



Annual Report 2022

# Doing More Good



# Doing More Good Continuing Our Actions

Since its inception as Shinhan Bank in 1982, Shinhan Financial Group has maintained a clear focus on and commitment to making positive impact through finance. Celebrating the 40th anniversary of our founding in 2022, a year marked by rapid changes and new challenges, we took bold and urgent actions to deliver on our purpose – **making finance more friendly, more secure, and more creative.**



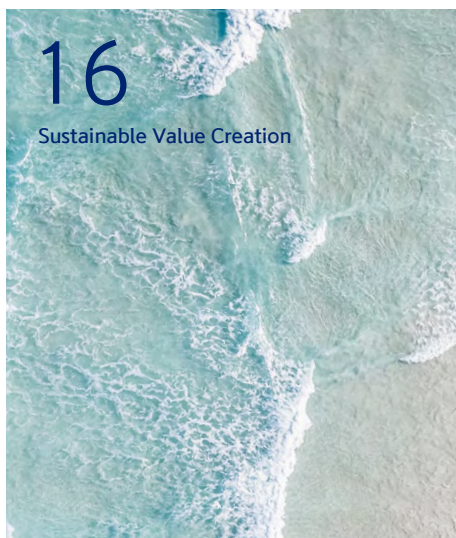
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# KEY PERFORMANCE INDICATORS

## Key Financial Highlights

		2022	2021	YoY
<b>Selected Income Statement Data</b>				
(As of for the year ended December 31, KRW billion)				
	Operating Income before Expenses	13,207.3	12,691.6	4.1%
	Interest Income	10,675.7	9,053.5	17.9%
	Non-interest Income	2,531.5	3,638.1	-30.4%
	G&A Expenses	6,013.5	5,743.1	4.7%
	Operating Income	7,193.7	6,948.5	3.5%
	Non-operating Income	461.2	-368.4	n.a.
	Pre-provision Income	7,654.9	6,580.0	16.3%
	Provision for Credit Losses	1,305.7	996.4	31.0%
	Earnings before Income Tax	6,349.3	5,583.7	13.7%
	Income Tax	1,617.1	1,471.0	9.9%
	Consolidated Net Income <sup>1)</sup>	4,642.3	4,019.3	15.5%
<b>Selected Balance Sheet Data</b>				
(Period-end, KRW billion)				
	Group Assets (Consolidated)	675,884.3	648,152.2	4.3%
	Loans (Shinhan Bank)	281,380.6	271,148.4	3.8%
	Stockholder's Equity	51,130.4	49,538.4	3.2%
<b>Selected Ratios</b>				
(%)				
	ROE <sup>2)</sup>	10.3%	9.2%	1.1%p
	ROA	0.70%	0.66%	0.04%p
	Cost to Income Ratio	45.5%	45.3%	0.2%p
	Credit Cost Ratio	0.33%	0.27%	0.06%p
	Credit Cost Ratio (excluding one-offs <sup>3)</sup> )	0.20%	0.22%	-0.02%p
	NPL Ratio	0.41%	0.39%	0.02%p
	NPL Coverage Ratio	209.1%	195.3%	13.8%p
	CET1 Ratio <sup>4)</sup>	12.73%	13.10%	-0.37%p

<sup>1)</sup> Net Income attributable to controlling interest basis

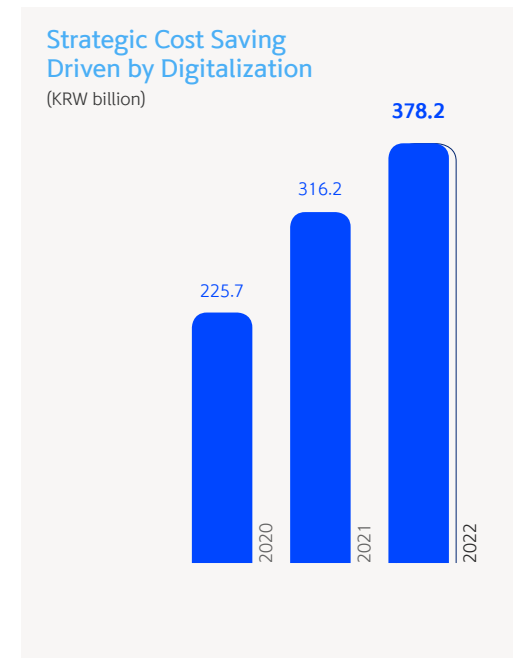
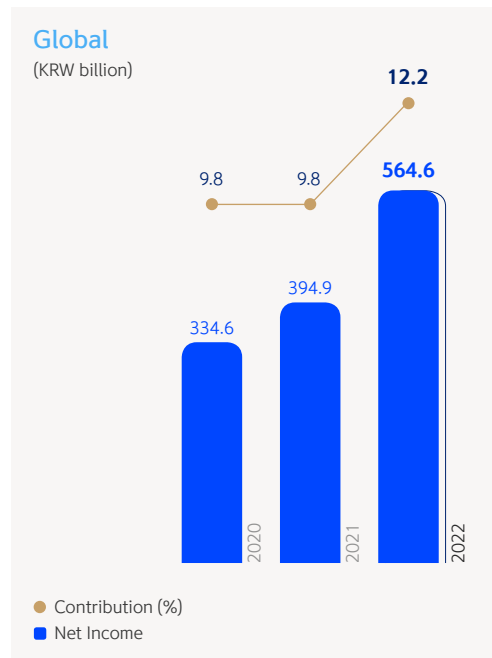
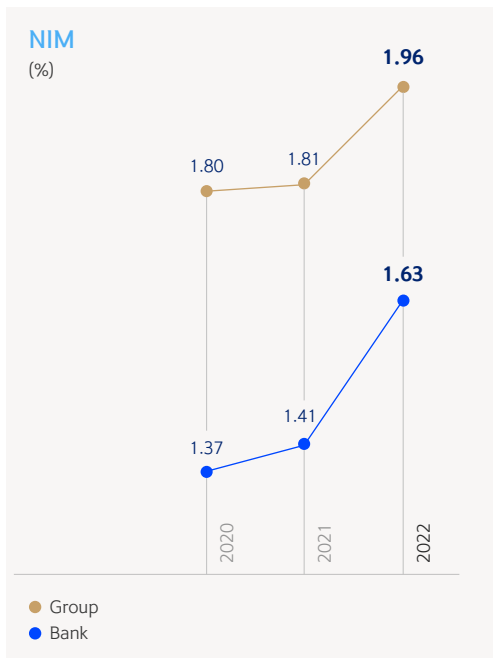
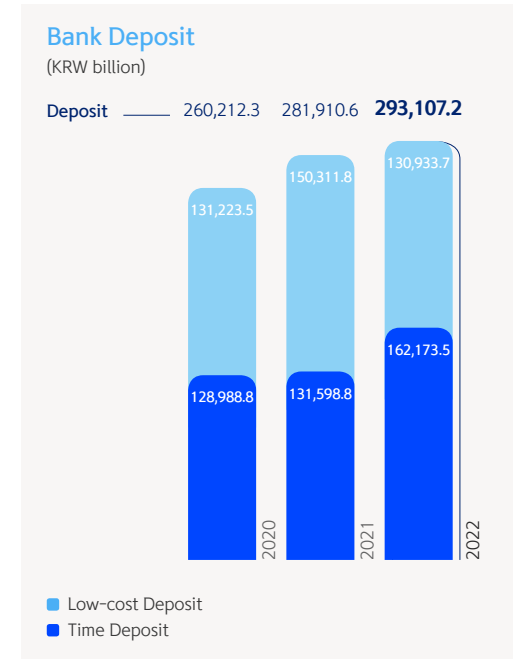
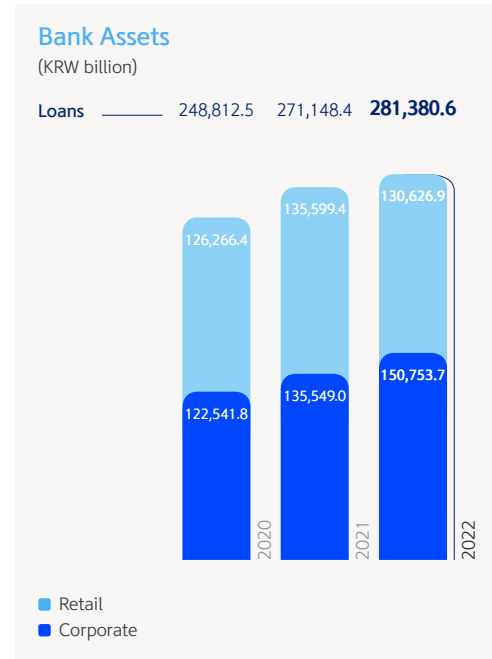
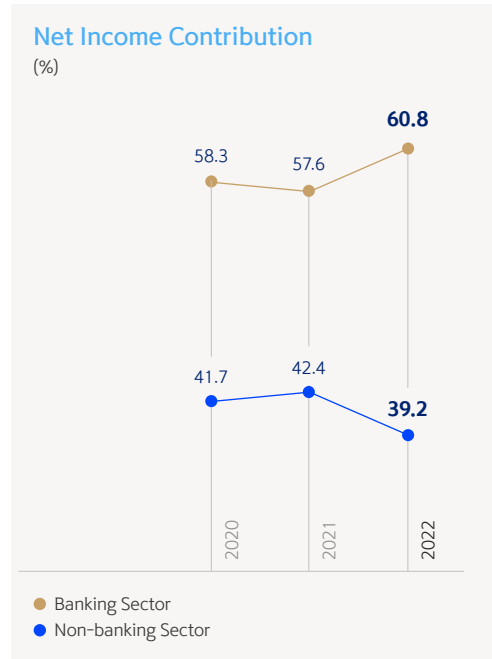
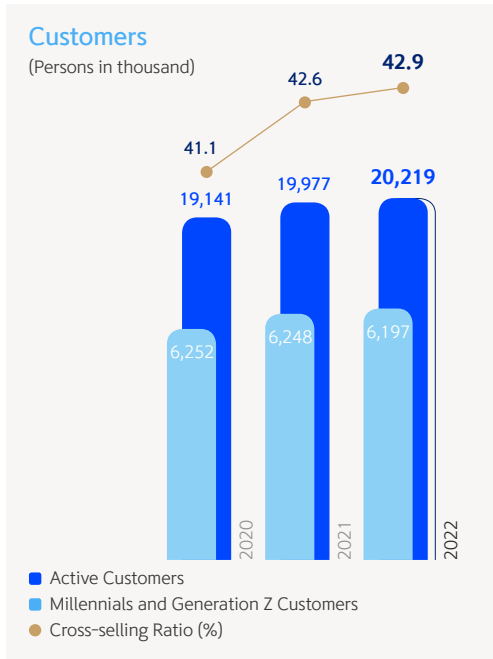
<sup>2)</sup> Common share basis

<sup>3)</sup> One-offs: COVID-19-related provisioning and count-cyclical provisioning

<sup>4)</sup> When not reflecting the early adoption of the revised Basel III credit risk framework



### 3-year KPI Trend



# STOCK INFORMATION

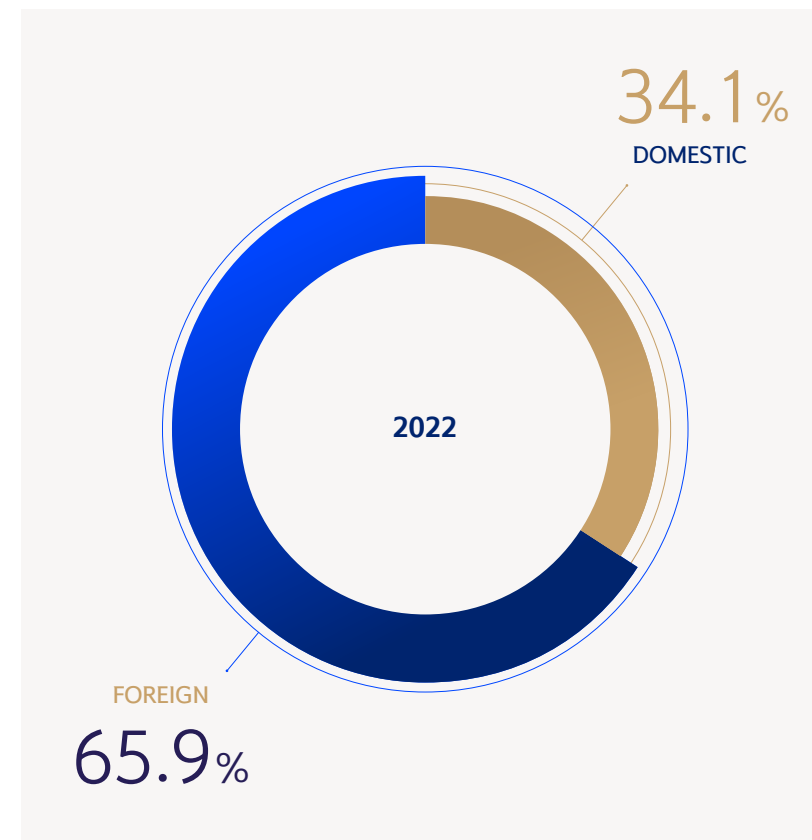
## Major Shareholders<sup>1)</sup>

Name of Shareholder	Number of Shares Owned	Ownership
National Pension Service	40,476,692	7.96%
BlackRock Fund Advisors <sup>2)</sup>	30,250,549	5.95%
SFG Employee Stock Ownership Association	26,121,183	5.13%
Centennial Investment Limited	20,239,539	3.98%
BNP Paribas SA	18,690,310	3.67%
Supreme, L.P.	18,690,000	3.67%
Citibank, N.A. (ADR Dept.)	15,254,583	3.00%
The Government of Singapore	13,225,770	2.60%
KT	10,877,651	2.14%
Vanguard Total International Stock Index	6,602,322	1.30%
Peoples Bank of China	5,571,550	1.10%
Others	302,784,720	59.51%
<b>Total</b>	<b>508,784,869</b>	<b>100.00%</b>

## Stock Performance

	2022	2021	YoY
Market Capitalization (Year End)	17.91 trillion	19.01 trillion	-5.8%
Share Price			
Year End	35,200	36,800	-4.3%
High	43,200	43,000	0.5%
Low	33,400	30,650	9.0%
Weighting in the KOSPI (% , Year End)	1.01%	0.86%	0.15%p
Average Daily Trading Volume (Shares)	1,303,523	1,784,390	-26.9%
Dividend Per Share <sup>3)</sup>	2,065	1,960	5.4%
Total Dividend Paid <sup>4)</sup>	1,087 billion	1,047 billion	3.8%
Dividend Payout Ratio <sup>4)</sup>	23.6%	26.0%	-2.4%p
Total Shareholder Payout Ratio	30.0%	26.0%	3.9%p
Price Earning Ratio	4.16×	5.04×	-
Price Book Value	0.42×	0.45×	-

## Share Ownership



## Number of Shares Issued

Type of Stock	No. of Shares
Common Stock	508,784,869
Convertible Preferred Stock <sup>5)</sup>	17,482,000

<sup>1)</sup> Holding ownership of more than 1% in common stock as of December 31, 2022

<sup>2)</sup> Based on the statement of acquisition of beneficial ownership by individuals disclosure by BlackRock Fund Advisors with the SEC on Feb. 13, 2023

<sup>3)</sup> Common stock

<sup>4)</sup> Common stock + Convertible preferred stock

<sup>5)</sup> All of the 17,482,000 convertible preferred shares other than the above common shares are held by Mercury 1st LLC.



# LETTER FROM CEO



## Dear shareholders,

I am delighted to be introducing Shinhan Financial Group's Annual Report 2022 – my first as the Chief Executive Officer of Shinhan Financial Group. In becoming a new CEO in January 2023, alongside our 30,000 employees, I feel a great sense of responsibility for meeting the expectations of our customers and shareholders. I thank you most profoundly for your trust and support, and promise to devote myself fully to my mission as the Group CEO.

2022 was a year of difficulties throughout society, particularly given the considerable insecurities in international affairs. Shinhan Financial Group also endured challenging environment, nevertheless, we recorded our best performance ever since the founding of the holding company as the result of the immense efforts made by all our employees. We continued to achieve both quantitative and qualitative growth through stable risk management and margin improvement. This in turn enabled us to execute our new shareholder return policy, including the first quarterly dividends paid out in the Korean financial industry and the buyback and cancelation of shares.

In addition, we focused on establishing a digital financial ecosystem with an aim to be a leader in the future of finance. We have further improved customer convenience through innovations in both our online and offline channels, always thinking from the customer perspective. We are also making active and extensive efforts to support the financially underprivileged and the digitally vulnerable.

Shinhan Financial Group is committed to fulfilling its social responsibilities as a corporate citizen. We have therefore advanced our ESG management by expanding our founding principles of “building a better world through finance” and “customer-centered.” In particular, we have developed an ESG evaluation model which assesses the environmental and social risks associated with loan and investment activities, and reflects those risks in our sales activities. We also became the first financial company in Korea to establish a financed emissions measurement system.

As I hope you will see, Shinhan grew in partnership with its customers in 2022, and overcame difficulties by sharing a sense of warmth with society and neighbors. We could not have done so without the unwavering encouragement and support of our shareholders, and for that I thank you most sincerely.

In the next few pages, I'd like to introduce our business, digital and ESG highlights in more detail.



## NEW MILESTONES

We delivered outstanding results by solidifying our business fundamentals and focusing more on sustainability.

## Sustainable Management

In 2022, Shinhan Financial Group expedited ESG execution, going beyond ESG internalization, based on its ESG slogan, “Do the Right Thing for a Wonderful World.” In addition, recognizing the need for global cooperation as ESG becomes mainstream, we further expanded the scope of global cooperation for even stronger ESG execution. In December 2022, then-CEO Cho Yong-byoung of Shinhan Financial Group attended the second annual conference of the Leadership Council, an official partnership organization of the UNEP FI. At that conference, Mr. Cho announced that Shinhan Financial Group will become one team with financial institutions across the globe, thereby demonstrating leadership in sustainable finance. As the UNEP FI’s top authority, created after COP26 in 2021, the Leadership Council is designed to further mobilize the financial community to support a sustainable, resilient and inclusive economy.

Key milestone of Shinhan Bank in 2022 is to become the first Korean institution to sign an MOU with the Green Guarantee Company (GGC)<sup>1)</sup> for global ESG execution. Accordingly, Shinhan Bank will use guarantees issued by GGC to provide ESG-related fund support to companies in developing countries; explore green bond issuance and manage green bonds in emerging markets; and expand green financing, including investments in ESG-related companies.

We also continued our journey towards a world free from discrimination. In May 2022, we launched the fifth class of “Shinhan SHeroes,” a program to nurture and support female leaders. Shinhan became the first in the Korean financial industry to introduce such program in 2018, and as of the end of 2022, we have produced a total of 221 female leaders through Shinhan SHeroes.

In October, we attended the Seoul Conference organized by the International Corporate Governance Network (ICGN)<sup>2)</sup>, where we shared information on the status of diversity, equity and inclusion (DEI) in Korea, and gave details concerning our own DEI activities and plans to spread a culture of DEI. Thanks to these efforts, in 2019 Shinhan became the first Korean company to be included in the Bloomberg Gender-Equality Index (GEI), and has been included in the GEI for five consecutive years as of January 2023.

Shinhan’s ESG principle, “FINANCE for IMPACT,” begins with our belief in the positive impact of finance. In 2022, we continued to perform the roles required by local communities to generate win-win finance. In March 2022, soon after the outbreak of the Russia-Ukraine War, Shinhan Bank provided financial support worth of KRW 300 billion through the provision of emergency funds to; and the postponement of installment payments on loans of companies that had suffered or expected to suffer losses caused by the war. In addition, Shinhan Bank ran a customer participation donation campaign to help residents who had been affected by a forest fire on Korea’s eastern coast, the devastating, longest-lasting forest fire ever recorded in Korea. In April 2022, Shinhan Securities issued its own ESG-certified securitized bond for the Incheon-Gimpo Expressway refinancing project. Moreover, in 2022, Shinhan Financial Group developed an evaluation model to assess a company’s ESG management level to use the result to make various business decisions related to loans and investments.

