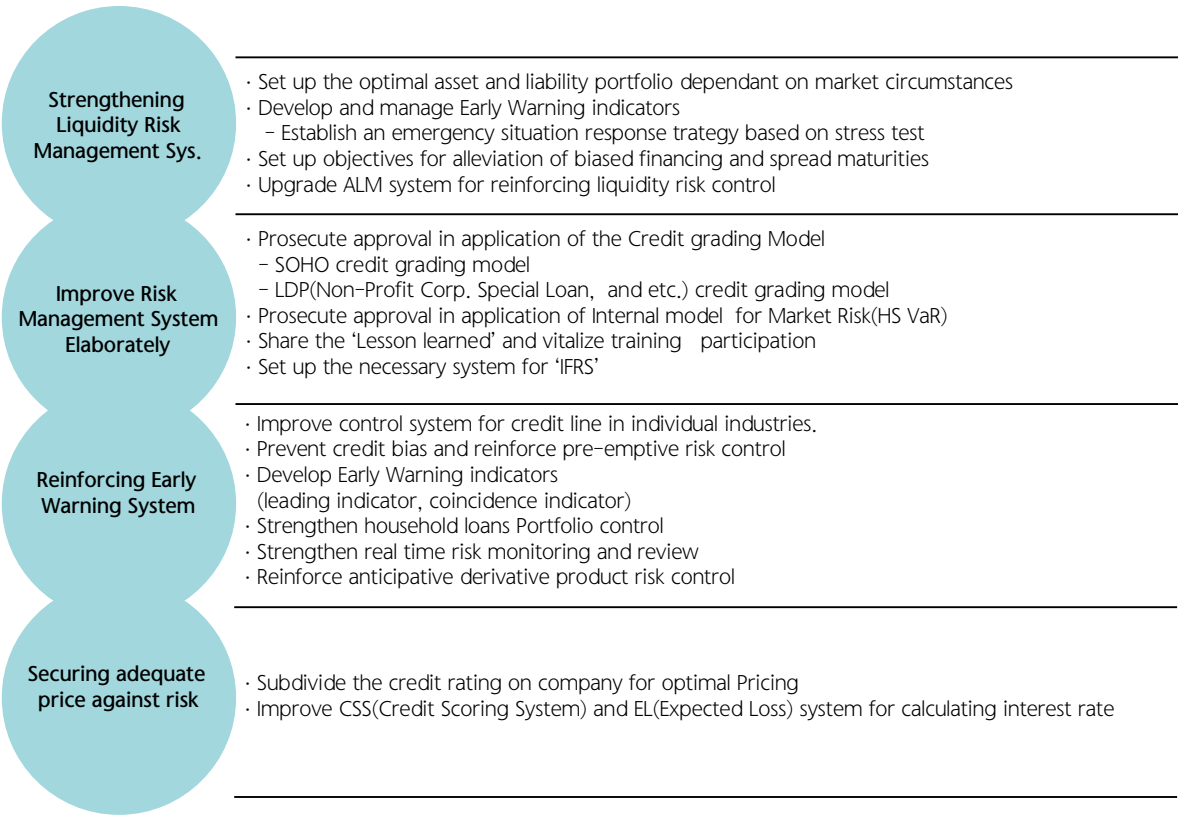
● Organization Structure and Role

Organization	Members & Main Roles
Risk Committee	President, Vice President and Three outside Directors > Review and approve plans on risk management
Risk Management Committee	6 division Heads including Risk Management Division > Manage the bank's overall risks
Risk Management HQ	Integrated Risk Management Team, Credit Risk Management Team, Credit Rating Team > Monitor the bank's overall risks > Check the amount of assets exposed to risk > Predict changes to risk

3. Risk Management Focused Promotion Plan

In order to strengthen the computation risk capacity, Hana Bank has set 4 categories such as strengthening Liquidity Risk Management System, reinforcing Early Warning System, improving risk management system, securing adequate pricing , and is preparing specific plan to promote intensively.

