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Diversity Report

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Shinhan Financial Group DEI Framework



Shinhan's Diversity, Equity, and Inclusion (DEI)

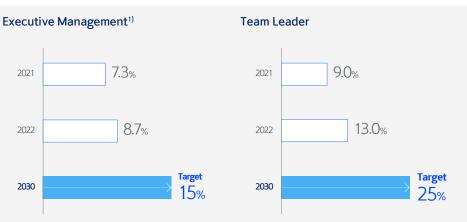
Importance of DEI Management

Diversity, equity, and inclusion (DEI) is a core value and an important pillar of our corporate strategy that supports Shinhan's mission, "Compassionate Finance, Your Companion for the Future". A corporate culture of fair opportunities and empowerment enables us to attract top talent, and can lead to long-term growth of the company, including new business opportunities and improved reputation, as well as sustainable development of our society. As a result, DEI is emerging as a key investment criterion under responsible investment principles, and disclosure requirements for related indicators are expanding. Previously passive companies are taking proactive steps to meet the expectations and demands of their various stakeholders, including customers, investors, and rating agencies. This shift demonstrates that the concepts of diversity, equity, and inclusion (DEI) are being recognized as more than socially correct values, but as factors that enhance corporate competitiveness.

Through the resolution of the ESG Strategy Committee, Shinhan Financial Group has established mid- to longterm goals and roadmaps for the proportion of female leaders and employees, and strengthened the execution of DEI by evaluating the CEOs of subsidiaries to foster female leaders. In addition, we are implementing a project to internalize the values of DEI into our organizational culture to create a culture where talented people with diverse backgrounds can fully demonstrate their capabilities and grow without any bias or discrimination.

As we publish our third Diversity Report in 2023, we will continue to communicate with our stakeholders to spread the values of DEI and ensure that everyone is respected and provided fair opportunities, just as the slogan of Shinhan's DEI campaign, "Do the Fair Thing for a Wonderful World".

Status and Goals for Female Leaders



¹⁾ Executive and General Manager

*Based on personnel reflection at the end of 2022, target: Holding/Bank/Card/Securities/Life/Capital/Asset Management/8 companies in total

DEI Policy

DEI Management System

Principles of Diversity and Inclusion

To create a society free of discrimination and prejudice and to utilize diversity as an opportunity for corporate growth, Shinhan Financial Group has established DEI as a core value. We have also published Shinhan Financial Group's Commitment to Diversity and Inclusion to express our commitment to spreading DEI values and continue our implementation efforts.

Shinhan Financial Group's Commitment to Diversity and Inclusion]

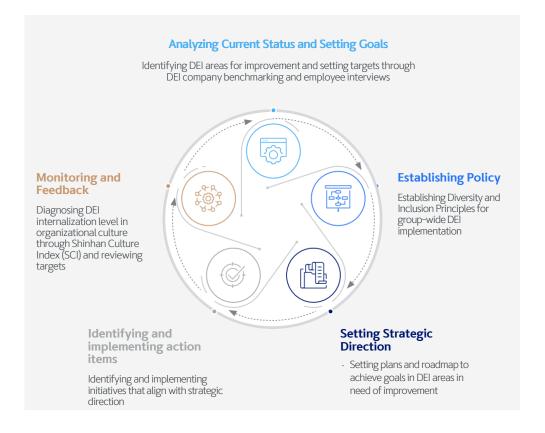
Shinhan Financial Group will not take prejudice or discriminate against any personal characteristics, background, identity, or cultural differences including, but not restricted to, gender, disability, nationality, personal ties, religion, and sexual orientation, in all of its operations.

- We provide equal opportunities and make fair and transparent evaluations in employee recruitment and personnel management.
- 2 We pursue diversity in board and management. We will primarily establish gender diversity targets, and focus on achieving these targets
- We create an inclusive culture where all members can work with respect and a sense of belonging.
- 4. We respect the individuality of all our business partners including clients, and treat them equally.
- 5 We embrace the socially vulnerable and actively support them to enrich their hope as members of the society.