<sup>1)</sup> An international guarantee institution, funded by the British government’s Green Climate Fund and others, which provides support related to climate change to developing countries

<sup>2)</sup> A non-profit organization established for the purpose of exchanging information to develop the global capital markets and to improve corporate governance



These nimble and decisive movements of our ESG journey have led to the winning of many external awards. In a brand power survey conducted by KMAC in March 2022, Shinhan Financial Group, Shinhan Bank, and Shinhan Card were all chosen as the No. 1 brand in their respective categories. This success came about thanks to the high regard in which Shinhan's ESG is held, including the declaration of "Zero Carbon Drive," the first net zero strategy of any financial group in East Asia; "Triple-K Project" to build an innovative growth ecosystem; and "Society of Hope Project" to eliminate financial inequalities. In addition, Shinhan Financial Group became the first financial group in Korea to be included in the DJSI World Index for 10 consecutive years, receiving especially high praise for its strategy on carbon neutrality and inclusive finance.

## Key Milestones

### FEBRUARY

- Shinhan Bank, entered an MOU with the Green Guarantee Company (GGC)



### MARCH

- Shinhan Financial Group, won 8 prizes for 3 consecutive years in the Korea Brand Power Index
- Shinhan Financial Group, launched the fifth class of "Shinhan SHeroes"
- Shinhan Bank, became the first commercial bank in Korea to create an ESG Committee

### APRIL

- Shinhan Securities, solely issued ESG-certified asset backed securities for the Incheon-Gimpo Expressway refinancing project

### MAY

- Shinhan Financial Group, discussed finance's role in resolving climate and biodiversity issues with the Minister of the UK Department for Environment, Food and Rural Affairs

### JUNE

- Shinhan Financial Group, became the first financial group in Korea to develop an ESG evaluation model



### OCTOBER

- Shinhan Financial Group, attended the Seoul Conference organized by the International Corporate Governance Network (ICGN)

### DECEMBER

- Shinhan Financial Group, attended the second annual conference of the UNEP FI Leadership Council
- Shinhan Financial Group, included in DJSI World for 10 consecutive years



## Digital Transformation

The digital platforms of Shinhan Financial Group continue to evolve to become more customer-oriented. Launched in January 2022, “Ddaeng-gyoeyo” is a food delivery app aimed at win-win cooperation between customers, member stores, and delivery motorcycle riders. The number of subscribers has exceeded 1.65 million, as of the end of 2022, which was achieved thanks to distinctive features such as low intermediary charges, benefits being available without registration costs or advertising fees, and a dedicated loan service. By doing so, Ddaeng-gyoeyo is playing a leading role in establishing a win-win delivery app ecosystem.

In October 2022, Shinhan Bank unveiled “New SOL,” a highly-advanced financial app developed after listening to customer opinions for around a year, and thus enhanced customer satisfaction through outstanding features and functions, such as an app running speed that is as much as four times faster than the previous SOL; “My Unique Home Screen,” which can be designed directly by customers; and “Story Bank,” which enables customers to record transactions as they choose. In May 2022, Shinhan Life launched “SQUARE,” a digital customer platform, to enhance user friendliness through a systematic, consistent design, offering new customer experiences through various non-insurance services relating to daily life.

Shinhan Financial Group also makes continuous efforts to strengthen communications with millennials and Generation Z customers, including digital natives. In February 2022, Shinhan Bank became the first company in the Korean financial industry to unveil a mobile app designed to college students, called “Heyoung Campus.” It enables a more convenient, smarter college life by providing a mobile student ID, electronic attendance records, and administrative management functions on a single app. In November, the Bank also launched the metaverse platform “Shinamon” to preemptively provide an experience of metaverse world that the financial industry could offer in the future – another record of being first in the Korean financial industry. As a result of the launch of these new services, and the reorganization of our platforms to make them more customer-friendly, gross MAUs of our finance and non-finance platforms continue to grow steadily, and exceeded 22 million as of December 2022.

In February 2022, Shinhan Financial Group established a new digital strategy system which will expedite platform innovation to make financial life easier for customers, and will also help to implement consistent digital transformation at the Group level. We systematized the values that we create for our customers by reflecting the Group’s vision of “more friendly, more secure, more creative finance.” There are six customer-centric priorities and four core competencies in place to realize these values<sup>3)</sup>. In addition, we selected an index to measure the progress of the digital strategy system, and communicate regularly and transparently with markets concerning our consistent growth.

In June, we became the first Korean financial company to build a Group-wide integrated portal to manage customer’s consent to the handling of personal information, thus unifying the customer information consent process. As a result, Shinhan’s customers can easily search for and confirm their details on “Shinhan Plus,” our integrated marketing platform, without having to visit each Group subsidiary regarding information consent. Last December, we built the “Shinhan One DATA” platform to ensure optimal decision-making through the use of data and to establish data-driven work culture. Extensive data can be collected and loaded onto this platform, including the Group’s internal data and external demographics data, based on which we are building an integrated data governance system.

We spare no effort to nurture the talent who will lead the digital growth of Shinhan and the Korean economy. We have launched “Women in Tech,” a leadership program for female digital talent, and the “Speedup Camp,” a short-term working-level course aimed at nurturing product owners, and through such programs, we are promoting creativity and innovation in our organization in addition to developing more professional digital talent.

<sup>3)</sup> Please refer to the “Digital to Value” section in the “2022 Highlights” for more detail. 



In November 2022, Shinhan Financial Group held a “Digital Day,” the first of its kind in the financial industry in Korea, and thus shared information with customers, shareholders, partner companies, and other stakeholders concerning its digital performance. The way how digital transformation has been implemented to put “more friendly, more secure, more creative finance” into practice was also shared, and we gave details about the Group’s key digital capabilities.

In addition, we regularly host “Demo Day” which supports the IR activities of companies that were a part of Shinhan Future’s Lab – the leading startup accelerator program in the Korean financial industry. Launched in 2015, it has produced 333 member companies, as of the end of 2022, and in 2022, it opened offices in Hanoi and Japan, and thus increased its support for Korean startups making their entry into global markets, while also contributing to building an overseas venture ecosystem.

Going forward, Shinhan will create new customer value for the digital era, strengthen customer information rights, and continue with bold innovations and change so that we can grow in partnership with a digital-based venture ecosystem.



## Key Milestones

### JANUARY

- Shinhan Bank, launched the “Ddaeng-gyeyeo” food delivery app

### FEBRUARY

- Shinhan Financial Group, established a digital strategy system
- Shinhan Bank, launched the “Heyoung Campus,” an app designed for college students

### MAY

- Shinhan Life, launched the digital customer platform “SQUARE”

### JUNE

- Shinhan Financial Group, built the Group’s integrated customer information usage consent portal

### AUGUST

- Shinhan Financial Group, opened “Women in Tech” and “Speedup Camp”
- Shinhan Financial Group, opened the Hanoi office of Shinhan Future’s Lab

### SEPTEMBER

- Shinhan Financial Group, exceeded 20 million in gross MAUs

### OCTOBER

- Shinhan Bank, launched the “New SOL”



### NOVEMBER

- Shinhan Bank, launched the metaverse platform “Shinamon”
- Shinhan Financial Group, held Shinhan Digital Day
- Shinhan Financial Group, launched Shinhan Future’s Lab Japan

### DECEMBER

- Shinhan Financial Group, established the “Shinhan One DATA” platform



## Business Development

Shinhan Financial Group has strengthened its business portfolio so that a greater number of customers can enjoy Shinhan's "more friendly, more secure, more creative finance." In January 2022, based on the vision of "Your total investment solution for a better future," an integrated corporation was launched through the merger of Shinhan Asset Management and Shinhan Alternative Investment Management. In the traditional asset category, we plan more aggressive expansion in target date funds (TDF) and exchange traded fund (ETF). In alternative assets, we will further develop funds, ETF and other synergy-based products, thereby offering distinctive solutions through strengthened expertise.

In February, Shinhan CubeOn, a subsidiary of Shinhan Life which specializes in digital healthcare, was launched. Going forward, it will collaborate with healthcare-related business partners, with its digital healthcare platform "HowFit" playing a central role, to expand content relating to the promotion of health and wellbeing. It also plans to offer various additional services with the aim of growing into a leading brand in the healthcare sector. Shinhan Life is a life insurance company that was established in July 2021 as a result of the merger between Shinhan Life Insurance and OrangeLife Insurance. It now leads the industry on the back of its top-tier financial soundness and distinctive products. In particular, in May 2022, it earned an AAA rating, the highest insurance financial strength rating available, from the Korea Investors Service, thanks to strengthened sales capabilities after the merger, improved status within the market, and strong capital position. This achievement has made the company maintain the top rating in the evaluation for 15 consecutive years since 2008.

In addition, we received final approval from the Financial Services Commission to include the former BNP Paribas Cardif Life Insurance as a Group subsidiary in June 2022. We then changed its name to Shinhan EZ General Insurance at its official launch in July. Moving forward, Shinhan EZ General Insurance will make utmost efforts to develop into a digital-based general insurance company which covers a wide range of business areas by deepening its cooperation with other Group subsidiaries.

We are also focused on generating value by increasing cooperation with different industries and even with competitors. In January 2022, Shinhan Bank established a strategic partnership with KT, a leading Korean telecommunications company, with an aim to expedite its transformation into a digital company. Based on this partnership, the two companies will cooperate in four areas – implementing a new joint platform business; accelerating digital transformation by forming strategic investment (SI) fund; providing specialized services for small businesses, millennials and Generation Z; and working together to nurture startups and other ESG cooperation.

In September, the Bank made joint efforts with KB Kookmin Bank to minimize the inconvenience caused to customers by branch closures. In Yeongju, North Gyeongsang Province and Yangju, Gyeonggi Province, the two banks have established one joint branch in each region. This has minimized customer and employee inconvenience, and has enabled continuity of offline channel operations in locations very close to where the two banks had previously operated their stand-alone branches, thereby enhancing consumer value and faithfully fulfilling social roles as corporate citizens.

Global expansion is one of our focus areas. In August 2022, Shinhan Securities opened its Hanoi branch in the Hoan Kiem area of northern Hanoi, home to the headquarters of many major Vietnamese banks and public companies. The branch is staffed with professional PB personnel with a profound understanding of the characteristics of the local market, and enabling Shinhan Securities to expand its stock brokerage and asset management offerings.

Also in 2022, Shinhan Card launched its credit card business in Vietnam through Shinhan Vietnam Finance Company (SVFC), its local subsidiary. Since its launch in 2017, SVFC had focused on unsecured loans for customers with strong credit, and has recently expanded its business to include auto loans, durable goods finance, and digital loans. Following the launch of the credit card business, SVFC will develop new products which integrate the services offered by the Group subsidiaries with a presence in Vietnam.

In addition, in November 2022, Shinhan Financial Group entered a strategic partnership on data and global business with Visa, the global credit card brand. Accordingly, we will use Visa's global data to develop new products and services for the Group subsidiaries, while also cooperating with Visa to implement new technology training related to data analysis.

The "more friendly, more secure, more creative finance" pursued by Shinhan is underpinned by compassionate finance that grows in partnership with every member of society. To this end, in July 2022 we announced the "Youth Four-ten" project. This project will offer financial support across four major areas – residential and daily life, increasing assets, creating jobs, and enhanced welfare – and will be worth more than KRW ten trillion. This reflects our commitment to helping young people, who are the key to our collective futures, to fulfill their potential. In addition, we launched the "Shinhan Youth Hope Time Deposit," a product created in support of the government policy aimed at encouraging young people to build stable assets.

Shinhan Financial Group is also expanding the scope of its inclusive finance, so that everyone can enjoy the benefits of our financial services. In 2022, on the Day of Persons with Disabilities, Shinhan Bank became the first Korean commercial bank to set up tablets specifically for the hearing-impaired and the elderly who visit our branches, and began our counseling services in writing." These tablets have an AI technology-based speech to text (STT) function which changes voice to text in real time. They also have a communication by means of writing function which enables bi-directional communications, which will further increase convenience for the hearing-impaired and the elderly in accessing our services.

## Key Milestones

### JANUARY

- Shinhan Asset Management, launched an integrated corporation
- Shinhan Bank, established a strategic partnership with KT

### FEBRUARY

- Shinhan Life, launched "Shinhan CubeOn," a healthcare subsidiary
- Shinhan Bank, launched "Youth Hope Time Deposit on a Whole Other Level"



### SEPTEMBER

- Shinhan Bank, opened a joint branch with KB Kookmin Bank

### NOVEMBER

- Shinhan Financial Group, entered a strategic partnership with Visa for data collaboration



### APRIL

- Shinhan Bank, launched "counseling services in writing"

### MAY

- Shinhan Life, received the highest rating at the Insurer Financial Strength Rating for 15 consecutive years

### JULY

- Shinhan EZ General Insurance, officially launched as Shinhan Financial Group's subsidiary
- Shinhan Financial Group, announced the Youth Four-ten Project

### AUGUST

- Shinhan Securities, opened its Hanoi branch in Vietnam
- Shinhan Card, launched its credit card business in Vietnam





## NEW IMPETUS

Building on our unique strength, we will continue striving to reinvent ourselves through innovation and creativity.



## In closing

### Dear shareholders!

Our society faces many uncertainties in 2023, and the financial industry also expects to experience unprecedented difficulties. In order to overcome this crisis, all of us at Shinhan Financial Group have strengthened our resolve and share the thought that “We will survive by changing, and we will disappear if we become complacent.”

30,000 employees of Shinhan will make the utmost effort to repay our shareholders for on-going trust and support as we strive towards our goal of “No. 1 in positive impact.” We will achieve sustainable growth so that we can become the pride of all of our shareholders and customers. We ask you for your continuing support and encouragement, so that Shinhan Financial Group can push powerfully on towards “Excellence, Shinhan” and “One Hundred Years, Shinhan.”

Thank you.

진옥동

Chief Executive Officer, Shinhan Financial Group

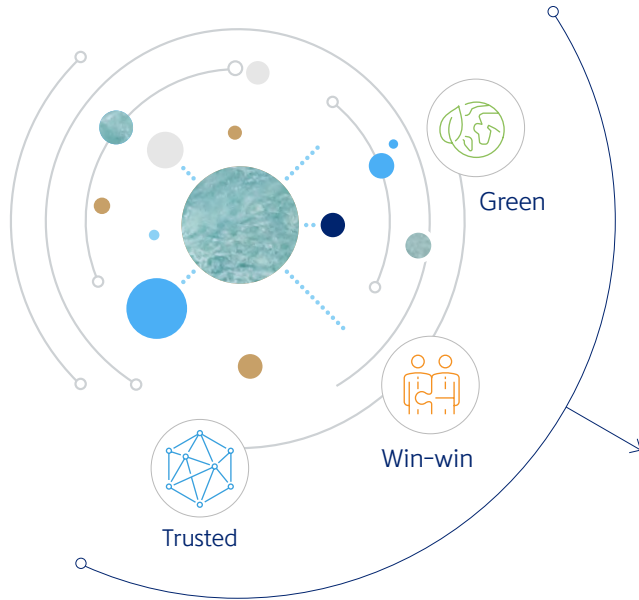
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# 2022 HIGHLIGHTS

In an uncertain world, commitment is not enough. New challenges call for new imperatives which require goal-oriented planning. This is true for Shinhan Financial Group as well. So, following important successes in the Group's execution of two mid-term strategy of "SMART 2020 Project" and "F.R.E.S.H 2020s," we have developed a strategic direction with a view to ensure that we are looking into the future through digital transformation and ESG value creation.



Do the Right Thing  
for a Wonderful World

## Sustainability – embracing the wonderful world

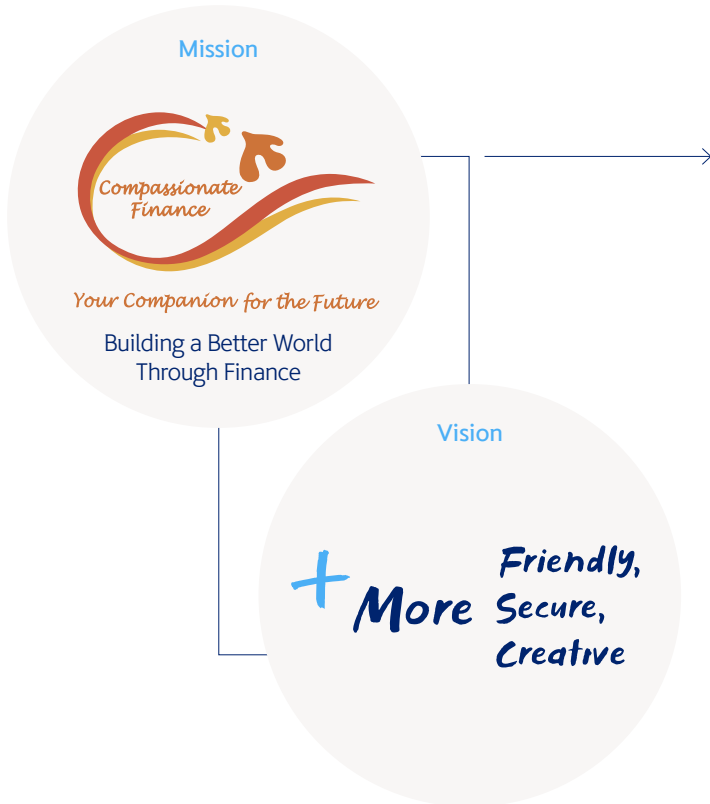
To Shinhan Financial Group, ESG is more than just a requirement of the era in which we live – it is a heartfelt growth strategy which ensures balanced growth towards the right path in a rapidly-changing business environment. Climate change, rising prices, disruptions to supply chains, and the energy crisis are just few of the many challenges the mankind is faced with today. Despite these challenges, the value of sustainable society and businesses has increased, and integrating ESG into the core of company management is now essential. ESG is not a mere trend but has positioned itself as “new normal.” Shinhan has therefore preemptively responded to the need for ESG, and sought to go beyond ESG internalization, and focused on the actual implementation of ESG management. Guided by three strategic directions of our ESG implementation – Green, Win-win, Trusted – we are moving toward a “Wonderful World.”

# SUSTAINABLE VALUE CREATION



# ESG STRATEGY

ESG is not only vital for a financial company, but ESG of a financial company must be different. This is because one of the roles of a financial company is to help all its stakeholders to make ESG transitions, and to accelerate them. In implementing ESG, Shinhan Financial Group is seeking to make positive changes not only for Shinhan but for everyone. Our ESG principle is defined as "Finance for IMPACT," and, in support of this, we have established an ESG strategy framework which consists of five impact tasks and 10 strategic KPIs, in pursuit of the three strategic directions – Green, Win-win, and Trusted.



## ESG Strategy

### Do the Right Thing for a Wonderful World

Finance for IMPACT (Positive impact of finance changing the future for the world)

GREEN DO THE GREEN THING for a Wonderful World	WIN-WIN DO THE BRAVE THING for a Wonderful World	TRUSTED DO THE FAIR THING for a Wonderful World
<p><b>Zero Carbon Drive</b> Achieve net zero by cutting down CO<sub>2</sub> emissions and offsetting</p> <p><b>Shinhan Green Way</b> Expanding green investment</p>	<p><b>Triple-K Project</b> Promote innovation and foster startups</p> <p><b>Hope Together SFG</b> Provide inclusive finance</p>	<p><b>Respect for Diversity (SHeroes)</b> Foster female talents Reduce social inequality</p> <p><b>Consumer Protection</b> Strengthen product governance</p>
<p>1 Expanding green finance 2 Reducing internal carbon emissions 3 Reducing financed emissions</p>	<p>4 Expanding innovative finance 5 Strengthening support for startups 6 Providing inclusive finance</p>	<p>7 Fostering female leaders 8 Increasing employee satisfaction 9 Strengthening financial education 10 Increasing customer satisfaction</p>
<p>Cut down CO<sub>2</sub> emissions to zero</p> <p><b>0 Carbon</b></p> 	<p>Nurture 10 unicorns by fostering innovation</p> <p><b>10 Unicorns</b></p> 	<p>Ensure 100% satisfaction of all stakeholders</p> <p><b>100% Satisfaction</b></p> 
Shinhan ESG Value Index		

ESG Slogan

ESG Principle

3 Strategic Directions

5 Impact Tasks

10 Strategic KPIs

Goal

Alignment with UN SDGs

ESG Measurement

\* These figures may be subject to change for they have not received third-party verification yet. Finalized figures are planned to be disclosed through the ESG Report at the end of the first half of the year.