● Strengthen Internal Capacity for Pre-emptive Risk Management





A. Financial Statement

Balance Sheet(Bank Account) (unit: million KRW)

Description	2009	2008	2007
Assets			
Cash & Due from Banks	6,128,872	7,630,092	7,283,219
Securities	21,309,657	20,358,215	17,657,426
Loans	98,839,085	99,649,253	85,820,012
Tangible Assets	1,082,843	1,130,251	1,084,728
Other Assets	8,148,332	17,829,196	5,095,851
Total Assets	135,508,789	146,597,007	116,941,326
Liabilities			
Deposits	89,884,425	91,201,491	78,382,599
Borrowings	25,448,303	29,121,272	23,676,756
Other Liabilities	10,963,825	17,362,249	7,165,292
Total Liabilities	126,296,553	137,685,012	109,224,647
Shareholder's Equity			
Capital Stock	1,147,404	1,174,661	987,161
Capital Surplus	2,724,149	2,720,169	1,406,497
Capital Adjustments	(176,338)	(1,300)	(1,208)
Accumulated Other Inclusive Gain(Loss)	313,178	87,178	728,610
Retained Earnings	5,203,843	4,931,287	4,595,619
Total Shareholder's Equity	9,212,236	8,911,995	7,716,679
Total Liabilities and Shareholder's Equity	135,508,789	146,597,007	116,941,326

Income Statement(Bank Account) (unit: million KRW)

Description	2009	2008	2007
Operating Revenues	24,546,434	34,968,090	10,397,391
Operating Expences	24,184,218	34,506,524	8,797,677
Operating Income	362,216	461,566	1,599,714
Non-Operating Revenues	67,066	127,132	88,254
Non-Operating Expences	99,734	69,370	197,696
Income Before Income Tax	329,548	519,328	1,490,272
Income Tax	87,803	119,486	438,729
Net Income	273,930	474,361	1,051,543

Balance Sheet(Trust Account) (unit: million KRW)

Description	2009	2008	2007
Assets			
Cash & Due from Banks	700,999	852,605	236,088
Securities	5,798,941	6,359,563	5,788,081
Loans	198,944	213,828	176,594
Private Placement Corporate Bonds	1,054,999	1,214,998	1,252,849
Call Loans	0	0	100,000
Bonds Purchased under Resale Agreements	1,388,000	389,000	0
Money Receivables	1,421,694	1,889,290	1,826,942
Movables & Real Estate	5,235,949	4,720,038	2,907,079
Other Assets	148,677	167,968	243,256
Loans to Banking Account	675,487	412,542	641,818
Allowance for Valuation of Receivables	(179)	(2,710)	(180)
Total Assets	16,623,511	16,217,122	13,172,527
Liabilities			
Money in Trust	7,997,060	7,190,482	5,769,271
Property in Trust	8,049,828	8,857,645	7,045,538
Public in Trust	16,767	24,866	24,878
Other Liabilities	156,502	114,496	304,653
Special Provisions	29,698	29,633	28,187
Total Liabilities	16,623,511	16,217,122	13,172,527

Income Statement(Trust Account) (unit: million KRW)

Description	2009	2008	2007
Revenues			
Interest on Due from Banks	44,196	37,932	6,591
Interest and Dividends on Securities	240,828	278,983	280,582
Interest on Loans	13,716	15,617	11,323
Interest on Private Placement Corporate Bonds	61,988	73,797	12,283
Interest on Call Loans	0	955	13,754
Interest on Repurchase Agreements	18,727	16,897	133
Other Interest Income	196	9	33
Cain on Derivative Transactions	49	244	192
Gain on securities	71,695	39,433	974,115
Commissions Received	2,388	2,928	3,079
Other Revenues	611	339	211
Interest on Loans to Banking Account	17,698	31,091	33,333
Reversal of Special Provisions	1,465	521	991
Reversak if Akkiwance for Credit loss	1,383	7,850	795
Total Revenues	474,940	506,596	1,337,415

Description	2009	2008	2007
Expenses			
Gain on Money Trust	291,400	245,008	1,151,215
Gain on Property Trust	100,266	135,157	56,414
Gain on Public Welfare Trust	614	1,566	944
Commissions Paid	581	178	200
Loss on Derivatives Transactions	178	289	334
Expenses on Securities	50,601	74,572	82,958
Contribution Fees to Fund	154	174	350
Trust Fees & Commissions	29,575	31,462	31,480
Other Expences	0	13,659	10,377
Provision for Special Reserves	1,530	1,972	3,121
Provision for Allowance for Credit Losses	40	2,559	22
Total Expenses	474,940	506,596	1,337,415