DEI Management Process

Shinhan Financial Group has established a group-wide DEI management process to internalize and spread the value of DEI. To reduce discrimination against gender, age, and background due to causes of social structure and cultural backgrounds, we analyzed the current status of diversity through a comparative analysis with global financial groups that are leading the way in DEI as well as interviews with employees. Based on the results, we identified DEI areas that need improvement and established improvement targets, and established policies to enhance the value of DEI across the Shinhan Financial Group by establishing the Principles of Diversity and Inclusion. In addition, we set three directions for DEI strategy based on the Group's principles to identify and carry out action items, and established a feedback system to diagnose and check DEI within the organizational culture by utilizing the Shinhan Culture Index.



DEI Management System

ESG Driving System for DEI Management

Shinhan Financial Group has established an ESG Driving System for the management, supervision, and implementation of sustainability management including DEI, to strengthen DEI management capabilities and spread its value across the Group. The driving system is a governance system that not only manages and supervises DEI through robust communication between the Board of Directors, management, and the working-level, but also strengthens the execution capabilities of the entire Group. On this basis, we set metrics and targets for realizing DEI, and continuously strive to build a corporate culture that provides fair opportunities and opportunities for diverse talents to demonstrate their capabilities, including fostering female leaders, supporting people with disabilities, and multicultural families.

	명칭	주요 역할
Board Sub-committee	ESG Strategy Committee	 Deliberate on DEI strategy and related agenda items Decide key policy and business commitments for DEI
CEO Council	Group ESG Implementation Committee	Pursue and monitor DEI strategy
Executive Officer	GCSSO (Group Chief Strategy and Sustainability Officer)	
Group Affiliate Council	Group ESG CSSO Council	 Discuss direction of DEI actions and group response plan Manage DEI
Working Group	Group ESG Working Group Council	 Identify action items to spread DEI value Analyze and monitor DEI trends

Ensuring Governance Diversity

Shinhan Financial Group stipulates the Board Diversity Principle in its Corporate Governance Code to realize diversity and expertise in governance and to ensure that the BOD is not biased toward certain backgrounds and professions. In addition, given the characteristics of a financial holding company, we strive to appoint outside directors with multi-faceted expertise. As of the end of March 2023, 11 BOD members were comprised of experts in seven specialized fields: finance, business management, economics, accounting, law, information technology (IT), and global affairs.

We also adhere to the Board Diversity Guidelines, which stipulates that we should seek candidates with diverse perspectives and experiences across nationalities, genders, ages, and backgrounds in order to make decisions based on the interests of diverse stakeholders. We have clarified the criteria to ensure that at least 20% of the candidates for independent directors are female, and have composed the BOD with independent directors of various genders, nationalities, and countries of operation, including two female independent directors.

Percentage of Female Directors (2021)



* As of March 2023

Number of Female Independent Director Candidates (Percentage)

2019	2020	2021	2022
30 (27.9%)	29 (24.8%)	49 (37.4%)	50 (35.7%)



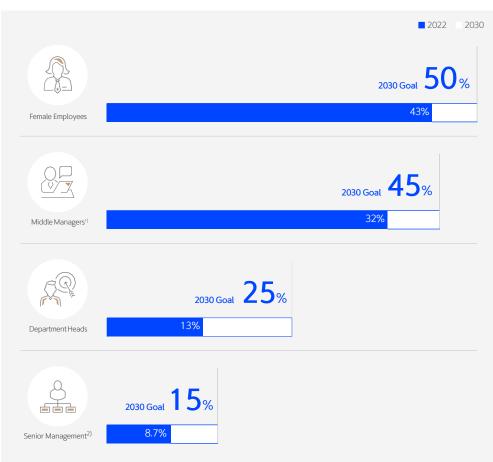
Diversity Metrics and Targets

¹⁾ Science, Technology, Engineering, Math

Establishing Diversity Metrics and Targets

Based on our gap analysis on diversity, Shinhan Financial Group established a mid- to long-term roadmap for enhancing DEI value and set metrics and targets to implement it.