ESG Progress

● Green ● Win-win ● Trusted

# 10

ESG Strategic KPIs in 2022

## Expanding green finance

Green finance



**8.15 KRW trillion**

(2020-2022)

## Reducing internal carbon emissions

Internal carbon emissions



**99,163 tCO<sub>2</sub>eq**

## Reducing financed emissions

Financed emissions  
(Carbon intensity)



**20.36**

(As of the end of Nov. 2022)

## Expanding innovative finance

Innovative/New Deal finance



**27.3 KRW trillion**

## Strengthening support for startups

Newly fostered companies



**812 companies**

(2015-2022)

## Providing inclusive finance

Microfinance



**4.27 KRW trillion**

## Fostering female leaders

Percentage of female management



**8.7%**

## Increasing employee satisfaction

Employee satisfaction level



**76 points**

(100-point scale)

## Strengthening financial education

Customers who participated in financial education



**313,571 persons**

## Increasing customer satisfaction

Customer satisfaction



**94.5 points**

(Based on Shinhan Bank in 2022, 100-point scale)

Percentage of female general manager

**13.0%**

(As of 2022 year-end after personnel appointment; and based on 8 Group subsidiaries – Shinhan Financial Group, Shinhan Bank, Shinhan Card, Shinhan Securities, Shinhan Life, Shinhan Capital, Shinhan Asset Management, Jeju Bank)

\* As of the end of 2022



# ESG ACTION

## Do the Right Thing for a Wonderful World

2022 marked the start of a full-scale execution of Shinhan Financial Group's ESG management. The key to our ESG slogan, defined as "Do the Right Thing for a Wonderful World," is "Do," reflecting our commitment to putting ESG into action. To this end, we are striving to "Do the Green Thing" towards net zero, "Do the Brave Thing" aimed at helping members of our society take challenges and grow, and "Do the Fair Thing" which ensures fair opportunities and evaluations.

## Zero Carbon Drive

In 2020, following a resolution of the Board of Directors, we have launched our climate initiative, "Zero Carbon Drive," and became the first financial group in East Asia to officially announce a strategy to achieve net-zero in both our own emissions and emissions coming from our financed assets. In order to achieve net zero by 2050, we have set out quantitative targets, and a strategy of facilitating the low-carbon transition through green finance and reducing internal and financed emissions. We are measuring carbon emissions based on the criteria for the systematic management of the carbon emissions of an asset portfolio set out by the Partnership for Carbon Accounting Financials (PCAF). In addition, we have detailed our reduction goals using the Science Based Target initiative (SBTi) methodology.

In green finance, we are increasing loan support for eco-friendly technology companies, capital investments in renewable energy projects, and financial support for companies and industries transitioning to low-carbon facilities, with the goal to make KRW 30 trillion in new eco-friendly investments between 2020 and 2030. We made KRW 2.78 trillion of new investments in 2022, and the cumulative total stands at KRW 8.15 trillion, or 123% of our target at this point.

## Financed Emissions Measurement System

In 2022, Shinhan became the first Korean financial company to develop a "financed emissions measurement system." This system categorizes the Group's financial assets into six asset groups in accordance with standards set by PCAF. This has enabled us to measure our financed emissions in detail and to monitor them on a regular basis. It received SBTi approval in November 2022. In addition to monitoring financed emissions by asset and industry against specified reduction goals, the system also allows back office and front office employees to monitor financed emissions per customer. As of the end of November 2022, we had measured emissions for financial assets totaling KRW 248.6 trillion.

## ESG Evaluation Model

Shinhan Financial Group developed its own ESG evaluation model in 2022 according to the roadmap for environmental and social risk management system established in 2017. Building on Shinhan's existing Environmental and Social Risk Management (ESRM) framework that monitors areas of interest and manages E&S risks of loans and investments, this unique ESG evaluation model was developed to integrate ESG into the screening process for loans and investments. To encourage ESG activities of corporate clients the ESG ratings that are derived through this evaluation model are used as a criterion for determining the eligibility for Shinhan Bank's ESG-linked loans. Going forward, we plan to expand the application scope to further accelerate joint efforts for ESG execution.

DO THE  
**GREEN**  
THING



# DO THE BRAVE THING

## Triple-K Project

Shinhan Financial Group helps startups to grow across their entire lifecycle. We offer both financial and non-financial support, ranging from investments to nurturing programs.

Shinhan's Triple-K Project refers to three Ks – Korea Cross-Country, Korea to Global Plan, and K-Unicorn Project. This project is our unique strategy aimed at enabling startups to grow into unicorn companies by building startup support platforms in major cities across the nation and helping startups enter global markets. The "S<sup>2</sup> Bridge" startup-fostering platform has been operating in Seoul and other major cities in Korea – Incheon, Daegu, Daejeon, Jeju – since 2020, and also operates in Vietnam. By the end of 2022, it had fostered 479 startups, and had provided support in attracting investments amounting to KRW 299.7 billion. In addition, as the first startup accelerator program in the Korean financial industry, "Shinhan Future's Lab" has nurtured 333 startups, and thus invested a total of KRW 73.65 billion in Korea, Vietnam, Indonesia, and Japan.

Investing in startups through finance is a distinctive capability of Shinhan that grows together with invested companies. In 2022, we launched the "S<sup>2</sup> Bridge ESG Investment Fund No. 1" amounting to KRW 33 billion for the S<sup>2</sup> Bridge program. As of the end of December, assets under management (AUM) of major venture capital (VC) funds of Shinhan Financial Group reached KRW 2,499.5 billion. Through the digital strategic investment (SI) fund, which was the first of a kind to be established in 2021 among Korean financial institutions, we are managing KRW 600 billion as of the end of 2022 and taking the lead in new technology investment.

## Shinhan Donghaeng<sup>1)</sup> Project

In 2022, Shinhan Financial Group launched the "Shinhan Donghaeng Project," aimed at providing practical help to the financially underprivileged, including small business owners, youths, and the low-income class. This project consists of four major areas "R4": "1. Recovery" which helps small businesses and small and medium-sized enterprises (SMEs) recover; "2. Residence" which aims to support housing and daily necessities for the low-income class; "3. Re:Start-Up" which supports for new entrepreneurs, job-seekers and the youths; and "4. Responsibility" which stands for social responsibility. For 12 key tasks under the 4R, Shinhan plans to provide financial support totaling KRW 33.3 trillion over the next five years. We seek to make a positive impact through the Shinhan Donghaeng Project, which means both "walk together" and "happy together."

## ESG Consulting Cell of Shinhan Bank

In 2022, Shinhan Bank created the ESG Consulting Cell and met with 115 corporate clients from April to December. We provided suggestions and education on ESG to SMEs that recognized the need for ESG management but did not know where to start. We also offered ESG diagnosis and evaluation services to companies that sought to practice better ESG management. In addition, we offered consulting on responding to supply chain ESG evaluations, establishing carbon reduction goals, measuring carbon emissions, conducting a due diligence on the supply chain, participating in global initiatives, and making ESG disclosures, thereby helping with the entire process that ranges from establishing ESG management strategies to executing them.

<sup>1)</sup> Homonym for the words meaning "walk together" and "happy together" in Korean

## Society of Hope Project

The "Society of Hope Project" is Shinhan Financial Group's flagship social contributions project, which has been running since 2017 with an annual budget of approximately KRW 90 billion. The project enables us to implement our three major strategic directions of Green, Win-win, and Trusted, based on our mission of "Compassionate Finance, Your Companion for the Future." By running a social contributions project structured at the Group level, we are delivering positive changes in society. Moreover, by sharing new business models which pursue both social value (including sustainable development and social impact) and economic value, we are making diverse efforts to create a prosperous society of hope.

From 2021 to 2023, the Society of Hope Project has sought to create opportunities for everyone based on the slogan, "Creating Opportunities for All, Hope. Together. SFG." To this end, we have increased financial support for local communities, companies, and individuals who have been financially underserved. In addition, based on the "Shinhan ESG Value Index," we have been focusing on running programs in areas where there are the highest social value in the most effective manner.

In 2023, the Society of Hope Project aims to revitalize Korean economy by creating jobs through a more efficient S<sup>2</sup> Bridge, and by improving quality of life for the underprivileged. In particular, we will provide a social safety net at a time when the economic downturn and inflation are seriously affecting the underprivileged by implementing the "Grow Together with Shinhan" project. We will offer substantial support to programs with high social value identified through the Shinhan ESG Value Index, including programs on youth employment and family support, while also connecting social workers and social welfare facility workers, thereby building an efficient support ecosystem for the underprivileged. We expect this project to become a major milestone in building a society of hope and shared prosperity.

Hope.  
Together.  
SFG

## Creating Opportunities for All, Hope. Together, SFG

Start-up	Financial literacy	Group of community
<p><b>Strengthened support for every entrepreneur</b></p> <ul style="list-style-type: none"> <li>Support for startups (in connection with Triple-K): S<sup>2</sup> Bridge</li> <li>Support for social economy: Funds/investments to support social enterprises, support activities for small business owners</li> </ul>	<p><b>Expanded support to reach every financially vulnerable person</b></p> <ul style="list-style-type: none"> <li>Integrated financial education across all Group subsidiaries</li> <li>Debt/credit recovery support for youth: Youth Debt Total Care</li> <li>Capacity-building and employment support for youth: Shinhan Global Young Challenger</li> <li>Support for a stable childcare environment for double-income families: Shinhan Dream Dodamteo</li> <li>Coding education for students with developmental disabilities: Hope School Software Class</li> </ul>	<p><b>Mutually beneficial relationship building with every local community</b></p> <ul style="list-style-type: none"> <li>Job creation tailored to local communities by vitalizing the social economy</li> <li>Establishment of an emergency support system for local communities: Emergency support "Shinhan Meal Box," "Hope. Together." local community contest program, etc.</li> </ul>
<p><b>Support for Startups</b></p> <p><b>S<sup>2</sup> Bridge</b> No. of fostered companies <b>479 companies<sup>1)</sup></b></p> <p>Support for attracting investments <b>299.7 KRW billion<sup>1)</sup></b></p> <p>Support for creating/maintaining jobs <b>4,621 persons<sup>1)</sup></b></p> <p><b>Social Enterprise Fund</b></p> <p><b>No. 1</b> Provided 1,830 KRW million<sup>1)</sup> to 12 companies</p> <p><b>No. 2</b> Provided 1,920 KRW million<sup>1)</sup> to 9 companies</p> <p><b>No. 3</b> Provided 834 KRW million<sup>1)</sup> to 8 companies</p>	<p><b>Support for the Financially Vulnerable</b></p> <p><b>Financial education platform</b> Provided financial education through "Shinhan Easy," an integrated financial education platform of all Group subsidiaries</p> <p>Provided online and offline<sup>1)</sup> education to around 40,000 persons</p> <p><b>Youth Debt Total Care</b> Provided support to 498 people through the 4<sup>th</sup> Youth Debt Total Care group, and increased the credit score for 352 people</p> <p><b>Shinhan Dream Dodamteo</b> Opened a total 140 Shinhan Dream Dodamteo, provided support to 11,278 persons<sup>1)</sup></p> <p><b>Hope School Software Class</b> Educated 2,299 people at 90 special schools</p>	<p><b>Local Community Support Program</b></p> <p><b>Local community-tailored job program</b></p> <p><b>Suncheon</b> Achieved total sales of KRW 640 million since 2019</p> <p><b>Sejong</b> Achieved total sales of KRW 350 million since 2021</p> <p><b>Busan</b> Achieved total sales of KRW 110 million since 2022</p>

2022 Key  
Performance  
Indicators

\* As of the end of 2022

<sup>1)</sup> Cumulative performance

# DO THE FAIR THING

## Pursuing Diversity

Shinhan Financial Group recognizes diversity as an opportunity, and thus is fully committed to appointing and nurturing female leaders. We have set challenging goals of reaching higher female representation of 15% at the top management-level and 25% at the senior manager-level by 2030. We are striving to achieve this goal through various programs and initiatives. For example, as the first program in the Korean financial industry specifically aimed at nurturing female leaders, “Shinhan SHeroes” has provided strong support for 221 women between 2018 and 2022. In 2022, we created the Women in Tech (WIT) program to foster female leaders in the fields of digital technology and ICT. Also in 2022, we continued our outstanding communications with stakeholders by publishing our second Diversity Report, and developed a new diversity index related to the nationality of employees.

## Measuring Social Value

Creating and measuring social value is an important barometer of ESG management. Social value had not been adequately reflected in the management index mostly because it is difficult to quantify, unlike financial value. Amid recently growing interest in sustainable management, an increasing number of people are voicing the need for quantified value measurement and evaluation to generate more social value with limited resources. In response to this demand, in 2019 Shinhan Financial Group developed the “Shinhan ESG Value Index,” which measures the effects of ESG activities in monetary value. The development of the Index was done in collaboration with the Center for Global ESG and Business Ethics of Yonsei University, and we are making continuous efforts to make the measurement system more elaborate by expanding measurement targets and improving the proxy index. The social value measured for 15 Group subsidiaries, which was created through 244 programs, amounts to KRW 2,013.2 billion in 2021.

## Respecting Human Rights

Shinhan Financial Group respects and protects the human rights of all stakeholders, including employees. We announced the Declaration of Human Rights in 2014 and are striving to practice the UN Guiding Principles on Business and Human Rights (UNGPs). In 2022, we published the Human Rights Report based on the UNGP Reporting Framework and amended the Group’s Code of Ethics that was established in 2011.

Shinhan Bank established the Human Rights Management System Guidelines, a manual for establishing a human rights management system, in 2022. Based on these Guidelines, it built a human rights management system optimized for the Bank by reflecting key content of international initiatives. In addition, it became the first commercial bank in Korea to conduct a third-party human rights impact assessment and disclosed the results on its website.



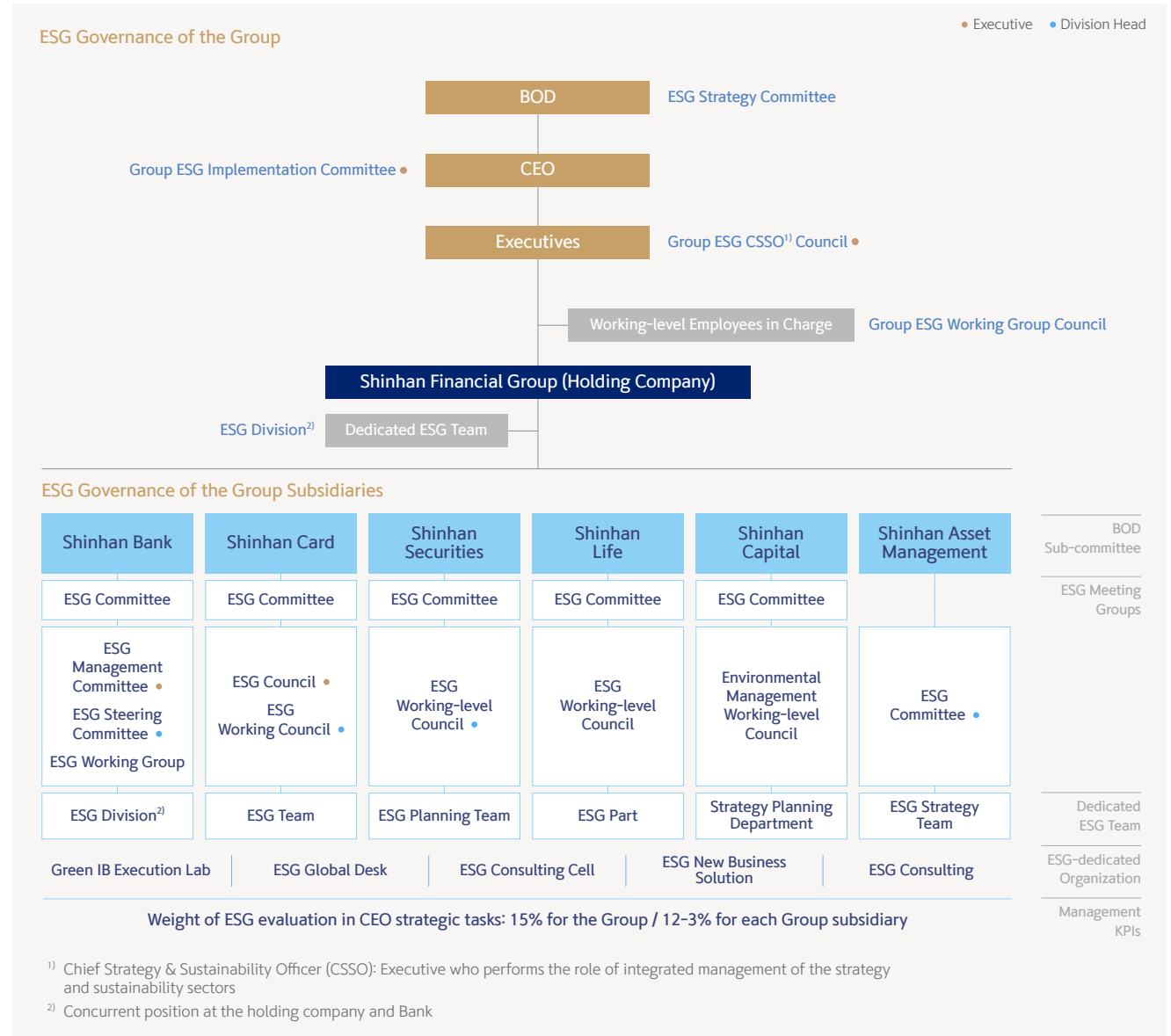


# ESG GOVERNANCE

Shinhan's ESG implementation system has been created in pursuit of harmony between top-down and bottom-up systems. In 2015, Shinhan Financial Group became the first financial group in Korea to establish an ESG Strategy Committee (formerly CSR Committee) as a BOD sub-committee. The Committee manages and supervises ESG at the BOD level to constantly set higher ESG expectations and improving execution. We have also established the ESG Implementation Committee, with participation from all Group subsidiary CEOs, and the Group ESG CSSO Council, a gathering of subsidiary Chief Strategy & Sustainability Officers (CSSOs), thus completing the top-down consultative structure. Systematic ESG management at subsidiaries began in earnest in 2021. In 2022, major subsidiaries, including Shinhan Bank, Shinhan Card, Shinhan Securities, and Shinhan Life, created BOD sub-committees and executive conference bodies related to ESG, thus reinforcing the bottom-up system in support of ESG.

In 2019, Shinhan became the first financial company in Korea to reflect ESG performance in its management KPIs. In 2022, we also became the first and so far only financial company in Korea to set specific carbon reduction goals, thus proving our commitment to ESG and strengthening ability to execute the ESG goals.

## Shinhan's ESG Driving System



\* As of the end of 2022

# ESG DISCLOSURE

Shinhan Financial Group actively communicates with stakeholders as we implement our ESG management. In 2005, Shinhan Bank became the first financial company in Korea to publish an ESG Report (previously CSR Report), which was followed by the Group level ESG Report, being published annually since 2009. In addition, the Group subsidiaries separately disclose their own ESG activities.

Moreover, in 2021 we became the first financial company in Korea to increase the frequency of ESG reporting from annual to twice a year by publishing an additional “ESG Highlight,” aimed at improving our ESG-related communications with investors and other stakeholders at home and abroad. Through the ESG Highlight which enables an easy understanding of the Group’s major ESG activities and performance, we are leading the ESG disclosure with timely and comprehensive approach.