B. Financial Data and Economic Value generation and distribution

Financial Data

	2009	2008	2007	Unit
Pre-Provisioning Income	1,140.0	1,896.7	1,941.6	billion KRW
General Operating Income	2,339.9	3,007.0	3,210.7	billion KRW
Net Income	273.9	474.4	1,051.5	billion KRW
Net Interest Margin(NIM)	2.31	2.06	2.31	%
Return on Assets(ROA)	0.93	0.34	0.93	%
Return on Equity(ROE)	3.03	5.94	13.97	%
Total Assets(Bank Account)	135,509	146,597	116,941	billion KRW
Total Liabilities(Bank Account)	126,297	137,685	109,225	billion KRW
Standard and Below Loan Ratio	1.05	1.20	0.77	%
Coverage against Standard and Below Loan	129.92	126.84	169.07	%
Loan to Deposit Ratio *	109.6	107.9	105.9	%
BIS Capital Adequacy Ratio **	14.98	13.51	11.75	%
Delinquency Ratio	0.51	0.86	0.64	%
Dividend	87.9	0.0	460.0	billion KRW
Dividend Ratio	8	0	49	%
Salary	454.1	460.0	489.6	billion KRW
Other Employee benefits	102.3	117.8	105.6	billion KRW
Donation***	77.9	42.3	22.0	billion KRW

* A total amount of deposit does not include amount of CD issued.

** This ratio is based on deliquent loan which is more than 1 month overdue.

*** Donation is included under 'other expenses' description on the Hana Bank financial statement.

Economic Value Generation

	2009	2008	2007
Net Interest Profit(Loss)	2,026,737	2,366,792	2,524,217
Net Profit(Loss) on Valuation and Disposal of Securities	179,686	103,670	519,523
Net Profit(Loss) on Valuation and Disposal of Loan Receivable	(726,805)	(1,208,665)	(359,127)
Net Profit(Loss) on Foreign Exchange Trading	(260,263)	252,477	51,821
Net Profit(Loss) on Commission	366,929	367,693	218,780
Net Profit(Loss) on Trust	37,362	39,646	39,695
Dividend on Securities	24,021	150,171	48,033
Other Operating Profit(Loss)	(11,355)	(374,761)	(198,334)
Administrative Expenses(Excluding Salary and etc.)	(402,909)	(423,509)	(373,718)
Non-Operating Profit(Loss)(Excluding Donations)	45,218	100,077	(87,433)
Total	1,278,621	1,373,591	2,383,457

Economic Value Distribution

	2009	2008	2007
Dividend	87,920	0	459,988
Retained Profit	186,010	474,361	591,555
Taxes	145,834	211,627	500,114
“Salary, Severance and Retirement Benefit, and Other Employee Benefits”	686,527	638,776	658,328
Donation	77,886	42,315	22,009
Depreciation and Amortization	145,283	126,299	151,463
Total	1,329,460	1,493,378	2,383,457

C. Environmental /Social Contribution Key Achievement Data

Sustainable Finance

	Hana Happiness sharing Public Trust			Sports Trust	General Public		
	15	14	13	12	11~1	Total	Unit
Public Trust Fund Raised	16,637	24,736	29,853	31,565	1,400	104,191	million KRW

	2004	2005	2006	2007	2008	2009	Unit
Small and Medium-sized Enterprises(SME) Loans	170,974	177,597	240,041	269,006	298,651	308,025	100 million KRW
Proportion of SME Loans to Total Corporate Loans in KRW	84	84	90	87	79	82	%
No. of CDs and ATMs	3,456	3,738	3,894	4,120	4,285	4,245	unit

Customer

	2004	2005	2006	2007	2008	2009	Unit
NCSI Survey results	69	70	73	70	70	70	Point
FSC-Registered Customer Complaints Trends	334	517	413	372	529	754	Case