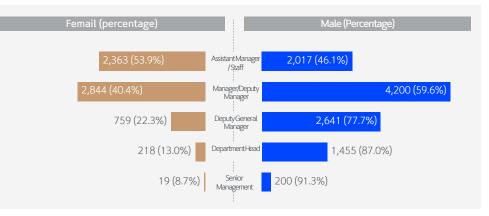
Diversity by Gender: Status and Goals



* Based on 8 companies: Holding, Bank, Card, Securities, Life, Capital, Asset Management, and Jeju Bank
 ¹⁾ Manager to Deputy General Manager
 ²⁾ Executive and General Manager

Among them, metrics related to diversity by gender, management level, and role are managed by establishing mid- to long-term targets through 2030 (Target: 50:50 gender ratio for all departments, including sales, STEM¹), and support functions). In addition, diversity by nationality and localization rate at overseas worksites are managed as monitoring metrics in line with global trends and changes in investment standards.

Diversity by Management Level



* Based on 8 companies: Holding, Bank, Card, Securities, Life, Capital, Asset Management, and Jeju Bank (excluding in-office/specialized staff)

Diversity by Role



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Diversity Metrics and Targets

Diversity by Nationality

Nationality	No. of employees	Number of managers ¹⁾	Nationality	No. of employees	Number ofmangers ¹⁾
Vietnam	2,972	440	Hong Kong	20	7
Indonesia	954	293	Singapore	9	3
Korea	666	431	Germany	7	7
China	471	177	U.K.	6	3
Cambodia	444	64	Australia	5	2
Myanmar	347	76	Russia	5	2
India	296	9	Malaysia	4	4
Japan	179	68	,	1	
USA	156	91	Kenya		
Kazakhstan	145	96	Taiwan	1	1 —
Mexico	41	24	Poland	1	
Canada	40	17	New Zealand	1	1
The Philippines	23	3	Hungary	1	-
Total				6,795	1,820

* Based on Shinhan entities and operations in global locations for Bank, Card, Securities, Life, Wealth Management, and DS ¹⁾ Manager or above

Localization at Overseas Worksites

Nationlity	Number of employees	Number of locally hired employees	Employees with Korean nationality	Employees with non-Korean nationality (Percentage)	Number of managers ¹⁾ (Percentage)
Japan	318	283	104	179 (56.3%)	68 (48.9%)
China'	498	464	3	461 (92.6%)	174 (82.5%)
Vietnam	3,059	3,003	31	2,972 (97.2%)	440 (85.6%)
USA	293	266	111	155 (52.9%)	102 (54.0%)
India	361	338	-	338 (93.6%)	73 (76.0%)
Indonesia	973	958	4	954 (98.0%)	293 (94.2%)
Canada	113	108	58	50 (44.2%)	19 (48.7%)
Germany	27	24	18	6 (22.2%)	6 (50.0%)
Cambodia	455	446	2	444 (97.6%)	64 (86.5%)
Kazakhstan	168	162	1	161 (95.8%)	93 (93.0%)
Mexico	46	41	_	41 (89.1%)	24 (82.8%)
Hong Kong	65	47	25	22 (33.8%)	8 (20.0%)
London	34	25	18	7 (20.6%)	4 (23.5%)
Singapore	30	21	9	12 (40.0%)	3 (20.0%)
Manila	27	24	3	21 (77.8%)	3 (37.5%)
Dubai	10	8	4	4 (40.0%)	2 (50.0%)
Sydney	14	10	6	4 (28.6%)	4 (50.0%)
Yangon	301	297	1	296 (98.3%)	9 (69.2%)
Hungary	2	1	-	1 (50.0%)	- (-)
Uzbekistan	1	1	-	1 (100.0%)	- (-)
Poland	-	-	-	- (-)	- (-)
Total	6,795	6,527	398	6,129 (90.2%)	1,389 (76.3%)

* Based on Shinhan entities and operations in global locations for Banking, Card, Securities, Life, Asset Management, and DS ¹⁾ Manager and above

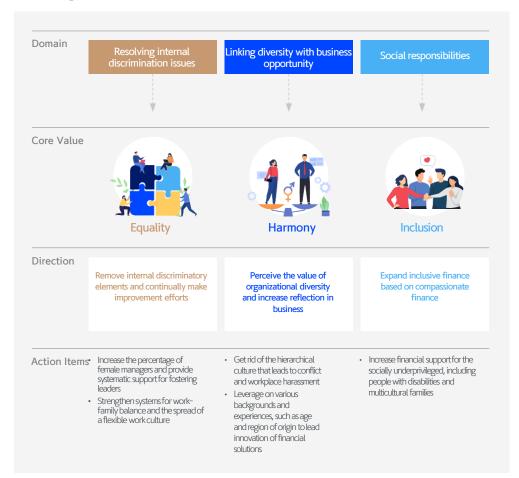
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DEI Strategy and Tasks