## Shinhan Financial Group

- ESG Report
- ESG Highlight
- TCFD Report
- ESG Factbook
- Annual Report on Corporate Governance & Remuneration System
- Annual Report

## Shinhan Financial Group Hope Foundation

- Social Responsibility Report

## Shinhan Bank

- ESG Performance Report
- Climate Finance Report
- Equator Principles Annual Report
- Annual Report on Corporate Governance & Remuneration System

## Shinhan Card

- ESG Performance Report
- Annual Report on Corporate Governance & Remuneration System

## Shinhan Securities

- ESG Performance Report
- Annual Report on Corporate Governance & Remuneration System

## Shinhan Life

- ESG Performance Report
- Annual Report on Corporate Governance & Remuneration System

# ESG INITIATIVES AND RECOGNITION

## Global Initiatives



Partnership for Biodiversity Accounting Financials (PBAF)

Joined in September 2022



Taskforce on Nature-related Financial Disclosures (TNFD)

Joined in March 2022



Net-Zero Insurance Alliance (NZIA)

Joined in October 2021



Net Zero Asset Managers Initiative (NZAMI)

Joined in July 2021



Net-Zero Banking Alliance (NZBA)

Joined in April 2021



Value Balancing Alliance (VBA)

Joined in March 2021



Science Based Target initiative (SBTi)

Joined in November 2020



Partnership for Carbon Accounting Financials (PCAF)

Joined in November 2020



Equator Principles

Joined in September 2020



UNEP FI Principles for Sustainable Insurance (PSI)

Joined in February 2020



UNEP FI Principles for Responsible Banking (PRB)

Joined in September 2019



Task Force on Climate-related Financial Disclosures (TCFD)

Joined in September 2018



UN Global Compact (UNGC)

Joined in May 2008



UN Environmental Programme Finance Initiative (UNEP FI)

Joined in January 2008



Carbon Disclosure Project (CDP)

Joined in March 2007

## Global Recognition

### GLOBAL



Included in DJSI World for 10 consecutive years



Received Leadership A or A- ratings for 10 consecutive years



Received AA grade for 7 consecutive years



ISS Quality Score Grade: 1



Included in the BGEI for 5 consecutive years

### KOREA



Received A+ grade for 8 consecutive years



Received AA grade for 4 consecutive years

● First in Korea or Korea's financial industry

● First in Korea's financial industry

● First in Korea

\* As of January 2023

# ESG STATEMENT

Over the last few years, the global community has experienced considerable difficulties, caused by instability in international affairs, severe economic downturn, and extreme weather in addition to the COVID-19 pandemic and disruption to everyday life around the world. Amidst this unprecedented change and chaos, humankind began to reflect more fundamentally about what matters the most. Economic growth and technological development have enabled more enriched lives and more convenient living, but they have also brought about too many economic, environmental, and social inequalities. Now the world is discussing the path that should be taken, in greater depth and with greater urgency, and how to achieve sustainability. Part of this new future is greater demand for corporate social responsibility, and a resulting focus on ESG management by companies across the globe.

Although ESG management is relatively new as a global trend, ESG is not new as a concept for Shinhan Financial Group. Ever since our founding in 1982, we have challenged existing business customs and achieved milestones in innovation. Our commitment to “building a better world through finance,” which was the bedrock of Shinhan’s original foundation, together with our founding spirit of “Be original, productive, and compassionate,” led to the Group’s mission of “Compassionate Finance, Your Companion for the Future.” Shinhan’s philosophy of “Building a Better World through Finance” is therefore precisely in line with the requirements of ESG management.

The roles and responsibilities of the financial sector are important, all the more so in difficult times which require fundamental changes in both business and society as a whole. In addition to its own bold innovations, the financial sector has a responsibility to use the functions and capabilities of finance to induce and lead changes in other sectors. Shinhan has therefore redefine the role of finance, in line with the values of ESG, and strives to walk on the “ESG Way” in partnership with every member of society.

## 1. We need to maintain the positive impact of finance.

As providers of funds, financial companies are in an influential position to change the business environment and society. The role of finance, therefore, is to help with the “transition” and “acceleration” of ESG for all stakeholders. Shinhan is fully aware of its profound sense of responsibility regarding the ESG transition within society and the economy. Manufacturing corporate clients, including power generation companies in Korea, now face direct business risks due to new ESG risk factors resulting from climate change, as symbolized by the concept of the “Green Swan.” This in turn is driving many companies to transition rapidly towards eco-friendliness, and thus they require considerable assistance. Shinhan is fully committed to helping every company undertaking ESG-based change.

## 2. We need to pursue the values of win-win and innovation.

Financial companies should fulfill their roles as responsible members of society and reliable partners in supporting the sustainable growth of the national economy. Shinhan will continue to make the utmost efforts to ensure that ESG is a sustainable growth strategy which develops a competitive edge, rather than a burden on companies and individuals. These efforts include consulting and education, as well as financial support and investment. We will also support the socially vulnerable and build an ecosystem of empathy and win-win in which all members of society can fulfill their potential.

Driven by our culture of innovation, Shinhan has continued to take on challenges, achieving many “firsts” in finance and ESG along the way. In 2005, we became the first financial institution in Korea to publish an ESG disclosure material (former Corporate Social Responsibility Report), which was followed by the establishment of the ESG Strategy Committee (former Corporate Social Responsibility Committee) in 2015, thereby becoming the first financial group in Korea to undertake CSR management at the BOD level. We established a new ESG strategy framework in 2020, and in November of the same year, we became the first financial group in East Asia to declare a “Zero Carbon Drive.”

These innovations by Shinhan have set good precedents for other companies to follow, helping them to implement their own ESG management more easily and more quickly. ESG is no longer a competitive edge which companies can develop on their own – it is something which becomes a strength only when business as a whole and entire industries join hands together. This is why Shinhan will drive sustainable growth through the values of win-win and innovation in ESG.

## 3. We need to go beyond declarations and promises, and take urgent action.

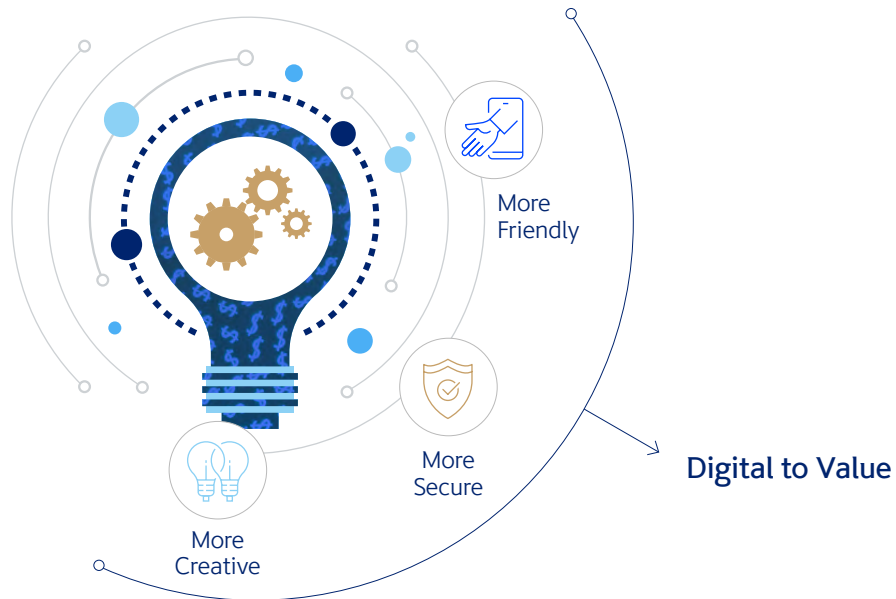
All companies, including financial institutions, must avoid the risk of greenwashing and ESG washing. As corporate transparency becomes ever more important, especially with the development of digital technologies, we are now in a business environment which requires the sincere implementation of ESG, and not just the use of ESG for corporate branding or PR.

Determined towards a sustainable future, Shinhan has announced the Group’s ESG slogan of “Do the Right Thing for a Wonderful World,” and is striving to induce all its employees to do the “right action.” Going forward, we will increase our efforts to resolve environmental and social issues through the power of finance. We continue to accelerate the implementation of our own ESG management so that we can offer many more “ESG experiences” for our clients and other stakeholders. In this way, we will drive sustainable growth through ESG in partnership with stakeholders.

ESG is still finding its way in many areas. Shinhan’s ESG Way is a long journey that we must take together just like the words of the old Xhosa proverb, “If you want to go fast, go alone. If you want to go far, go together.” It cannot be traveled by Shinhan alone – this new path will be created as people take it together. And it will be more sustainable as more people walk side by side.

We ask you to join Shinhan on this ESG Way. Together, we can achieve sustainable growth and development, and work in partnership to build a better world for future generations.





## Digital – adding value to customers

Shinhan Financial Group is creating customer value through digital transformation. Through innovative platforms and customized data services, we are enabling more friendly, more secure, and more creative finance for everyone, regardless of age or gender. At the same time, we are offering new experiences which are breaking the boundaries of the financial business and building a win-win digital ecosystem. Shinhan's digital journey is aimed at creating exceptional customer value, and we are continuing to develop our core competencies to this end. In this way, we can ensure that the lives of our customers – not just their financial lives – are more friendly, more secure, and more creative.

# DIGITAL TO VALUE

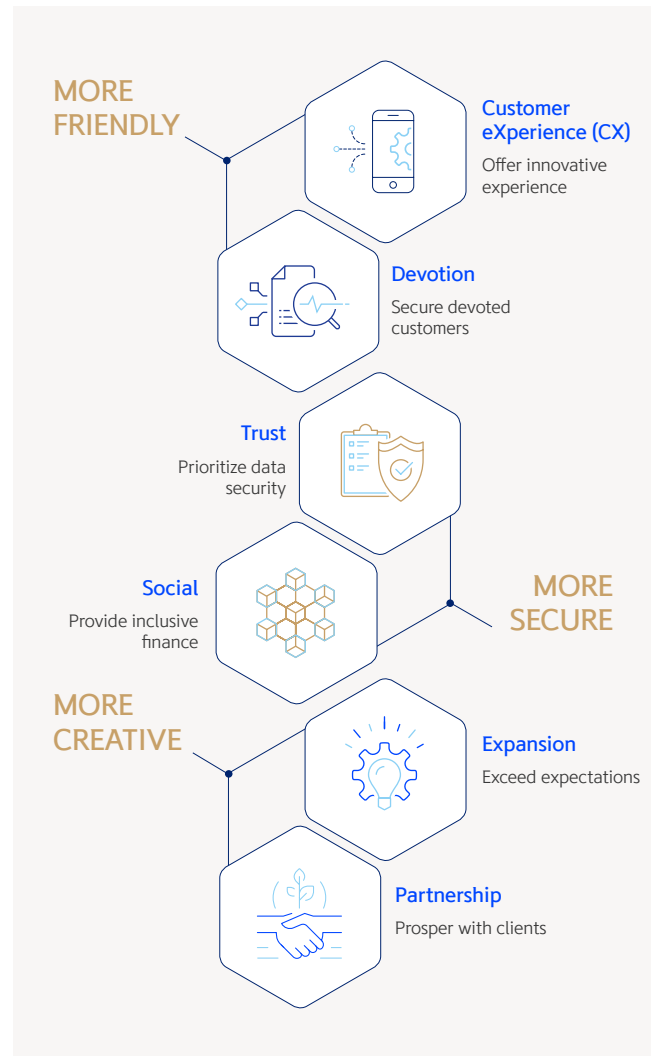
# DIGITAL STRATEGY FRAMEWORK OF SHINHAN FINANCIAL GROUP

In 2022, Shinhan Financial Group established a new digital strategy framework in order to ensure integrated implementation of digital transformation throughout the Group. We are systematizing the value that digital can create for customers by implementing the Group's new vision, established in 2021, of offering "more friendly, more secure, more creative finance." We are striving to offer six customer-centric priorities and four core competencies in order to realize the aims of our new system.

## 6 Customer-centric Priorities

In line with the keywords of the Group's vision, we have set out six strategic agenda items to create customer value. For "more friendly finance," we will offer customer-oriented platform innovation and customized data services – this represents "Customer eXperience" and "Devotion." For "more secure finance," we will enable everyone, irrespective of age or gender, to enjoy a safer, more secure financial life – this represents "Trust" and "Social." For "more creative finance," we will build a new digital ecosystem which breaks the boundaries of finance – this represents "Expansion" and "Partnership."

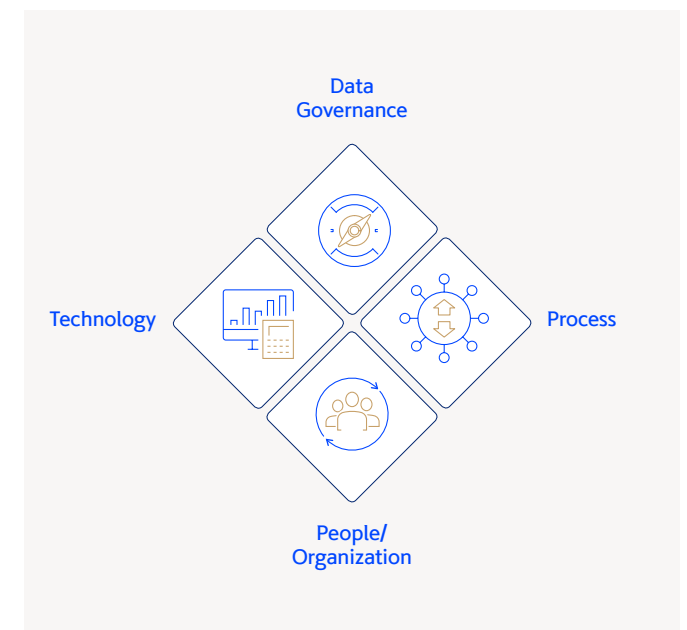
### 6 Customer-centric Priorities of the Framework



## 4 Core Competencies

Aimed at realizing the six customer-centric priorities, we are continually upgrading the Group's digital capabilities, and have systematized them into four "core competency" keywords. These are "Data Governance," which improves the data usage system; "Technology," which pursues research into the new technologies needed for the future of finance and the modernization of our ICT; "Process," which aims at process innovation through digital technology, and "People/Organization," which fosters digital/ICT professionals and creates the optimal organization for the implementation of digital transformation.

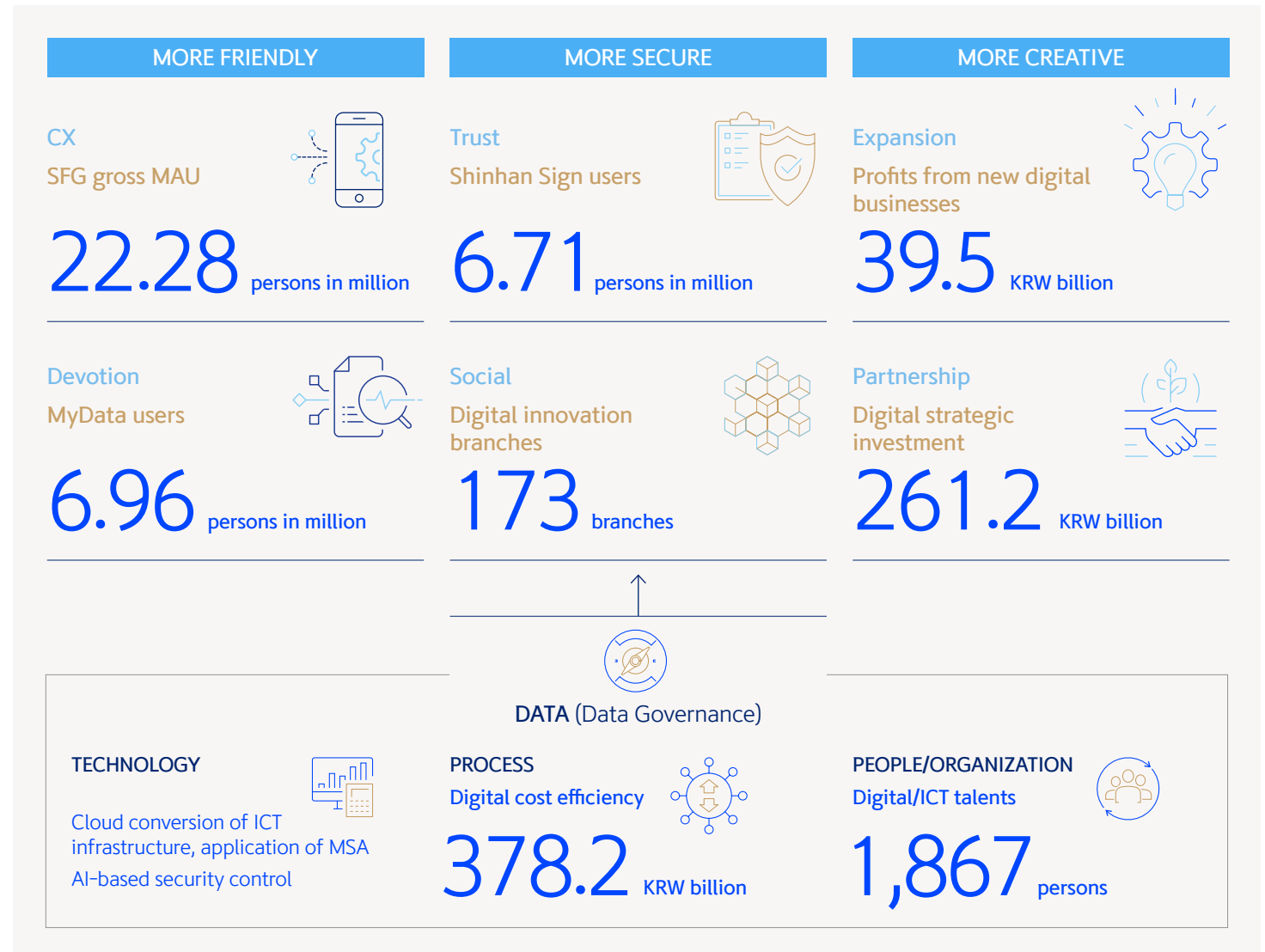
### 4 Core Competencies of the Framework



# KEY DIGITAL INDEX

In 2022, Shinhan Financial Group systematized the Group's digital performance into a series of key index matching each agenda item. We are now implementing growth strategies for each index, which in turn will enable us to disclose our digital transformation performance more transparently and more objectively.

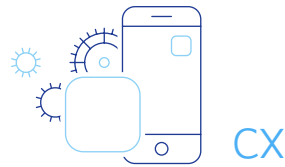
## Key Digital Performance Index



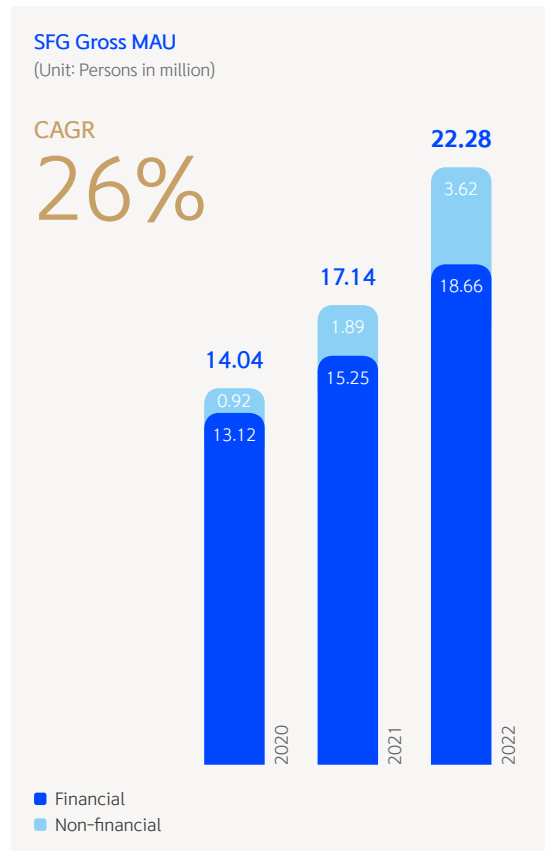
\* As of December 31, 2022

# 6 Customer-centric Priorities

## CX & DEVOTION



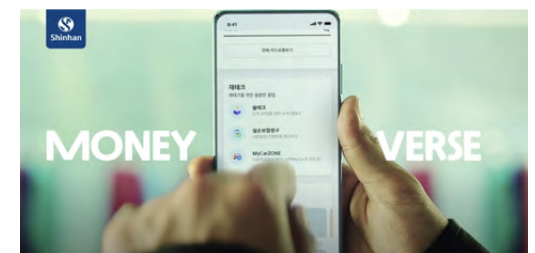
Shinhan Financial Group's digital platforms are evolving to become more customer-oriented. In October 2022, Shinhan Bank further improved customer convenience by launching "New SOL." This app runs as much as four times faster than the previous SOL, and offers such functions as the "My Unique Home Screen" personalized by each customer, and "Story Bank" which enables customers to record transaction details in their own way. These features are enabling Shinhan Bank to increase customer satisfaction yet further. Shinhan Card's "pLay" has improved its customer counseling function, and it has also launched an open pay service, enabling it to offer customers a wider choice of payment services. Shinhan Securities' "Alpha" is becoming more customer-friendly through continual upgrading of its UX, and Shinhan Life unveiled the "SQUARE," an integrated insurance service platform. As a result of these customer-centric platform innovations, gross monthly active users (MAU) of the Group continues to grow to exceed 20 million in 2022, with the 3-year compound annual growth rate (CAGR) of 26%.