Employee

	2004	2005	2006	2007	2008	2009	Unit
No. of Employees*	8,601	8,817	9,230	10,099	10,913	9,614	Person
No. of Female Employees	4,647	4,910	5,317	6,143	6,747	5,804	Person
Proportion of female employee	54.4	56.0	57.9	61.2	62.2	60.7	%
“Female Employees at Management-level positions or higher”	31	36	57	60	66	61	Person
“Proportion of female employees at Management-level positions or higher”	3.5	4.2	6.1	6.0	5.9	6.4	%
Recruitment Trend	1,225	1,400	1,240	1,729	1,714	707	Person
Retirement Trend **	1,130	622	537	846	739	1,289	Person
Recruitment status of Disabled workers	39	51	59	56	68	56	Person
Salary of New Recruits relative to Minimum wage	439.4	450.0	464.9	468.1	470.2	316.6	%
Other Employee Benefits(Discretionary)***	41,307	47,845	56,862	67,912	77,685	62,888	million KRW
Other Employee Benefits(Statutory)***	26,419	28,195	35,506	37,702	40,105	39,443	million KRW
Work-Related Accidents Case	4	7	2	3	5	7	Person
Employee Satisfaction(Satisfied)	66.8	68.7	74.3	68.6	71.1	71.6	%
Employee Satisfaction(Neutral)	29.1	27.8	23.1	27.5	25.7	24.7	%

Local Community Contribution

	2004	2005	2006	2007	2008	2009	Unit
Social Contribution Spending	98	258	549	350	631	849	100million KRW

Environment****

	2004	2005	2006	2007	2008	2009	Unit
Electricity Usage	8,718	10,042	21,725	24,265	29,694	34,175	MWh
Gas Usage	356,126	449,875	384,949	399,866	414,623	381,100	m³
Water Usage	66,640	61,434	55,528	62,177	59,463	54,928	ton
CO2 Emission	4,574	5,367	10,252	11,187	13,541	15,201	ton

* No.of employees for 2006 was revised with inclusion of executives in addition to the employee numbers reported in 2006 Sustainability Report.
** Increase of retirement in 2009 is due to enforce decree of the Act on the Protection,etc. of Fixed-Term and Part-Time Employees.
*** Compensation and Benefits for this year's report is revised with reflection of overseas branch offices in addition to the reported numbers in 2006 sustainability Report.
**** Environmental performance data for 2006 was revised due to expansion in reporting scope.



● Disclosed ◎Partly disclosed ○ Not disclosed				
GRI Indicator		Remark	Comment	page
Strategy and Analysis				
1.1	Statement from the most senior decision-maker of the organization and its strategy	●		2
1.2	description of key impacts, risks, and opportunities	●		9–13
Organizational Profile				
2.1	Name of the organization	●		4
2.2	Primary brands, products, and/or services	●		5
2.3	Operational structure of the organization, including main divisions, operating companies, etc.	●		4–5
2.4	Loation of organization's headquarters	●		cover
2.5	Number of countries where the organization operates	●		4
2.6	Nature of ownership and legal form	●		4
2.7	Markets served(including geographic breakdown, sectors served, and types of customers/beneficiaries)	●	Refer to 'II. Overview of Operations' in Business report for futher details.	5
2.8	Scale of the reporting organization	●		4–5
2.9	Significant changes during the reporting period regarding size, structure, or ownership	●	Refer to 'I. Overview of corporation' in Business report.	Business report.
2.10	Awards received in the reporting period	●	Refer to 'History and Organization' on bank website for futher details.	6–7
Report Parameters				
3.1	Reporting period(e.g., fiscal/calendar year) for information provided	●		1
3.2	Date of most recemt previous report(if any)	●	Previous report was issued in June 2009.	1
3.3	Reporting cycle(annual, biennial, etc.)	●		1
3.4	Contract point for questions regarding the report or its ontents	●		cover
3.5	Process for defining report content	◎		1
3.6	Boundary of the report	●		1
3.7	State any specific limitations on the scope or boundary of the report	●		1
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, and other entities	●		1
3.9	Data measurement techniques and the bases of calculations	●	Necessary hypothesis in partial data is written at the footnote of reporting section, and measuring unit is written by each section.	54
3.10	Explanation of the effect of any re-statements of information provided in earlier reports	●	The re-writing reasons of the following contents are explained and re-wrote at the footnote of each section.	54
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods	●	Significant changes are written at the footnote of reporting section.	56–57
3.12	Table identifying the location of the Standard Disclosures in the report	●		58–63
3.13	Polish and current practice with regard to seeking external assurance for the report	○	Self-declared.	–