DEI Implementation Strategy

Shinhan Financial Group has established policies and targets in the areas of non-discrimination, fostering female leaders, and organizational culture for securing talent diversity derived from the analysis of the current state of diversity, and has set three main directions for its diversity strategy: resolving in-house discrimination issues, linking diversity to business opportunity, and social responsibility.

DEI Strategy Implementation Direction



Based on such directions, five action items have been selected and implemented, and Shinhan's DEI is managed by continuously checking the implementation status of the action items.

Key Tasks

	Implementation Direction	Key Performance
4	Increase female management and department heads	 Set a mid-to long-term goal for the percentage of women in management Increase the number of female executives and department heads as well as improve the percentage of female managers
Fostering Female Leaders	Increase female management and department heads	 Strengthen policy execution capabilities for female leader-fostering policy through management leader-fostering interviews and subsidiary management leader-fostering evaluations (CEO evaluations)
<u></u>	Expand recruitment opportunities	 Identify roles open to fulfillment by people with disabilities, create jobs Expand vocational training / field experience opportunities
N.	Foster social enterprise	 Increase trade with standard workplaces for people with disabilities and expand linked hiring Foster social enterprises and support to strengthen competitiveness
Supporting people with disabilities	Expand financial services	 Expand financial consulting customized for people with disabilities Prevent and protect people with disabilities from financial fraud
e L L .a	Support social inclusion	 Learn language and improve social skills to increase cultural understanding Support integration into local community
	Expand financial services	 Expand specialized services aimed at removing the financial gap of foreign workers and improving accessibility Improve and expand financial services for industrial trainees
Supporting Multiculturalism	Support underdeveloped countries	 Provide employment, vocational training, and jobs in connection with countries and businesses with SFG presence Investment and support programs for infrastructure expansion

DEI Strategy and Tasks

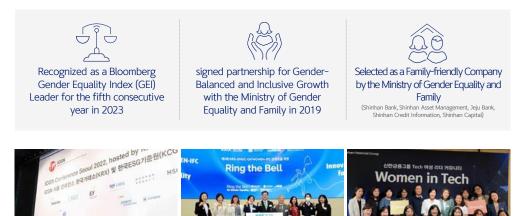
Establishing DEI Culture and Influence

DEI Implementation Outcome

Shinhan Financial Group has taken the lead in Korea in establishing specific policies and goals related to DEI, and has been making efforts to internalize and spread its value. As part of the DEI value internalization project, the group's value system, Shinhan WAY, was restructured, and the assessment criteria to determine the validity of all thoughts and actions within the company have been set as Right, Nimble, and Different. In addition, in order to settle DEI into the organizational culture early, we set and disseminate the appropriate behavior for leadership based on the group value system, and conduct improvement activities and training to periodically diagnose and analyze the level of organizational culture.

In particular, in 2022, we attended the International Corporate Governance Network (ICGN) Seoul Conference and the UN Global Compact's Gender Equality Forum to announce our DEI promotion activities and dissemination plans, and to transparently communicate our diversity-related activities and achievements with our stakeholders. In 2023, Shinhan Bank became the first Korean company to successfully issue the Social Bond for Gender Equality, valued at USD 500 million, to support vulnerable female borrowers, producing DEI results in line with the essence of the financial industry.

Outstanding DEI Performance



ICGN Seoul Conference (2022)

Ring the Bell for UNGC Gender Equality (2023) W

Women in Tech Community, WIT

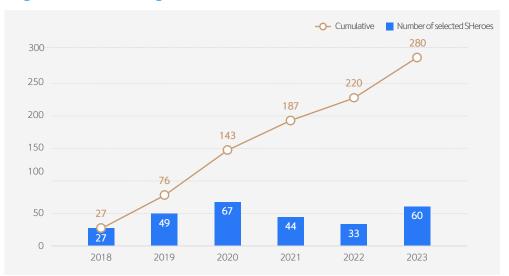
Nurturing Female Leadership

In 2018, Shinhan Financial Group launched Shinhan SHeroes, the first female leader development program in the financial sector, to establish a system for fostering and expanding the foundation for female leadership. Since its launch until 2022, 220 female leaders at the level of department heads and above have been selected to be given support for career growth through mentoring, academies, conferences, and networking, and in 2023, 60 members were selected to participate in the 6th annual season of SHeroes.