"More Friendly Finance" enabled by innovative platform and customized data



Shinhan Financial Group is popularizing its customized data services. The MyData service began with Shinhan Bank and Shinhan Card, and has now been expanded to include Shinhan Securities and Shinhan Life, thus enabling us to offer individually-tailored services in all areas of finance. The total number of MyData customers is around 7 million, an increase of some 5 million from the 2021 year-end. "Moneyverse," a customized financial advisor offered by Shinhan Bank, and "My Asset" of Shinhan Card have driven a significant rise in customer numbers. By pursuing diversity of content both within and outside finance, Shinhan's MyData is increasing its contact points in the lives of customers.





TRUST & SOCIAL

“More Secure Finance” to ensure  
safe and convenient financial services to all



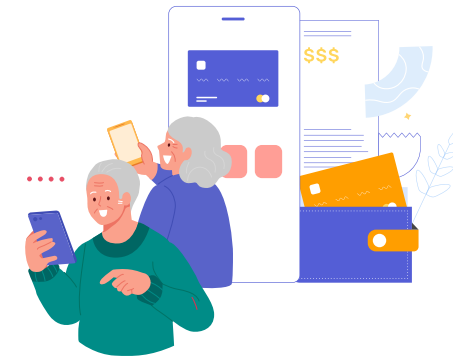
Shinhan Financial Group is committed to strengthening its systems to improve the safety of customers' financial lives based on the belief that customers have sovereign authority over their own information. In June 2022, we created the Group integrated customer information usage consent management system, which now applies across six major Group subsidiaries. Accordingly, Shinhan customers can easily see how their information is being used on the “Shinhan Plus” integrated marketing platform, including their own consent status. The number of customers for “Shinhan Sign,” an authentication certificate for safe, convenient online financial transactions, grew throughout the year to reach 6.71 million. Shinhan Sign has positioned itself as a general-purpose authentication certificate, used by approximately 100 public and private partners.

We are also focused on developing the security technology needed to ensure safe financial transactions. As a result of better technology for detecting abnormal transactions, the value of voice phishing and other fraudulent payments prevented by our fraud detection system (FDS) totaled around KRW 65 billion. In addition, we are using AI image recognition to detect abnormal behavior at ATMs of all Shinhan Bank branches.



Shinhan Financial Group continues to improve its digital accessibility, so that the benefits of digital technology can be enjoyed by everyone, irrespective of age or gender. We increased the reach of our digital desk, which offers the convenience of unmanned and remote financial counseling, and adopted flexible operations in line with established patterns of customer accessibility and usage. The number of digital innovation branches with a digital desk almost doubled in 2022 to reach 173 by the end of the year.

We are also expanding our digital ESG activities, which contribute to society through digital technology. Number of people using the Deposit Return Systems for Resource Circulation app have exceeded 1 million, and the Group-wide digital transformation has resulted in a reduction of more than 180 tons in paper consumption. In addition, we continue to provide financial and digital literacy education to all age groups. The pPlay app offers a screen especially designed to senior customers, with more than 40,000 customers using this service as of the end of 2022. We will continue to expand our digital ESG activities in line with the direction of ESG management set at the Group level.



EXPANSION & PARTNERSHIP



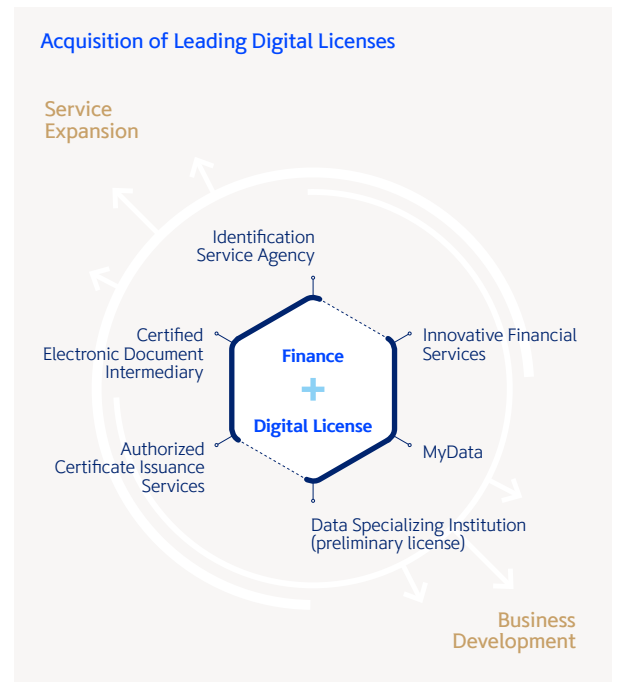
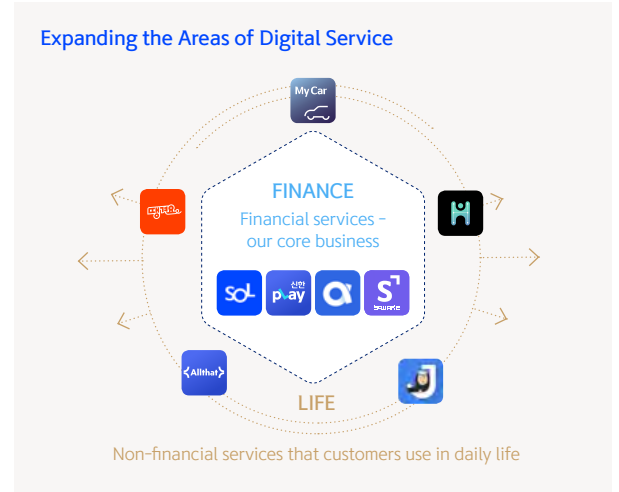
Expansion

Shinhan Financial Group's digital services are expanding to encompass not just our core finance business, but also non-financial aspects of our customers' lives. The "MyCar" platform is evolving into "Car-Life" which includes auto financing and community. The "Allthat" shopping platform has opened up to be available to everyone, not just Shinhan customers, and is now visited by 1 million customers every month on average. The "Ddaeng-gyoeyo" delivery app has further expanded its service regions, including right across Seoul, thus resulting in an increase in customer contact points. Thanks to these efforts, including strengthened collaboration with local governments, the number of Ddaeng-gyoeyo subscribers as of the end of 2022 has exceeded 1.65 million. "HowFIT" Shinhan's leading healthcare platform, has strengthened its offline services by establishing an alliance with a fitness center. In June 2022, on the back of outstanding user ratings, it ranked first in the health/exercise category on Google Store in Korea. We also offer other services for use in the daily lives of our target customer groups, including the "Heyoung Campus," an app for college life, and "JEJUJINI," a travel platform.

Shinhan Financial Group is striving to obtain important digital licenses which will enable it to expand its digital services and undertake new businesses. Shinhan Bank and Shinhan Card have obtained the licenses needed for their identification service agency, certified electronic document broker, and electronic signature certification service provider businesses, amongst others. These will enable us to make online life more convenient and safer for our customers. In addition, we have acquired certification as a data specialist organization, thus further solidifying the foundations for it to provide distinctive data services to its customers. As of the end of 2022, we offer 23 innovative and wide-ranging financial services, including financial recommendations, MyData, and the Ddaeng-gyoeyo food delivery app.

On the back of growth in non-financial services and advances in data business, we are generating additional revenues, which grew steadily throughout the year, reaching KRW 39.5 billion as of the end of 2022. We expect further data sales revenues from the "Grandata" data alliance, and the growth of non-financial platforms. Financial contributions from new digital businesses are therefore expected to increase further.

"More Creative Finance" creating a new digital ecosystem beyond finance



EXPANSION & PARTNERSHIP



Partnership

Shinhan Financial Group is increasing its strategic investments in order to become a leader in the digital markets of the future. We increased the Group-level investments in strategic alliances with promising startups and with leading companies in different industries. As of the end of 2022, strategic investments totaled KRW 261.2 billion, an increase of approximately 50% over the previous year. “Shinhan Future’s Lab,” the first program created in the Korean financial industry to nurture startups, supported additional 51 startups in 2022, increasing the cumulative number of companies that have participated in the program to 333, of which, 20 companies were selected for the Ministry of SMEs and Startups’ “Baby Unicorn 200” program. By sector, the greatest number of startups came from the financial sector. In addition to this quantitative growth, we have earned recognition for competencies in venture acceleration. By opening a global office, we have established a more professional local support system, and we are also helping companies that participate in the program to enter global markets.

In addition to this early support, many Group subsidiaries, including Shinhan Venture Investment, Shinhan Capital and Shinhan Securities, make investments and nurture companies beginning from the middle phase of the startup growth cycle, thus helping to establish a digital ecosystem. These commitments are building a win-win digital ecosystem, and are also strengthening Shinhan’s digital competencies and helping us expand into new markets.

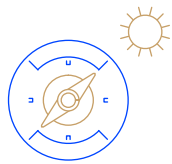
“More Creative Finance” creating a new digital ecosystem beyond finance



# 4 Core Competencies

DATA & TECHNOLOGY

Digital capabilities for continuous growth and customer trust



## Data Governance

Shinhan Financial Group is striving to achieve continuous growth by upgrading its data systems. In 2022, we built the "One DATA platform," which enhances our ability to make optimal, data-based decisions and also encourages a data-driven work. We have loaded extensive data onto the One DATA platform, including internal data and data on external demographics. We have thus built an integrated data governance system which enables analyses through a single view.

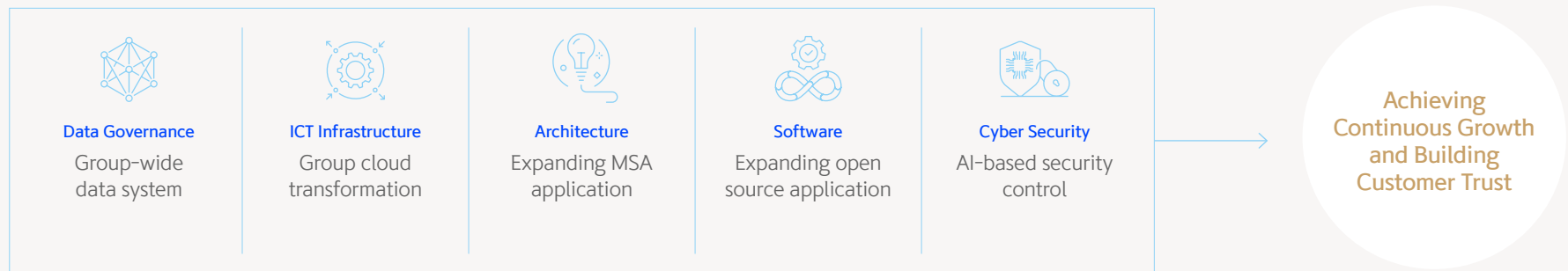


## Technology

In order to ensure customer trust in our digital services, Shinhan is innovating its digital technology and modernizing ICT. We are facilitating a transition to the cloud, led by the major Group subsidiaries, and ensuring stable ICT operations by expanding an microservice architecture (MSA). We increased the use of open source to speed up service development and efficiency. To ensure a safer financial life for our customers, we have established an AI-based intelligent security system, and are implementing upgraded response systems for new types of security attacks.

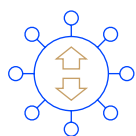
Shinhan's digital technology is guiding customers towards a new world of finance. Shinhan Bank has already launched the "Shinamon" metaverse platform, enabling users to experience new concept of finance in the metaverse, ahead of others. We are also commercializing our blockchain business, and developing security token offering (STO) infrastructure and services, mainly led by Shinhan Securities. In addition, we are leveraging chatbot and callbot technologies in order to respond quickly and accurately to customer inquiries, and also to increase work satisfaction of employees.

### Integrated Data System & ICT Modernization



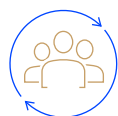


# More efficient digital transformation and nurturing digital talent



## Process

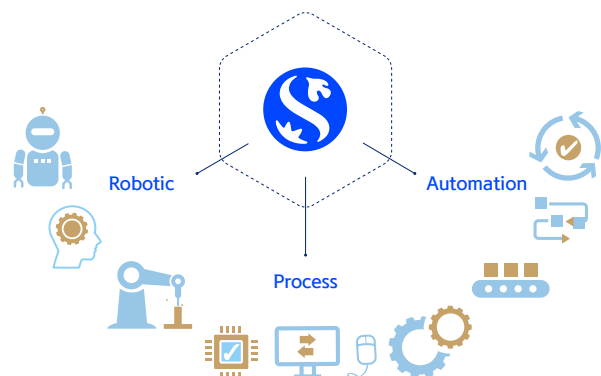
Shinhan Financial Group has upgraded its digital transformation (DT) performance measurement systems in order to improve efficiency through DT, thereby managing performance more accurately. We have measured in detail increases in sales channel efficiency and reductions in work processes brought about by digital transformation, as well as the work replacement impact of the AI-based contact center (AICC) and robotic process automation (RPA). As a result, we confirmed cost reductions of around KRW 380 billion in 2022, an increase of around KRW 62 billion compared to the previous year. The impact of DT is not just financial, however – true DT changes how we work and enhances employee satisfaction, which is why we continue to increase our commitment to full DT.



## People & Organization

The fostering of talent is a key axis in implementing full DT. Shinhan Financial Group has therefore established a more efficient digital talent-nurturing system. We created two categories of digital talent – Expert and Citizen – and are running effective, practical talent-nurturing programs specifically designed for each level. We are developing professionals in digital and ICT by offering a master’s course in digital finance engineering, a course designed to foster product owners, and a wide range of digital education programs. We added 350 digital/ICT professionals during the year, with the total number of such professionals reaching around 1,900 as of the end of 2022.

Shinhan Financial Group also runs “Women in Tech,” a program aimed at strengthening the leadership of our female digital specialists. Participants of the program share their thoughts about the fundamental meaning and direction of digital leadership, which enables a range of voices from around the Group to be heard on digital issues, while also creating synergies across Group subsidiaries.



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# Our Value

## Shinhan Value Proposition

In 2021, Shinhan set out a new vision for the Group and rebuilt the core values and standards to which all Shinhan employees must adhere. The new core values, as elucidated in "Shinhan Way 2.0," are set out in easy-to-understand, intuitive language, and have been shared via multiple channels both in Korea and overseas, which has enabled Shinhan employees around the world to understand and act upon these essential principles.

### Shinhan WAY 2.0

Shinhan's value system and a guiding principle for all of its employees

## A Better World through Finance



*Your Companion for the Future*

### CORE VALUES

#### Right



We value doing what is **RIGHT** for our customers and for the future generations.

#### Nimble



We value being **NIMBLE** – executing with flexibility and efficiency, never stop learning and keep moving forward.

#### Different



We respect individual **DIFFERENCES** and value having **DIFFERENTIATED** outcomes.

### VISION

**+ We believe finance should be  
More Friendly, More Secure, More Creative**

# Our Ethics

Shinhan Financial Group strives to build trusting and lasting relationships with its stakeholders through transparent, ethical management, and thus shape the future of finance on the back of stakeholder trust.

## Creating a Culture of Integrity And Transparency

In August 2022, Shinhan Financial Group amended its “Group Code of Ethics” in full, making ethical management a fundamental part of our corporate culture and strengthening our employees’ commitment to ethics. We reflected issues related to consumer protection, the Group ESG policies, protection of customer information, expansion of digital work, and workplace harassment in the new Code. Based on this, we are running a wide range of programs which put ethics into action, including the Group’s joint ethics/compliance education programs, internal ethics/compliance inspections, and additional channels for and encouragement of whistleblowing.

Shinhan Financial Group has upgraded its training regarding the prevention of employee misconduct in order to ensure full compliance with all regulations related to fair, transparent and ethical financial trading. Annual training concerning fair transactions is provided at the Group level to all employees working in the internal control departments of the Group subsidiaries. In addition, extra monitoring is conducted to prevent violations by employees as they perform their work. At the Group subsidiary level, internal guidelines have been established to prevent unfair trading, and there is regular employee training and monitoring to prevent unfair trades.

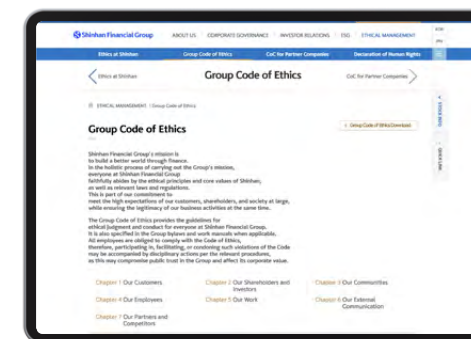
In order to ensure more systematic compliance management, the Group Chief Compliance Officer (GCCO) is in overall charge of the Group’s internal control systems and policy operations. The GCCO also supports each Group subsidiary’s internal control activities through the Group’s joint compliance system. The holding company receives regular compliance, internal trading and other reports from every subsidiary to ensure that they are undertaking the required internal control activities in full. The holding company also conducts annual inspections of subsidiaries and their actual operations of internal controls. In addition, every financial Group subsidiary has an Internal Control Committee, chaired by its CEO, which annually inspects its internal control systems and operations, and reports the results to the BOD. In 2023, we will further strengthen our internal controls by improving related personnel and infrastructure and advancing internal control monitoring.

## Serving As a Reliable And Trusted Financial Partner

Shinhan Financial Group is fully committed to becoming the most trusted financial company for all consumers. To this end, we monitor the Group subsidiaries on a regular basis to ensure that they have the highest level of financial consumer protection, while also conducting integrated training and policy research which standardizes and improves the quality of work at all Group subsidiaries. In addition, we have set a monitoring system in place for onsite communications with consumers and consumer opinion gathering so that we can establish in full a work culture based on consumer protection.

Unethical conduct has a profoundly negative impact on a company’s reputation, and results in a serious loss of consumer trust. Shinhan Financial Group therefore promotes its whistleblower system and operates strict internal controls in order to prevent unethical conduct. For the holding company, reports concerning unethical conduct can be made through a wide range of channels, including the company homepage, by phone or email, or by face-to-face reporting. Each Group subsidiary also has their own whistleblower system.

In response to stricter anti-money laundering (AML) obligations and laws, Shinhan Financial Group has overhauled its AML systems in order to ensure that its AML standards are at a truly global level. All Group subsidiaries with AML obligations have AML internal control processes in place according to the risks of their specific industry, and also provide in-depth employee training about AML. They are also acquiring all relevant certifications concerning AML.



→ Group Code of Ethics



## FEATURED CASE

## Winning Back Financial Consumer Trust

In October 2019, there were major delays and freezes in redemptions caused by illegal and inappropriate fund management of LIME Asset Management. Shinhan Bank and Shinhan Securities sold private equity funds of LIME Asset Management as a prime broker and seller, leading to losses being incurred by customers of Shinhan.

Following inspections by the Financial Supervisory Service (FSS), the Financial Services Commission (FSC) decided in July 2022 on a partial suspension of business for three months and a fine of KRW 5.71 billion to Shinhan Bank for its violations of the Financial Investment Services and Capital Markets Act, including incomplete sales. In addition, the Governor of FSS gave a “cautionary warning” to the Shinhan Bank CEO Jin Ok Dong at that time. In November 2021, the FSC also uncovered violations by Shinhan Securities of the Financial Investment Services and Capital Markets Act, including undue solicitations, in relation to LIME fund sales. This led to a partial suspension of business for six months, a fine of KRW 1.8 billion, and other disciplinary actions, such as the suspension of employees for three months and dismissals.