GRI Indicator		Remark	Comment	page
Governance, Commitments, and Engagement				
4.1	Governance structure of the organization	●	Reper to 'I. Overview of corporation' in Business report for futher details.	4
4.2	Indicate whether the Chair of the highest governance body(HGB) is also an executive officer	●	Refer to 'VI. Board if Directors and Organization' in Business report.	Business report
4.3	Number of memvers of the HGB that are independent and/or non-executive members	●	Refer to 'VI. Board if Directors and Organization' in Business report.	Business report
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the HGB	◎	Refer to 'VI. Board if Directors and Organization' in Business report.	Business report
4.5	Linkage between compensation for members of the HGB, senior managers, and executives	◎	Refer to 'VIII. Executives and Employees' in Business report.	Business report
4.6	Processes in place for the HGB to ensure conflicts of interest are avoided	◎	Refer to 'VI. Board if Directors and Organization' in Business report.	Business report
4.7	Process for determining the qualifications and expertise of the members of the HGB	◎	Refer to 'VI. Board if Directors and Organization' in Business report.	Business report
4.8	Internally developed statements of mission or values, codes of conculcs, and principles	●		9–13
4.9	Prodedures of the HGB for overseeing the organization; indentification and management	◎		47, 50
4.10	Processes for evaluating the HGB' own performance	◎	Refer to 'VI. Board if Directors and Organization' in Business report.	Business report
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	◎		49–50
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives	●	UN Global Compact, UNEP FI.	11–12
4.13	Memberships in associations and/or national/international advocacy organizations	○	Hana Bank is member of Korean Federation of Banks, ADB, and Federation of Korean Industries, but not mentioned in this report.	–
4.14	List of stakeholder groups engaged by the organization	●		11
4.15	Basis for identification and selection of stakeholders with whom to engage	●		11
4.16	Approaches to stakeholder engagement	●	Refer to 2006 Sustainable Report – p.35 and Sustainability Management section on bank web site for futher details.	40–41
4.17	Key topics and concerns that have been raised through stakeholder engagement	●		10,11,12, 14, 30,34, 35, 42
Economy				
EC1	Direct Economic value generated and distributed	●		4, 54–55
EC2	Fianncial implications/other risks and opportunities for the organization's activities due to climate change	◎		30, 34–36
EC3	Coverage of the organization's defined benefit plan obligations	●		41–42,56
EC4	Significant financial assistance received from government	N/A	No government subsidy was provided.	–
EC6	Policy, practices, and proportion of spending on locally-based suppliers	○	There's no policy directly related to the local purchase.	–
EC7	Procedures for local hiring and proportion of senior management hired from the local community	◎	"Hana Bank Chung Cheong Business HQ, Hana Bank China, and PT Bank Hana have specified qualification or strategy for recruitment to recruit local people, but not mentioned in this report. – Refer to Sustainability Management section on bank web site for futher details."	–
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit	●		14–19, 28–29,57

GRI Indicator		Remark	Comment	page
Environment				
EN1	Materials used by weight or volume	●		34
EN2	Percentage of materials used that are recycled input materials	○	Recycled materials' usage not compiled.	–
EN3	Direct energy consumption by primary energy source	●		36, 57
EN4	Indirect energy consumption by primary source	●		36, 57
EN8	Total water withdrawal by source	●		36, 57
EN11	Location and size of land owned, leased, managed in, of adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A	Not Applicable.	–
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	N/A	Not Applicable.	–
EN16	Total direct and indirect greenhouse gas emissions by weight	●		34, 57
EN17	Other relevant indirect greenhouse gas emissions by weight	○	GHG emission from commuting & business trips not compiled.	–
EN19	Emissions of ozone-depleting substances by weight	N/A	Not applicable to financial industry	–
EN20	NOx, SOx, and other significant air emissions by type and weight	N/A	Not applicable to financial industry	–
EN21	Total water discharge by quality and destination	N/A	Not applicable to financial industry	–
EN22	Total weight of waste by type and disposal method	○	There are disposal methods related, but not mentioned in this report. 1) In case of main office, company in charge of the building management is in charge of waste recycling. 2) In case of general documents, KorVA is in charge of collection. 3) In case of check, it is abolished after the preservation date expires and renewed into other products.	–
EN23	Total number and volume of significant spills	N/A	Not Applicable.	–
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	◎		30
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	N/A	No packaging materials used.	–
EN28	Significant fines and non-monetary sanctions for non-compliance with environmental laws and regulations	N/A	No changes occurred.	–