In 2022, having strengthened the capabilities of the group's female leaders through Sheroes as well as secured a number of female mentors, Shinhan Financial Group reorganized the principle of fostering female leaders into C.O.R.E. under the strategy of attracting female leaders into the core function of the Shinhan Financial Group. To this end, the group is diversifying and enhancing existing programs to strengthen the expertise of female leaders and promote their qualitative growth.

In addition, Shinhan Financial Group founded Women in Tech (WIT), a community of female leaders in the digital and ICT fields, to interconnect female employees in the tech sector and contribute to the development of future female tech talent. Since its establishment in August 2022, WIT, which includes female leaders in the fields of digital, ICT, and information protection, has been providing a forum for communication among female leaders and supporting their leadership development through regular mentoring and sponsorship.

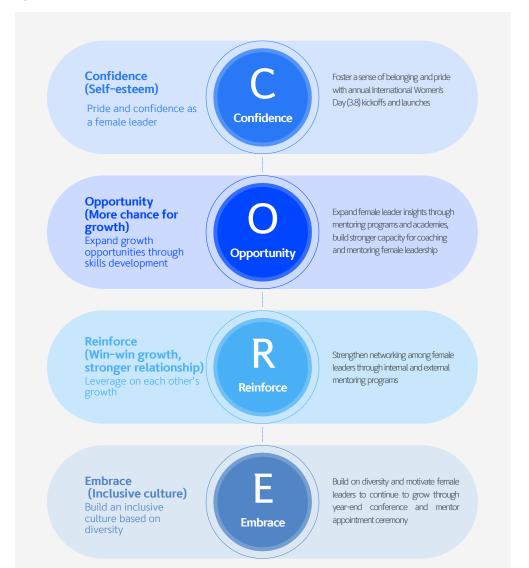
Progress of the SHeroes Program





Establishing DEI Culture and Influence

Operational Pillars of SHeroes in 2023



Female Talent Development Program



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Establishing DEI Culture and Influence

Supporting People with Disabilities

To reduce inequality and improve universal access for people with disabilities, Shinhan Financial Group operates various projects focused on job creation and education for the disabled community. We also implement various programs to improve the living standard for people with disabilities and lay the foundation for their economic independence.

Major Programs to Support People with Disabilities

enterprises

Supporting Multicultural Families

To promote community integration and coexistence of foreign workers and multicultural families, Shinhan Financial Group provides employment and entrepreneurship support to vulnerable groups in global locations, and operates programs to improve financial access for foreign workers and social integration for multicultural children.

Multicultural Support Programs

Improve financial accessibility (): o (): o o o o	 Disability-friendly sales offices and have dedicated staff Exclusive call center for people with disabilities (Digital ARS sign language helpdesk) Electronic complaint receipt system and quick service Braille product terms ar 	ople with in global locations	Overseas scholarship programs and fostering of future talent Provide scholarships and stable learning opportunities in connection with Shinhan branch offices in eight Asian countries (China, Vietnam, Cambodia, Indonesia, Myanmar, India, Kazakhstan and Uzbekistan)
Provide education	 Provide intern training and employment/business startup education for people with disabilities Disabled Youth Dream Team global training S² Bridge : Youth Provide finance and sy Financial Education (for persons with dew disabilities Hope School Softwa students/parents of s schools 	Center program Support global elopmental employment/startups	 Provide employment training for global positions in connection with hiring opportunities Operate the Global Young Challenger program Provide domestic and global training and global job-matching for young talent in want of a global job Discover and foster global startups Launched Shinhan Future's Lab in Vietnam, Indonesia and Japan, selecting and investing in
Create jobs	 Provide jobs for people with disabilities and sponsor their employment Hire the hearing-impaired for Café S with 	people with disabilities and	local startups Provide office space and support for marketing, equity investment, joint business, etc.
Provide infrastructure support	 Provide management support software Providing digital braille pads Support artists with dia - Exhibitions at Shinhar 		 Improve financial accessibility of foreign workers and offer specialized services Run a project to support industrial trainees to open bank accounts who received an employment permit in connection with the Human Resources Development Service of Korea Provide a mobile platform dedicated to foreigners (SOL Global) and an exclusive counseling service
Support social enterprises	 Support workplaces for people with disabilities Purchase goods and services from manufacturers that hire employees with severe disabilities, and art pieces from artists with disabilities Discounted retirement plan fees for social sum of sum of	iongsujeong in icheon, Saebat in an, Chimsan Village in	 Provide children from multicultural families with opportunities to experience cultures and connect Korean language education and psycho-emotional counselling support for multicultural families Opened the "Areumin Library", an eco-friendly book environment, in partnership with the Multicultural Family Support Center