As soon as Shinhan Bank recognized signs of business abnormalities relating to LIME Asset Management, it sought to understand the issue and respond actively. In particular, we formed a task force to ensure maximum customer protection following the large-scale postponements of redemptions in October 2019, changed the asset management company, and worked on early repayments. To this end, we made normal redemptions and guaranteed the principal of customers who had invested in the relevant funds, while also striving to minimize other customer losses by accepting the results of the Conciliation Committee of FSS, and implementing active measures for compensation through a BOD resolution.

Furthermore, we have established many detailed systems to prevent a recurrence of this or any similar incidents. Shinhan Bank became the first Korean commercial bank to establish a “Consumer Protection Group,” which serves as the central organization for ensuring the highest levels of financial consumer protection with a particular focus on the “customer” and “financial consumer protection” values that were set out as a key part of company management philosophy following the inauguration of then-CEO Jin Ok Dong. We also undertook mystery shopping, and suspended sales of financial investment products and required additional employee training at branches that were assessed below a certain grade. In addition, we adopted the “win-win evaluation system” in bank branches, reducing the weighting given to product sales commissions in branches evaluation items. And finally in 2020, we removed product sales commission performance from branch evaluations, thus placing the focus on customer satisfaction rather than just on earnings.

Shinhan Bank also created the Product Audit Team, which examines risks before the launch of financial investment products, conducts regular reviews of products, improves sales processes from the perspective of the customer, and has established a complete sales platform for non-face-to-face channels. In 2021, this team was upgraded to the Product Management Department, and its independence and functions were further strengthened.

In March 2020, the CEO of Shinhan Securities resigned, taking responsibility for customer losses from inappropriate sales of investment products, such as LIME, and a new CEO was appointed by Shinhan Financial Group, following the Subsidiary Management Committee, as part of the measures taken to win back the trust of customers and markets. In July 2020, Shinhan Securities undertook extensive personnel reform, including the dismissal of executives and division heads responsible for product selection, product screening, and the sales process. Since the LIME incident, we have been making continuous efforts to minimize customer losses, including through private reconciliation relating to 10 products, including the LIME fund. To this end, we analyzed in detail the characteristics of various funds and the circumstances of our customers, and implemented the findings of the Conciliation Committee of FSS through advance payment of redemptions, the return of the full principal amount of investments to customers, and through private reconciliations. These measures all offered preemptive customer protection as part of our commitment to winning back customer trust.



To prevent a recurrence of this incident as a prime broker service (PBS), we overhauled our organizational systems to ensure complete integrity. In particular, we created the Support Team at PBS Business Headquarters, and thus separated sales and management. Also strengthened includes internal control processes by preventing any new total return swap (TRS) transactions and implementing stricter management of existing but incomplete TRS contracts. We also put IPS Headquarters under the direct control of the CEO, and upgraded the Product Audit Team to a department, which has strengthened the monitoring and review of products. Roles of and responsibilities for screening launched products and asset management companies were added afterwards, and the Department was given more independence as its name was changed to the Product Audit Department and it was moved into the Consumer Protection Headquarters. We also upgraded the Financial Consumer Protection Center within Compliance Headquarters to the Financial Consumer Protection Headquarters, under the direct control of the CEO. In addition, we improved our product screening processes by implementing detailed pre-launch product reviews, and by segmenting the operation of prior review conferences.

Moreover, Shinhan Securities has introduced a 5% weighting in the company's KPIs for customer satisfaction, and increased the weighting for customer earnings rates to the current 7% in 2019, with particular focus on customer protection. In 2021, we introduced the "internal control KPI score cap," which places a ceiling on KPI scores for the company and management in cases where customer losses either have or are expected to occur, or where public criticism has been caused by consumer losses. This ensures that all our executives are subject to a performance evaluation system which operates from the perspective of customer protection.

In October 2019, following the announcement by LIME Asset Management of major freezes in redemptions, the BOD of Shinhan Financial Group, the holding company for Shinhan Bank and Shinhan Securities, immediately requested a report on Shinhan Securities' responses and estimated losses. The report also detailed products affected by the freezing of redemptions. The BOD then requested that Group-level measures be put in place to prevent a recurrence of any similar incident. In addition, meetings attended only by independent directors discussed more detailed measures to prevent a recurrence, including the adoption of the "responsible product supply system," implementing truly customer-centered evaluation and compensation systems, stricter company-wide monitoring, and strengthened internal controls.

In the aftermath of the LIME Asset Management incident, the BOD of Shinhan Financial Group held discussions regarding the further analysis and systematization of the roles played by the BOD of the holding company. The BOD requested a major upgrade of the relevant systems to ensure that it immediately receives notice of any incident related to investment products, and then a rapid report on the history of the incident and its causes. It can then review whether the company is taking appropriate measures, both internally and externally. The BOD also requested reports on damage to shareholder value and on fatal failures in consumer protection, as well as a report on the impact on investment products.

Shinhan Financial Group fully accepts the impact of the LIME Asset Management incident, and is committed to learning lessons and ensuring that there is never a recurrence. To this end, we have set out all the facts in detail, established Group-level measures to prevent a recurrence, substantially its internal controls, and completed Group-wide improvements in corporate structure and management. Going forward, we will continue to monitor the effectiveness of the measures for improving our investment products by making customer value our top priority.



# Our People

Human resources are the key assets of Shinhan Financial Group, and vital driver of sustainable growth. We therefore respect diversity in the workplace, support our employees in unlocking their full potential, and grow in partnership with them.

## Creating a Culture of Diversity, Equity And Inclusion

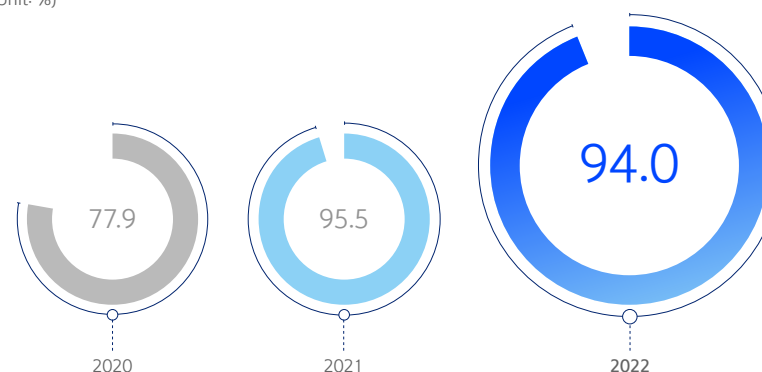
Shinhan Financial Group is striving to create a corporate culture in which no employee feels that her/his capabilities are overlooked, or is in any way unable to seize opportunities due to gender, age, or any other reason. Our organizational culture encourages all employees to voice their opinions, which in turn creates new business opportunities and leads to better performance.

As part of these endeavors, Shinhan Financial Group is nurturing female leaders to bridge the gender gap in management. In 2018, Shinhan launched "Shinhan SHeroes," a program to nurture female talent, and the first in the Korean financial industry. Shinhan SHeroes continues to identify female leaders, support them as they share their vision of growth for themselves and the Group, and run programs to nurture them as leaders. Shinhan SHeroes has been highly successful in its aim of developing more female leaders and creating role models with extensive experience and outstanding leadership skills. It is now increasing the size of its leadership group and also diversifying the regions and job positions targeted. 221 female leaders have been chosen as Shinhan SHeroes so far, including 34 in the fifth class launched in 2022.

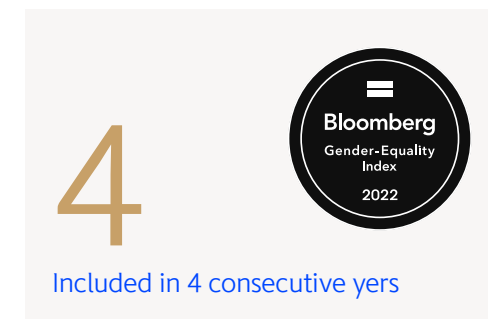
Shinhan is also doing its utmost to establish a corporate culture which supports the best possible work-life balance, and enables female employees to chart a clear career path. Group subsidiaries are being certified as family-friendly places to work thanks to family-oriented policies such as block leave of more than five consecutive days and paternity leave for male employees, amongst others. As a result of these efforts, Shinhan Financial Group has been included in the Bloomberg Gender-Equality Index (GEI) for four years in a row since 2019, the first Korean company ever to be included. This is a significant achievement, making Shinhan one of 325 outstanding gender-equality companies in 42 countries across the globe.

Shinhan Financial Group has a dedicated organization in charge of creating a corporate culture of diversity and inclusion. This includes HR policies which ensure gender equality, support for the right work-life balance, and fairer reporting systems. In 2021, Shinhan set out its "Commitment to Diversity and Inclusion", thus embodying our commitment to diversity and inclusion, and in 2022, we continued to establish a culture of diversity, equity, and inclusion (DEI). As part of the effort, we attended the International Corporate Governance Network (ICGN) Seoul Conference, an arena of information exchange for capital market development and corporate governance improvement, and the gender equality forum hosted by UN Global Compact (UNGC), to share information on our DEI activities and plans for promotion.

RETENTION RATE OF EMPLOYEES WHO TOOK CHILDCARE LEAVE  
(Unit: %)



BLOOMBERG GEI



FEATURED CASE

## Shinhan SHeroes

In 2018, Shinhan Financial Group implemented the “Group management leadership training system” to give future leaders targeted training based on their position and duties. In particular, as a first step to moving away from the male-oriented leadership/organizational culture that exists at many Korean companies, we established “R.O.S.E.” to train female leaders, and thus to substantially increase the number of such leaders. The “R” in R.O.S.E. stands for relationship – strengthening relationships; “O” is for opportunity – increased opportunities for women; “S” is for segmentation – the segmenting and targeting of every job position; and “E” stands for environment – the establishment of a gender-neutral work environment. In order to put the “R.O.S.E.” principles into practice, we launched “Shinhan SHeroes” in the same year, the first program specifically aimed at nurturing female leaders in the Korean financial industry.

Beginning in 2018 with the 27 members of the first class of SHeroes, Shinhan has selected outstanding female leaders every year and offered them a wide range of leadership programs, including mentoring and academy programs. In 2022, the fifth year since its launch, Shinhan SHeroes selected 34 women for its fifth class with the aim of supporting female leaders and creating role models with outstanding leadership skills. As of the end of 2022, a total of 221 female leaders have been trained as Shinhan SHeroes, and have become mentors who take the lead in nurturing other female leaders. In 2022, the R.O.S.E principle was changed to “C.O.R.E,” signifying our commitment to making female leaders key personnel within the Group, and the qualitative differences in the new programs. The “C” in C.O.R.E signifies confidence & self-esteem; “O” is to increase opportunities; “R” is to reinforce relationships; and “E” is to embrace diversity.

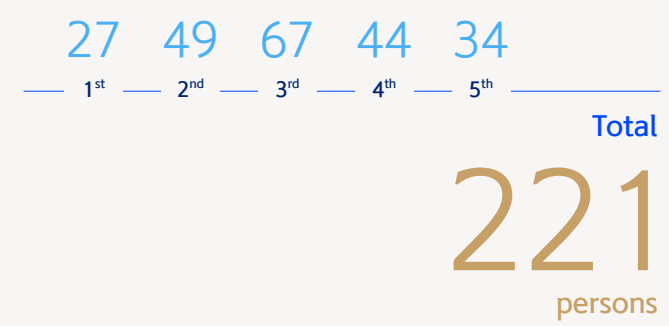
The program is comprised of a Group mentoring program, Group CEO mentoring, an academy, and a conference. The Group mentoring program teaches leadership skills so that the SHeroes can serve as mentors at their own work sites, and also improves their coaching skills. This program is run in connection with external coaching organizations, and uses both coaching theories and practical training to strengthen mentoring skills. Group CEO mentoring is a program whereby Group CEOs discuss themes such as leadership and organizational culture directly with the SHeroes, either in person or via a weekly small-scale video conference. This program enables SHeroes to think in depth about the roles and responsibilities of leaders, and to experience the Group’s commitment to its female leaders. In addition, it builds a deeper sense of trust in the organization.

Established in 2019, the “Shinhan SHeroes Academy” uses “SCOOL,” an integrated mobile platform for all Group subsidiaries, to offer a learning environment with educational content, including digital technology, management strategies, and even non-business education such as the humanities, thereby building a culture of self-directed learning. The “Shinhan SHeroes Conference” offers year-round support for the Group’s female leaders and also continuously shares the positive influence of those leaders. In 2022, the conference theme was “C.O.R.E of Shinhan, SHeroes” with around 100 attendants, including members of the third and fourth classes who had endured a lack of networking because of the impact of COVID-19 on face-to-face-activities, members of the ongoing fifth class, and female executives and division heads who were previous SHeroes. The attendees shared their opinions on personal growth and career advancement, and strengthened their resolve to be mentors for female leaders at Shinhan.

Going forward, Shinhan Financial Group will continue to nurture female talent within its diversity/inclusion-based corporate culture, so that everyone with the right skills can become a leader, irrespective of age, gender, nationality or other factors. We will run the Shinhan SHeroes program in a more systematic way, and will upgrade it quantitatively and qualitatively. We anticipate that the 221 female leaders who have experienced growth over the last five years will demonstrate leadership in the coming years, and will perform an active role in nurturing the SHeroes of the future.

14  
 Number of the Group subsidiaries that are participating in the Shinhan SHeroes program

PARTICIPANTS OF SHINHAN SHEROES





### Strengthening the Value of Shinhan "RE:Boot"

In 2021, Shinhan Financial Group launched its "RE:Boot Shinhan" project at the 1st Shinhan Cultural Forum, aimed at making Shinhan into a leading digital finance group by overhauling and upgrading its corporate culture. Accordingly, we are re-interpreting the tradition of the Shinhan culture, which has been in place since the founding of the Group, in order to meet the expectations of the digital era. The RE:Boot Shinhan project is improving the culture from the perspective of customers, employees and markets, and is ensuring that the Group is ready for the future.

Celebrating the 40th anniversary of the Group's founding in 2022, we held the 2nd Shinhan Cultural Forum, with the goal of transforming our corporate culture, in particular the cultural mindset and processes. This transformation will make the culture suitable for a business landscape which is being so heavily impacted by changes in the external environment and changes in the expectations of customers and employees. By compiling our 40-year history, we demonstrated Shinhan's successes of the past while also examining our cultural direction for the future, reflecting in depth the opinions of employees throughout the Group.

# RE:BOOT Shinhan



# Our Risk

- Our Ethics
- Our People
- Our Risk**
- Our Capital

Shinhan Financial Group responds preemptively to risks while also concentrating on discovering opportunities. There are many challenges and uncertainties ahead of us, but we will continue to strive for sustainable growth with the long-term perspective.

## Building Systematic Risk Management in the New Normal Era

In 2022, Shinhan Financial Group upgraded its risk management framework and strengthened its capabilities in response to the new normal era in which global uncertainties have markedly increased. Based on our strategy, "S.M.A.R.T Risk Management," we have improved our ability to respond to complex risk factors by expanding scenario-based analysis capability. In particular, we performed more extensive stress tests with various scenarios which take into account recent economic conditions and potential economic downturn. We also established specific scenarios which took into consideration the potential risks to each Group subsidiary, and examined their impact on vulnerable areas of the business.

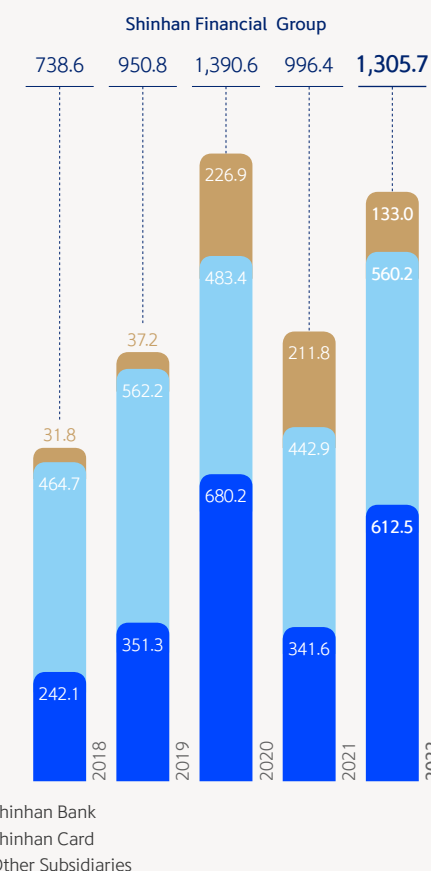
Shinhan Financial Group has also improved its risk management infrastructure by enhancing Group-wide, data-based risk measurement and management systems. In response to revised Basel III capital requirement, we established market risk and operational risk management systems, and rebuilt the risk data mart (RDM) to ensure the timely acquisition of risk data. In addition, we upgraded our corporate/retail customer classification system, which has made the Group's credit assessment model more segmented and improved model performance by making sure that the latest data are all reflected. We also applied the corporate credit assessment model at Shinhan Savings Bank as part of preemptive drive for financial soundness and generating inflows of borrowers with above average credit standing.

In our efforts to manage potential risks of the Group portfolio from increased market volatility and a downturn in the real economy, we set key risks which take into account the characteristics of each subsidiary. We then reflect these in the Group risk dashboard, thus ensuring strengthened monitoring. In addition, we set the level of maximum possible growth for 2023 considering all relevant risks, in order to enhance the capital efficiency of our portfolio, which was followed by the risk-weighted assets (RWA) budgeting process to assess an appropriate level of growth against risks.

We operate a Group-level crisis response system, including bi-weekly meetings of the Group Risk Management Council, given recent market conditions, while also conducting monitoring of crisis recognition indices and issues within financial markets, which enables us to identify the impact on the Group of such issues and then implement effective countermeasures. In particular, we undertook scenario analyses with respect to substantial changes in market risk factors, such as interest rates and exchange rates, in 2022, and the results were used to support management decision-making process. We shortened the monitoring cycle in response to potential deteriorations in market liquidity and real estate financial markets, and established management systems for early risk recognition. These responses have strengthened Group-level resilience, enabling us to maintain stability even in the face of the pandemic.

## ASSET QUALITY INDICES

Allowance for Credit Losses  
(Unit: KRW billion)

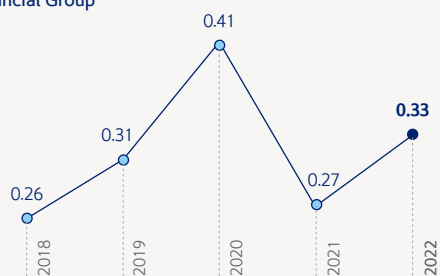


ASSET QUALITY INDICES (continued)

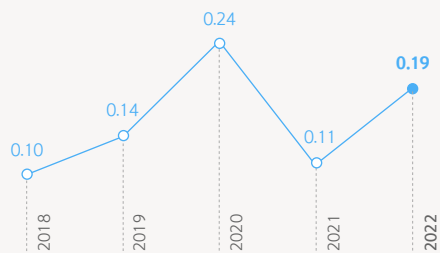
Credit Cost Ratio

(Unit: %)

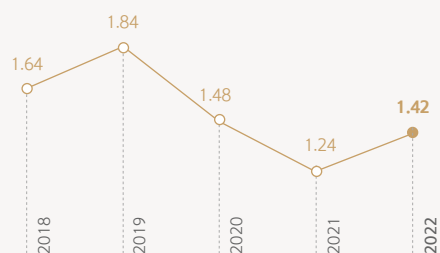
Shinhan Financial Group



Shinhan Bank



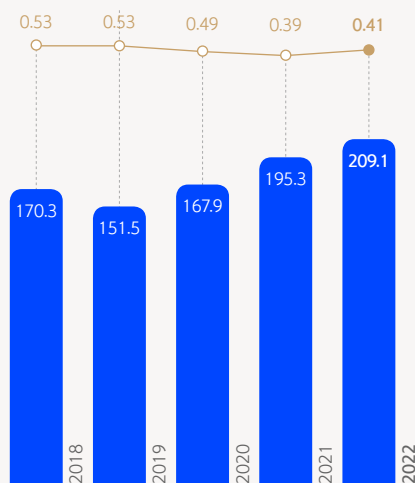
Shinhan Card



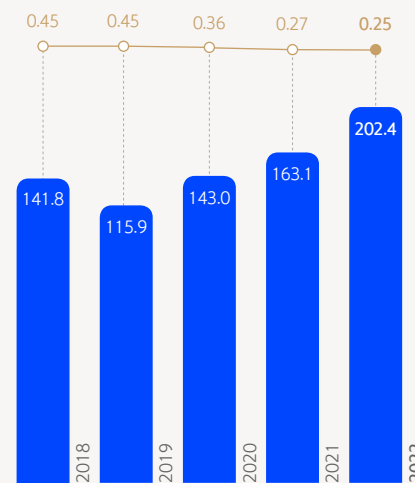
NPL & NPL Coverage Ratio

(Unit: %)

Shinhan Financial Group



Shinhan Bank



● NPL Ratio  
 ■ NPL Coverage Ratio

COVID-19 AND COUNTERCYCLICAL ADDITIONAL PROVISIONING

(Unit: KRW billion)

	2020	2021	2022				
			Subtotal	1Q	2Q	3Q	4Q
Shinhan Financial Group	394.4	187.9	517.9	74.5	224.5	21.9	197.0
Shinhan Bank	286.0	146.4	418.7	74.5	197.8	-	146.4
Shinhan Card	52.4	22.3	41.8	-	15.6	-	26.2
Shinhan Capital	51.6	17.0	44.8	-	1.3	19.5	24.0
Other Subsidiaries	4.4	2.2	12.6	-	9.8	2.4	0.4

FEATURED CASE

## ESG Risk Management System

Stakeholders' awareness of ESG is on the rise, and, in particular, the need to respond to climate change is growing. Financial institutions across the globe are striving to manage ESG factors and climate change and integrate them into their decision-making systems. Especially with the emergence of climate change-related frameworks and disclosure requirements such as Task Force on Climate-related Financial Disclosures (TCFD), the demand for measuring the financial impact of climate change and disclosing the outcomes to external parties are also increasing.