GRI Indicator		Remark	Comment	page
Labor Practices & Decent Work				
LA1	Total workforce by employment type, employment contract, and region	◎		43, 56
LA2	Total number and rate of employee turnover by age group, gender, and region	◎		43, 56
LA4	Percentage of employees covered by collective bargaining agreements	○	All regular employees excluding user's party are the member of labor union, but not mentioned in this report.	–
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	○	It is written in the section 47 of 2008 collective agreement charter 3 HR, but not mentioned in this report.	–
LA7	Rates of injury, occupational diseases, lost days, and absenteeism	●		56
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, of community members regarding serious diseases	●		42
LA10	Average hours of training per year per employee by employee category	◎		40
LA13	Composition of governance bodies and breakdown of employees per category	◎		5, 43, 56
LA14	Ratio of basic salary of men to women by employee category	●		43
Human Rights				
HR1	Percentage and total number of significant investment agreements that include human rights clauses	○	Inclusion of direct human protection articles or execution of human right assessment are not initiated when agreeing investment, but included in the company credit assessment work manual.	–
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights	○	There is no related ratio because direct screening is not executed, but we execute assessment of whole members by Hana Bank contract regulation article 28.	–
HR4	Total number of incidents of discrimination and actions taken	N/A	Not occurred.	–
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	◎		41
HR6	Operations identified as having significant risk for incidents of child labor	◎	Child labor is prohibited by the collective agreement and moral principles, but not mentioned in this report.	Code of Ethics
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor	◎	Compulsory labor is prohibited by the collective agreement and moral principles, but not mentioned in this report.	Code of Ethics
Society				
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting	◎		28–31
SO2	Percentage and total number of business units analyzed for risks related to corruption	●		44–47
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	●		44–47
SO4	Actions taken in response to incidents of corruption	N/A	Not occurred.	–
SO5	Public policy positions and participation in public policy development and lobbying	◎		6, 7, 34–35

GRI Indicator		Remark	Comment	page
SO8	Significant fines and non-monetary sanctions for non-compliance with laws and regulations	N/A	Not occurred.	-
Product Responsibility				
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and % of significant products and services categories subject to such procedures	N/A	Not applicable to financial industry	-
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	N/A	Not applicable to financial industry	-
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	○	1) Hana Bank abide by section 23 – monopoly regulation and fair trade law and section 3 – prohibition of wrongful indication and advertisement. 2) Monthly fund sales monitoring is initiated on all work places and any lacking factors are to be corrected through education and take measures to prevent incomplete sales.	-
PR9	Significant fines for non-compliance with laws and regulations concerning products and services	N/A	Not occurred.	-

Financial Sector Supplement

GRI Indicator		Remark	Comment	Page
FS1	Policies with specific environmental and social components applied to business lines	●		7,28–31
FS2	Procedures for assessing and screening environmental and social risks in business lines	◎		30
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements of transactions	◎		30
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	●		40–41,44
FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	●		18,36–37
FS6	Percentage of the portfolio for business lines by specific region, size(e.g. micro/SME/large) and by sector	◎	Refer to 'II. Overview of Operations' in Business report for further details	29,54
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	●		28–31
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	●		30
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	○	Non-financial risk assessment procedure included environmental and social issues, but not mentioned in this report.	-
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	○	Not conducted regularly.	-
FS11	Percentage of assets subject to positive and negative environmental or social screening	◎		28
FS12	Voting policies applied to environmental or social issues for shares over which the reporting organization holds the right to vote or shares of advised on voting	○	Plans for future implementation.	-
FS13	Access points in low-populated or economically disadvantaged areas by type	●		31
FS14	Initiatives to improve access to financial services for disadvantaged people	●		18
FS15	Policies for the fair design and sale of financial products and services	◎	Refer to Sustainability Management section on bank web site for further details.	44–47
FS16	Initiatives to enhance financial literacy by type of beneficiary	●		17–18

Contact Information

Hana Bank is committed to providing accurate and reliable information regarding our sustainability performance to our stakeholders. We will continue our endeavors to provide a comprehensive and balanced view of our performance in our corporate citizenship. Your feedback will be invaluable in guiding our future efforts.

Hana Bank Sustainability Task Force Team

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