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Establishing DEI Culture and Influence

Supporting Work-Family Balance

Work-family Support Systems and Programs

	Health and wellness 다	Work schedule	Family benefits ທີ່ຕິມີ
Key Businesses	Managing • Open Therapy Center stress - Provide online meditation and healing content to relieve stress and support online therapy	Flexible • Flexible work hours work hours • Operating hours according to a shift schedule (unit period of 3 months or less) • Optional work hours	Childcare facility and childcare costs · Workplace daycare - Group Childcare Centers: ShiniHani Gangbuk, Shinhan Dream Tree, Shinhan Kids Ilsan - Shinhan Bank Childcare Centers: Shinhan Bank Sprout, ShiniHani Songpa, ShiniHani Yangcheon
	Improving • Wellness Program health • Blood pressure and diabetes management programs to prevent major illnesses, and weight management challenge programs to help employees adopt a healthy lifestyle • In-house hospital (internal medicine and dentist's)	 - 8 standard working hours per day multiplied by the number of valid working days within paid working days is calculated to be the total number of hours worked Smart • Remote work - Freedom to choose where you work, such as at home, the library, a cafe, or a smart working center 	breastfeeding On-site breastfeeding room room - Operate women's break rooms and breastfeeding rooms
		hours a binar, a care, or a sinar working center * Smart Working Center: a shared remote workspace where employees with various needs can work freely, such as employees who commute to work from afar and employees who need a space for intensive work immersion (Gangnam Center, Ilsan Center) • Flexible schedule - A system that adjusts commuting time to accommodate employees' lifestyles or time conflicts with business partners Compressed work hours • Compressed work schedule - Centralized headquarters to increase employee engagement, concierge managers, compliance, internal controls, etc	 Maternity and parenthood Maternity leave -110 days of paid leave in total for before and/or after the birth of a child (longer than the 90 days of required statutory leave) Parental Leave - Equal period of paid parental leave for both parents of - children up to age 9 or in the 3rd grade (equal for primary and secondary caregivers) Duration: Up to 2 years of guaranteed parental leave, maternity leave included (can be taken in two installments) * Up to 2.5 years of parental leave for the birth of a premature baby or a child with disabilities, depending on the doctor's note
			Family care • Petition leave of absence - Up to and including one year of paid leave for purposes such as family caregiving and infertility-related affairs
			 Compressed Morkweeks Compressed workweeks for pregnant employees Allow a work hour reduction of 2 hours per day Back-to-school compressed hours Allow a 10:00 start time for the month of March if you have a child in elementary school Compressed Parental Leave (Flexible, 4 Hours) Allow employees with children up to age 9 or children in the 3rd grade to reduce their workweek by 4 hours during the parental leave period

Establishing DEI Culture and Influence

Building a Horizontal Corporate Culture

Shinhan Financial Group aims for a horizontal corporate culture where the values of diversity, equity, and inclusion are respected. Launched in 2021, RE:Boot Shinhan is a corporate culture transformation project that boldly discards the old (Delete) and reloads the essential (Reload). DEI is a core value necessary for Shinhan's corporate culture and is created through the empathy and participation of all generations. Through RE:Boot Shinhan, Shinhan has established various systems and programs to ensure that employees' DEI is respected, and conducts semi-annual diagnosis of the level of DEI awareness in the organization to improve it.