Recognizing the importance of ESG risk management, Shinhan has been ahead of the curve, and in 2018 we became the first company in Korea to establish an Environment and Social Risk Management Policy (ESRM) Framework to manage the ESG aspects of our loans and investments. Our ESRM Framework includes our policy on limiting our involvement with coal power generation to counter climate change, monitoring selected areas of interest, and assessing the environmental impact of large-scale development project financings. If a PF is assessed to potentially have a negative impact on the environment, we insist on measures to eliminate or minimize environmental damage, and reflect those conditions in financial contracts.

In accordance with our assessment of how the transition and physical risks from climate change impact financial institutions, we are analyzing its impact on our portfolio and taking measures in response. In particular, Shinhan is the first company in Korea to develop a system for calculating the Group's financed emissions, which is helping us to identify the impact of climate change on the Group's portfolio and the related risks. We also collect data on GHG emissions, financial information, and other relevant data from the Group portfolio companies, and regularly measure the Group's financed emissions using criteria set out by the Partnership for Carbon Accounting Financials (PCAF).

### ENVIRONMENTAL AND SOCIAL RISK REVIEW PROCEDURE

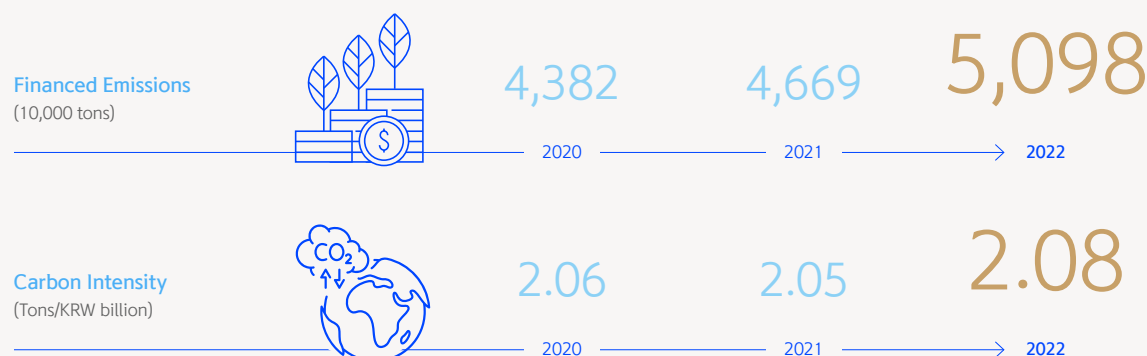


Ⓣ SFG's Environment and Social Risk Management Policy Framework

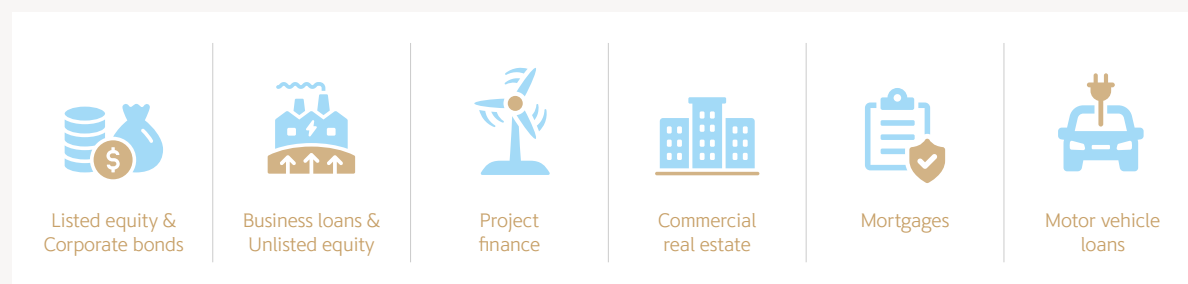


This system allows us to measure financed emissions for each Group subsidiary and by asset, industry and business sector, enabling varied and highly detailed analyses. Moreover, we have incorporated an additional financed emissions simulation function which allows us to identify changes in financed emissions caused by a new transaction as well as the level of emissions of a corporate client.

Using the identified financed emissions data, we have established a process in which greenhouse gas (GHG) emissions level, trends, and carbon reduction activities are taken into account in making decision on loans for and investment in the industries with high GHG emissions. In addition, we chose high GHG-emitting areas, including steel, nonferrous metal and utility, as areas that require extra caution and then set exposure limits to manage them. This will enable us to use the system to identify areas that are vulnerable to climate change, and put the right responses in place in the short term. Over the long term, it will be used for us to provide financial support to our client and manage portfolio in response to the transition to a low-carbon economy. In addition, we will improve our measurement system and increase the amount of climate-related data we collect and analyze, and then incorporate them in our climate risk scenario analyses.



#### APPLICATION OF PCAF METHODOLOGY FOR MEASURING FINANCED EMISSIONS



The methodology from the *PCAF Global GHG Accounting & Reporting Standard for the Financial Industry* was applied to measure the financed emissions of Shinhan Financial Group's asset portfolio. In accordance with the PCAF Standard, six asset classes – listed equity and corporate bonds, business loans and unlisted equity, project finance, commercial real estate, mortgages, and motor vehicle loans – are included in the calculation of financed emissions.

The formula for the general approach to calculate financed emissions:  $\text{Financed emissions} = \text{Emissions}_i \times (\text{Outstanding amount}_i / \text{Total assets}_i)$  (with  $i = \text{borrower or investee}$ )

## Examining Risk Management Strategy in the Post COVID-19 Era

We are experiencing many changes after the COVID-19 pandemic. Shinhan Financial Group continues to strengthen its systems that ensure timely response to crisis situations, including instability in financial systems, rapid and substantial changes in asset prices, and severe liquidity crunch. In addition, we are preemptively managing non-financial risks such as climate change, strategy, and reputational risks. In the age of perma-crisis, in particular, crisis is extending over a long period and forecasting has become much more difficult. Shinhan Financial Group has therefore established a response system based on a wide range of scenarios, so that we can reliably recognize crises at the Group level and overcome them.

We have identified the most vulnerable sectors and major risk factors of the Group and its subsidiaries to manage those risks appropriately, and also have established an asset quality management system which focuses on vulnerable segments by sectors. In particular, we have improved capital adequacy management framework through efficient capital management, including the expansion of Risk adjusted performance management (RAPM) and RWA budget systems. We have also increased Group resilience through the rebalancing and management of our portfolio, taking into account the risks and profitability of each asset sector.

In response to a potential liquidity crunch, we are diversifying funding sources (maturity, structure, etc.) of the Group and its subsidiaries, and have also developed effective contingency funding plan for varying levels of severity and duration of a liquidity crunch. Above all, we are maintaining stable liquidity for the Group and its subsidiaries through market-based, flexible asset and liability management (ALM). We also seek to minimize losses by managing our bond/foreign exchange/equity investment positions in consideration of a wide range of market scenarios and potential market volatilities.

In the meanwhile, thorough monitoring of geopolitical issues has been conducted, including the possibility of a global economic downturn, mainly in emerging countries, and appropriate contingency plans have been in place. We also have expanded the coverage of our risk management systems to include non-financial areas, especially as we respond to the innovations (digital transformation, sustainable management, etc.) and the trends (virtual assets, intangible assets, generation/stratification, etc.) that continue to emerge after the pandemic as a way to develop the drivers of our future sustainable growth.

### SHINHAN BANK DELINQUENCY RATIO BY SECTOR

(Unit: %; Quarterly trend)

	Dec. 2021	Mar. 2022	Jun. 2022	Sep. 2022	Dec. 2022
<b>Total Loans</b>	<b>0.19</b>	<b>0.21</b>	<b>0.19</b>	<b>0.20</b>	<b>0.22</b>
<b>Retail Loans</b>	<b>0.17</b>	<b>0.17</b>	<b>0.18</b>	<b>0.18</b>	<b>0.20</b>
Mortgage Loans	0.08	0.08	0.09	0.09	0.11
Personal Loans	0.35	0.36	0.37	0.37	0.36
<b>Large Corporates Loans</b>	<b>0.11</b>	<b>0.07</b>	<b>0.13</b>	<b>0.00</b>	<b>0.00</b>
<b>SME Loans (Incl. SOHO)</b>	<b>0.26</b>	<b>0.28</b>	<b>0.23</b>	<b>0.25</b>	<b>0.26</b>
SOHO Loans	0.14	0.15	0.14	0.16	0.22

### SHINHAN CARD DELINQUENCY RATIO & 2M DELINQUENCY MIGRATION RATIO

(Unit: %; Quarterly trend)

	Dec. 2021	Mar. 2022	Jun. 2022	Sep. 2022	Dec. 2022
Delinquency Ratio (One Month)	0.80	0.88	0.92	0.86	1.04
2M Delinquency Migration Ratio <sup>1)</sup>	0.25	0.24	0.23	0.26	0.38

<sup>1)</sup> 2 months delinquency migration ratio = (2 months overdue assets outstanding as of the end of base month) / (normal assets outstanding as of the end of (base month-2 months))

## Shinhan Financial Group's Risk Management Organization and System

### Risk Management Tools

**Risk Management Philosophy** All employees of Shinhan Financial Group follow the same set of risk management guidelines that apply to every risk-related action and decision taken in front offices, thus ensuring that the fullest possible range of risks is taken into account in all our business dealings.

**Integrated Risk Monitoring System** We run a comprehensive risk monitoring system that measures a wide range of economic indicators, our own risk indicators, and the current status of our risk management process and policies. This system enables a timely identification of potential risks and other key issues. Upon an analysis of the impacts of such risks and issues, preemptive countermeasures are put into place at the Group level. The system also detects and manages unexpected shifts within core indicators by operating a risk dashboard system to monitor the amount of assets, risks, and related external issues contained in the portfolios being managed by each Group subsidiary.

**Risk Expert Network (REN)** The REN, a network of our risk experts, was formed to foster risk experts through risk training programs and workshops, and to upgrade the overall risk management capabilities of Shinhan Financial Group. Members of the REN are chosen according to their work experience and knowledge within their business areas and the related risks. The REN performs a pivotal role in spreading a culture of strong risk management.

**Group-wide Corporate Credit Assessment System** In order to ensure the best-in-class credit risk management at all levels of our operations, all of the Group subsidiaries are obliged to align their credit assessment system with the Group's standard corporate credit scoring system. This system, which has received an official approval from the Financial Supervisory Service in 2016, has improved the quality of our credit portfolio.

**Group-wide Risk Management System** We preemptively manage risk at the Group level through our seamless risk management system which identifies risks, determines the development phase of each risk, and then establishes and executes targeted countermeasures. For example, our liquidity risk management system monitors the status of liquidity management at each subsidiary in order to ensure efficient decision-making and suitable emergency measures in the event of a crisis. To respond to climate risk, we developed a system for calculating financed emissions, thereby identifying vulnerable areas with respect to climate change and supporting our "Zero Carbon Drive" strategy. In addition, we have established a risk measurement system that reflects Basel III standards, including credit, market, and operational risks, and are using it to respond to the regulations and support portfolio management.

### Risk Management Organization

Shinhan Financial Group's risk management organization comprises of the Group Risk Management Committee, Group Risk Management Council, Group Chief Risk Officer (CRO), Risk Management Team of the holding company, and other risk-related committees and dedicated organizations within individual subsidiaries.

**Group Risk Management Committee** As the highest decision-making body that establishes basic policies and strategies concerning the Group's risk management, the Committee, which is a subcommittee of the Group's Board of Directors, is composed of independent directors, and mainly deliberates and discusses the following:

1. The development of risk management policies that are in line with management strategies;
2. The determination of risk limits for the Group and its subsidiaries;
3. The approval of appropriate investment limits and risk exposures;
4. The enactment and amendment of the Group's risk management regulations and Group Risk Management Council regulations;
5. The organizational structure of the Group's risk management entities and their roles and responsibilities;
6. Matters concerning the operation of the Group's risk management system;
7. Matters concerning the setting of various limits and the issuance of approvals for exceeding limits;
8. Decision-making matters concerning FSS approvals, based on internal ratings approaches to the Group's credit evaluation system;
9. Matters concerning the Group's policies regarding risk disclosures;

10. The results of risk scenario analyses, and relevant capital management and financing plans;
11. Matters deemed necessary and appropriate by the BOD;
12. Matters demanded by outside regulations, including those of the FSC, and matters set forth in other regulations, guidelines, etc.; and
13. Other matters deemed necessary and appropriate by the Chairperson.

**Group Risk Management Council** The Council discusses risk policies and strategies of the Group and each subsidiary, and makes decisions on matters necessary to the implementation of policies determined by the Group Risk Management Committee. It is composed of the Group CRO and the CROs of the Group's major subsidiaries. It mainly makes decisions on the following:

1. Matters concerning the setting of exposure limit for a country, areas that require caution, individual company and its affiliates;
2. Matters related to the analysis of the integrated crisis situation of the Group; and
3. Matters related to the Group's non-retail credit assessment system excluding those subjects to approval from the FSS.

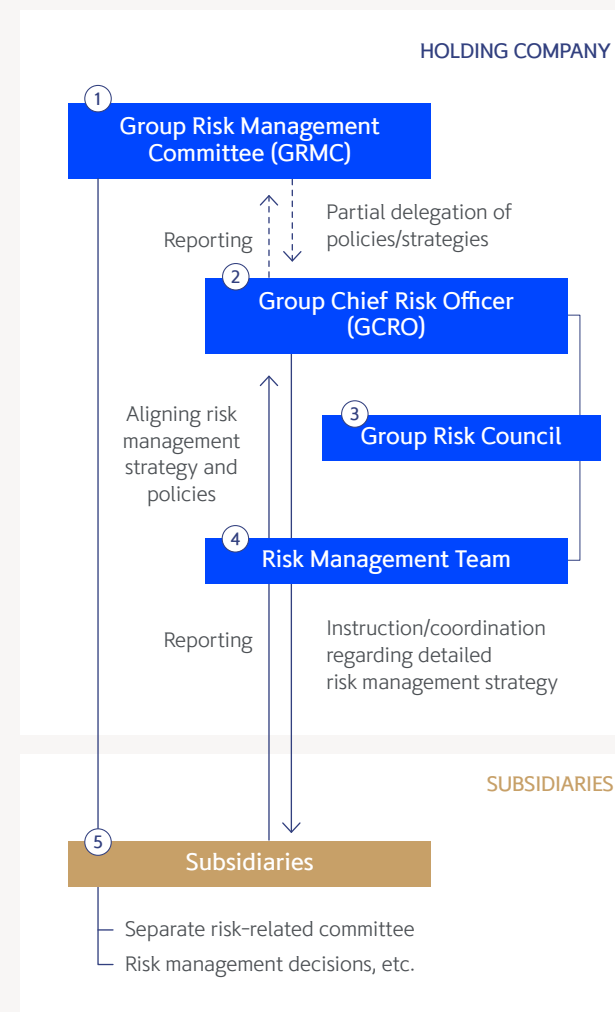
It mainly deliberates and discusses the following:

1. Matters concerning the setting of risk tolerance of the holding company and each subsidiary;
2. Results of the analysis of the integrated crisis situation of the Group, and related matters on capital management plans and funding plans;
3. Matters related to risk disclosure policies; and
4. Other matters deemed necessary and appropriate by the Chairperson.

**Group Chief Risk Officer** The Group Chief Risk Officer (CRO) assists the Group Risk Management Committee, implements the risk policies and strategies determined by the Committee, and ensures that they are executed consistently across all of the Group's subsidiaries. In addition, the Group CRO evaluates each subsidiary's CRO, and examines the status of each subsidiary's risk management.

**Risk Management Teams** The Risk Management Team of the holding company supports the Group CRO. The risk-related committees and dedicated teams within individual subsidiaries implement risk policies and strategies in line with the Group's risk management direction, and report back to the holding company. They are also responsible for managing risks at the subsidiary level, and for making improvements to their risk management systems.

## RISK MANAGEMENT STRUCTURE





FEATURED CASE 2

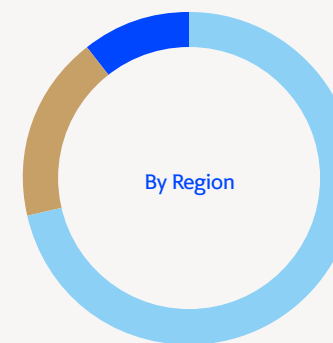
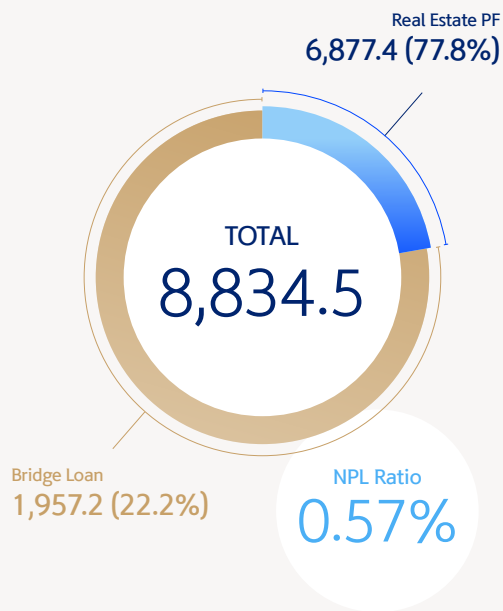
## Responding to the Post-Pandemic Real Estate Market

The COVID-19 pandemic caused massive changes and shocks in real estate markets. The construction business has been affected by rising interest rates and raw material prices, and the resulting increase in unsold housings and abandoned construction projects continues to cause concerns over potential insolvencies in real estate PFs. This is particularly the case as the downward trend in the market is expected to continue due to a number of factors, including the sluggish real estate market, increased interest rates, rising numbers of unsold housings, fewer real estate transactions, and rising delinquency rate in project financing loans. In addition, the global economic downturn, ongoing high interest rates, and lower household consumption are making even a short-term rebound more difficult for the stagnant real estate market.

In response, Shinhan Financial Group has conducted in-depth inspections at all its real estate PF business sites, while also preemptively managing any issues that arise by strengthening ex post facto management in all existing loans. We have improved our ability to take such preemptive measures by shortening the monitoring cycle for any Group real estate PF which is in delinquent status, and we have also imposed stricter limits per segment of real estate PF at the Group level. As of the end of 2022, non-performing real estate PF assets accounted for less than 1% of the Group's total real estate PF assets, and thus we believe that non-performing assets are managed within a tolerable level. However, we do expect the amount of non-performing assets to increase steadily, mainly from bridge loans that are experiencing delays in transitioning to full PF loans. In response, we plan to implement effective countermeasures, including onsite inspections and the replacement of construction companies where necessary. In addition, we will try to minimize insolvencies by providing funding support through debt restructuring at selected business sites.

### GROUP REAL ESTATE-RELATED EXPOSURE

(Unit: KRW billion)



- Normal 94.5%
- Precautionary 4.9%
- Substandard & Below 0.6%
- Seoul Metropolitan Area 71.5%
- Other Metropolitan Areas 18.0%
- Others 10.5%

\* Balance as of the end of 2022

FEATURED CASE 3

## Responding to Household Debts in the Post-Pandemic Era

Liquidity risks could now potentially become credit risks as companies and individuals experience liquidity crises caused by the global economic downturn and rising interest rates. The tight employment situation in the US is causing inflationary pressures, meaning that interest rates are expected to remain high for a considerable period of time. Korea will also see continued concerns over credit risks, including household debt, mainly from vulnerable borrowers who struggle to repay their debts, caused by the prolonged peak in interest rates, continued sluggishness in the real estate market, and weak financial performance of many companies in Korea.

Especially during COVID-19, the government and central bank provided ample liquidity to ensure well-functioning market and this liquidity provision led to rapid household debt buildup. Amid concerns about increasing household debt, regulatory authorities have introduced and strengthened several measures, such as a debt service ratio (DSR) and a modified debt to income ratio, to curb the growth of household debt. In line with the regulatory direction and Government's efforts, Shinhan Financial Group has also preemptively overhauled its screening and limit strategies as part of our household debt risk management efforts. As a result, we have been able to maintain a relatively stable asset quality in retail loan portfolio in 2022. Increased insolvencies are, however, likely to be unavoidable in vulnerable areas, including small self-employed businesses, multiple/excessive debt holders, and people with weak credit as the economy experience downturn combined with a prolonged period of high interest rates. We will seek to minimize any potential deterioration in asset quality while also putting conservative and preemptive provisioning into place.

Shinhan Financial Group maintains capital adequacy that will sustain the Group, even in a worst-case scenario where global financial crisis lasts for more than two years. We are also making preemptive and qualitative improvements to the Group portfolio through detailed scenario analyses which take into consideration both internal and external risk events. We will also fulfill social responsibilities as a financial institution by actively responding to the government's financial support policies, and by further promoting our own financial support programs.

FEATURED CASE 4

## Shinhan's Liquidity Risk Management

In October 2022, the short-term liquidity and corporate bond market in Korea were severely damaged rapidly after the default of Legoland project, which in turn led to increased concerns over the liquidity risk of specialized credit finance corporations and securities companies due to the surge in yield on corporate bonds. Shinhan Financial Group had previously experienced short-term funding crunches during the global financial crisis triggered by the bankruptcy of Lehman Brothers in 2008 and the early stages of the COVID-19 pandemic in 2020. And we have now set in place liquidity management processes that enable us to react rapidly to incidents such as the Legoland default. For example, we have reduced short-term refinancing risks through preemptive long-term funding; established detailed monitoring systems for asset-backed commercial paper (ABCP) purchase agreements that may be vulnerable to refinancing in the case of a short-term funding market crunch; and maintained an adequate level of liquidity at the Group level.

Shinhan Financial Group has been making utmost effort to manage its foreign currency liquidity since the Ukraine-Russia war begun in February 2022. Shinhan Bank, which holds the biggest share of the Group's foreign exchange exposures, more than doubled its total of liquid foreign currency funds available for immediate use. Shinhan Securities maintains a foreign currency committed line of USD 300 million, giving it a sufficient buffer to respond to a potential liquidity crisis. In addition, it has enough liquidity to enable it to cover additional payments of deposits resulting from margin calls, even when there is another global financial crisis as severe as previous crisis. Furthermore, the overseas subsidiaries of Shinhan Bank, Shinhan Card, and Shinhan Securities all maintains liquidity levels which exceed local regulations and internal guidelines. In emerging economies, which tend to be more at risk of capital flight caused by investors from advanced economies, we undertake additional detailed liquidity management at the Group level.

### GROUP LIQUIDITY RATIO

	Dec. 2021	Mar. 2022	Jun. 2022	Sep. 2022	Dec. 2022
Shinhan Bank LCR (including FX) <sup>1)</sup>	89.6	96.5	98.1	92.6	97.9
FX LCR	110.8	95.4	134.2	122.8	141.3
Shinhan Card Liquidity Ratio (in KRW, 3 months)	377.2	376.5	376.1	369.1	359.9
Shinhan Securities Adjusted Liquidity Ratio (in KRW, 3 months)	142.9	133.5	130.6	127.3	139.5
Shinhan Life Liquidity Ratio (in KRW, 3 months)	217.6	152.2	142.3	117.6	1,350.7
Shinhan Capital Liquidity Ratio (in KRW, 3 months)	217.2	209.3	213.9	222.9	408.7

<sup>1)</sup> The liquidity coverage ratio (LCR) regulation that had been eased due to the government's liquidity supply measure in relation to COVID-19 was 90% from July to September 2022 and 92.5% from October 2022 to June 2023 (foreign currency LCR requirement was 80%)

# Our Capital

Shinhan Financial Group complies with all regulatory requirement related to capital adequacy set by financial authorities. We also strive to manage capital efficiently to meet the expectations of all our stakeholders, including shareholders, potential investors, customers, and credit rating agencies.

## Key Figures

12.8%

CET1 ratio  
 (Internal management target: 12.0%)

\* As of December 31, 2022

## Establishing a Mid-term Financial Goal for Sustainable Growth

In 2022, Shinhan Financial Group established a mid-term financial goal which will enable it to enhance corporate value for all its stakeholders, including shareholders, customers, employees, and wider society, and will also ensure long-term, sustainable growth of the Group. The mid-term financial goal was set to achieve a return on equity (ROE) of 10.5%, and a return on tangible common equity (ROTCE) of 12%. The ROE target is clearer than the previous “double digit ROE,” and on top of that, we added a management index, ROTCE, which represents annualized net income available to common shareholders as a percentage of average tangible common equity. Driven by this goal, we will allocate capital more efficiently by pursuing quantitative growth in capital-light businesses, and by striving for more qualitative growth in capital-intensive businesses.

These goals can be only achieved when we have a firm capital base. Shinhan will therefore maintain a stable CET1 ratio of at least 12% and secure excess capital for our shareholder return principle. The appropriate CET1 ratio was set at 12% by taking into account the current regulatory requirement of 10.5% as well as the level that we had identified as stable enough to continue to provide financial services to customers and communities even in the event of a severe financial crisis based on periodic Group-wide stress test.

## Expanding Shareholder Returns Driven By Robust Capital Management

In 2022, Shinhan Financial Group clarified the direction of its capital management policy. We had drawn up a plan to achieve total shareholder return of 30%, solid increase in cash dividends per share, regular and equal quarterly dividends, and the cancellation of shares when appropriate. We then made the new shareholder return policy public at an earnings release at the beginning of the year, and have consistently communicated with investors ever since. In line with these goals, we paid equal quarterly dividends of KRW 400 per share from the first to the third quarter, and KRW 865 per share for the year-end dividend, totaling KRW 2,065 per share for the fiscal year 2022, a slight increase year-on-year. In addition, we completed two share repurchases and retirements worth KRW 300 billion and delivered a total shareholder return rate of 30%.

This shareholder return policy was underpinned by a strong CET1 ratio. As of the end of 2022, the Group’s CET1 ratio stood at 12.8%, remaining stable at a level of exceeding regulatory and internal management targets. The CET1 ratio saw a slight year-on-year decrease due to significant volatility in interest rates and exchange rates, but the capital adequacy ratio remained at the similar level as last year on a recurring basis.

## Implementing Consistent and Predictable Capital and Shareholder Return Policy

Based on the mid-term financial goal set in 2022, Shinhan Financial Group will implement consistent capital and shareholder return policy. We will maintain a CET1 ratio of at least 12%, taking into account the levels required by both regulatory authorities and our own financial goal. We expect a temporary decline in the capital adequacy ratio due to the impact from adopting the revised Basel III standards. However, we plan to ensure a stable CET1 ratio thenceforth by enhancing profitability and by managing our risk-weighted assets efficiently.

In terms of shareholder return policy, we will try to deliver progressive and gradual increase in cash dividends per share, evenly distributed quarterly cash dividends, undertake regular reviews for share buyback and cancellation, and strive to increase the total shareholder return. This shareholder return policy will be implemented consistently but flexibly, depending on the level of economic uncertainties and the results of stress tests undertaken by supervisory authorities.

# Our Business

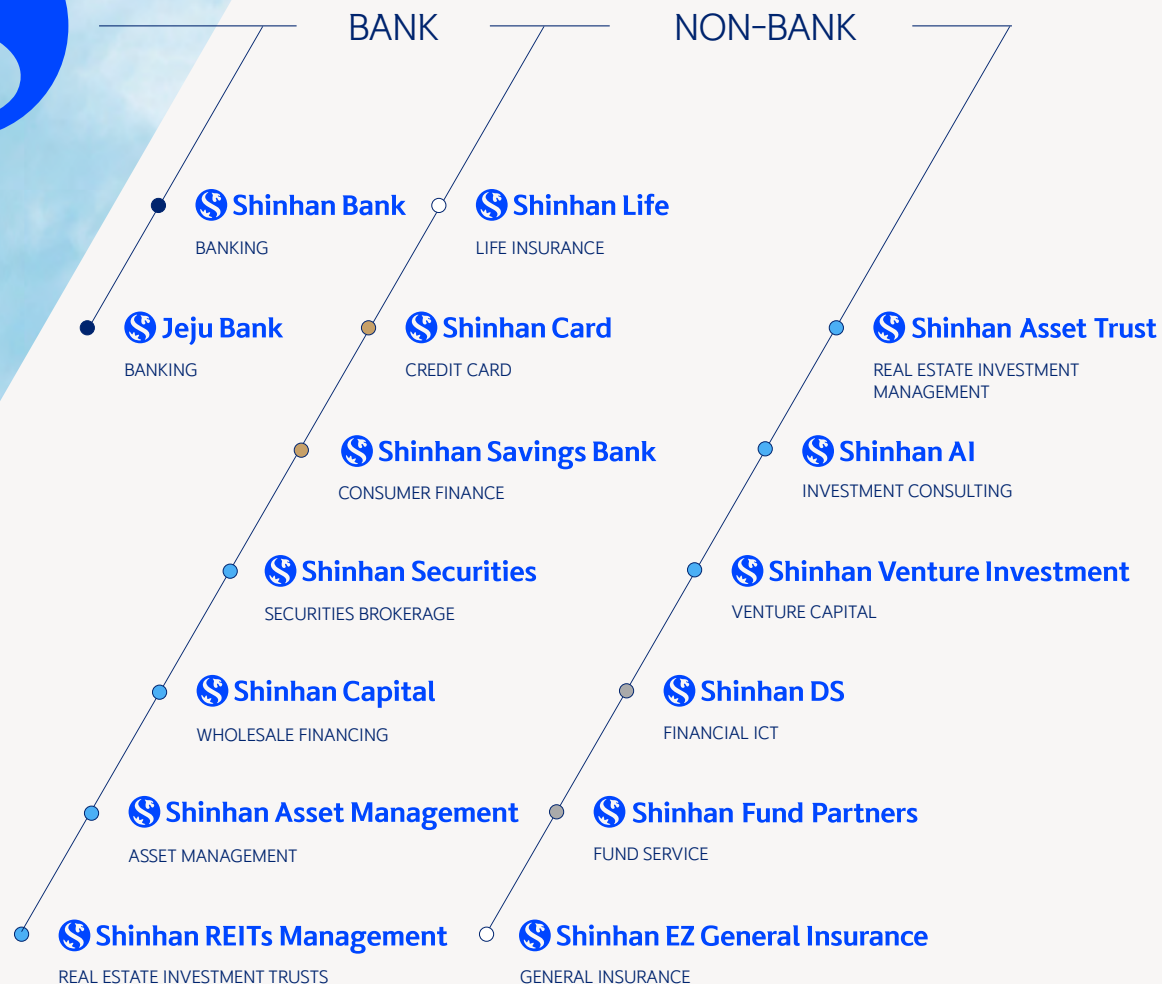
## Shinhan Business Organization

Shinhan Financial Group consists of 15 direct subsidiaries that include Shinhan Bank, Shinhan Card, Shinhan Securities, Shinhan Life, Shinhan Capital and Shinhan Asset Management, and 33 indirect subsidiaries. We provide comprehensive financial services, principally consisting of the following:

- commercial banking services, including retail banking, corporate banking, international banking, and other banking services.
- credit card services;
- securities brokerage services;
- life insurance services;
- asset management services; and
- 11 other services, such as savings banking services, loan collection and credit reporting, collective investment administrative services, financial system development services, real estate trust services, investment advisory services, and venture capital services.



● Capital Markets ○ Insurance ● Consumer Finance ● Others



# Retail Banking

Shinhan Bank focuses on optimal product development, efficient operations and distinctive marketing in order to provide its retail customers with a total financial solution.

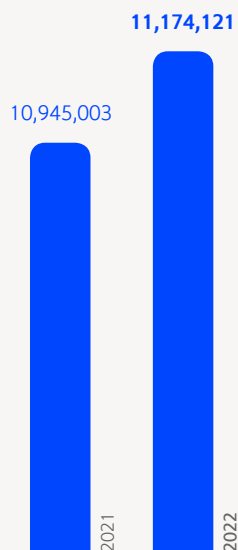
- Retail Banking
- Corporate Banking
- Credit Card
- Brokerage & Securities
- Insurance
- Wholesale Financing
- Asset Management

## Key Figures

# No. 1

Highest number of new active customers among commercial banks in South Korea

No. of Active Customers  
(Unit: Persons)



\* Customer with a deposit average balance of KRW 300 thousand or more or with an average loan balance

## Key Performances in 2022

The difficult business environment continued throughout 2022 due to various issues both in Korea and abroad, including COVID-19, Russia-Ukraine war, Korean government's continued increases in interest rates, and sluggish real estate market. In these challenging circumstances, with the goal of maintaining growth pace for its retail banking business, Shinhan has established three key strategies – customer-centered business, strengthened fundamental competitiveness in key areas, and process innovation based on digital transformation. These strategies have resulted in a strong increase in our customer base, and stable growth in both loan and deposit assets.

### Developing New Business to Expand the Customer Base

In 2022, in order to attract more customers, Shinhan Bank focused on new sales opportunities, especially with key customer groups. We launched the "Pre-Entry Information Service for Young People," aimed at attracting underage customers, which enables the younger customers to open an account more conveniently, and is supported by distinctive marketing such as vouchers specifically designed for younger people. In addition, we launched "Youth Hope Time Deposit," aligned with a government policy which encourages younger generations to increase their assets and induces them to increase transactions with Shinhan as well. In line with the aging population, Shinhan attracted senior customers by developing an online and offline process for National Pension Service receipt accounts, offering a range of diverse benefits and increased customer convenience. These new products resulted in an increase of 100,000 underage customers, 253,000 millennial and Generation Z customers, and 62,000 customers who receive pensions. This was a major contribution towards the building of Shinhan's strong customer base, with 11.17 million active customers.

### Expanding MAUs through Platform Innovation

In 2022, Shinhan made continuous efforts to achieve digital platform innovation to maximize customer inflows, minimize customer attrition, and secure new customers, thereby resulting in increased monthly active users (MAUs). We used popular SOL content, including seasonal events and collaborations between the gaming and finance industries, and strived to increase traffic by launching new services and establishing alliances with well-known education-related platforms. We undertook targeted marketing to accompany the launch of new products such as "Shinhan 40th Anniversary Festa Time Deposit" and time deposit product exclusively for SOL. We also upgraded our platform to create "New SOL," thereby significantly improving user convenience. Thanks to these combined efforts, retail bank customer MAUs rose by 963,000 during the year to reach 8.84 million.

### Offering Active Support for Customer-centered Sales Locations

Shinhan increased the proportion of its household loan administration that can be done digitally with the goal of supporting its customer-centered sales locations. In addition to advancing the process so that customers can extend loan maturities themselves, we reduced branch workload by enabling customer centers to use online channel to handle maturity extension, which previously required a branch visit and credit assessment. In addition, a loan sales agent can now more efficiently undertake *jeonse* loan credit assessment thanks to digital process improvements and a more flexible personnel scheme.



Our branches also have accelerated digitalization to achieve a better customer focus and to implement the “RE:Boot Project” at sales locations, resulting in annual strategic cost reductions of KRW 1,921 million, an annual reduction of 730,000 hours in work processing time, and a 30% reduction in routine branch work such as cash-on-hand inspection and the management of foreign exchange, documentation and ATMs. This in turn has led to major improvements in overall efficiency.

## Plans for 2023

In 2023, Shinhan Bank aims to continue to expand its retail customer base and thus maintain stable growth. We have therefore set a strategic goal to “Establish a data-driven, optimized growth system centered around core retail customers.” In addition, we will achieve the 2025 mid-term goal to be “No. 1 in growth rate in the core retail customer market” by concentrating on the following three strategies:

### First, we will improve our fundamental competitiveness by expanding the three major core retail customer bases.

Our sales target will be focused on three major key customer groups – underage customers, income earners, and seniors. We will offer comprehensive marketing and product development in support of this strategy, including customized platforms, products and services which are targeted according to the life stage of customers, and better segmented marketing aimed at the particular characteristics of each generation.

Process improvements will increase transaction convenience for underage customers, and we will launch a comprehensive platform which will attract and support more income-earning customers. In addition, we will achieve both quantitative and qualitative increase in senior customers by focusing on marketing and improving the quality of senior-only products.

### Second, we will implement a smart asset growth strategy to lead the market.

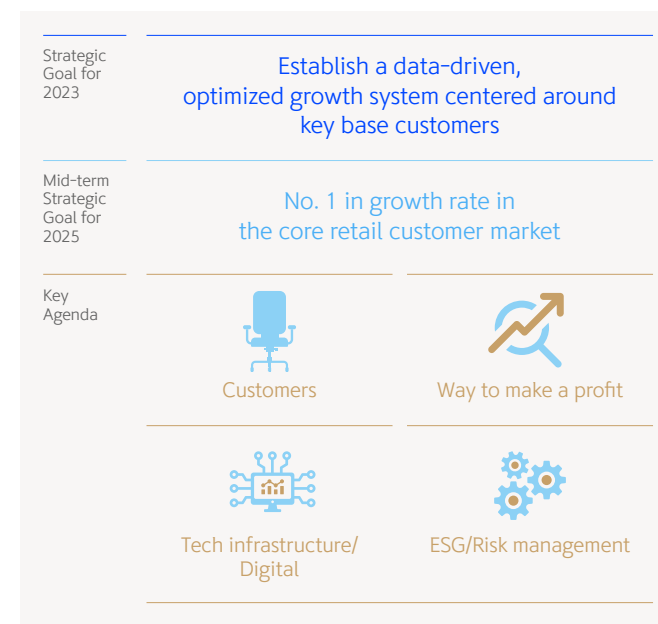
Shinhan will achieve profitable and stable growth in its household loan portfolio by focusing on high quality assets. We will pursue high quality assets with a high return on risk-weighted assets (RORWA) through comprehensive assessments of financial environment and risks. For deposits, we will strengthen our customer base and secure additional low-cost deposits by establishing distinctive strategies for each major customer segment. In addition, the digital transformation of our front offices will be further accelerated by completing online process systems for all of our loan and deposit products, and also by improving digital marketing support. In particular, we will implement a data-based asset growth strategy with an aim to achieve substantial profit-based deposit and loan asset growth.

### Third, we will generate a distinctive competitive edge by developing non-financial businesses and strengthening our platform capabilities.

We will move away from competition based mainly on interest rates, especially given the increasing presence of interest rate comparison platforms, and build a competitive advantage by improving and expanding our non-banking businesses. To this end, we will develop new non-banking businesses, which can generate synergy with existing businesses.

We will also improve our competitiveness by upgrading performance measurement methodology to include non-financial effects. To this end, we will launch new services to offer content for senior customers, build an employment platform, provide funeral and health management services, and make other efforts, aimed at generating new customer inflow and securing additional income.

## Strategies for 2023



# Corporate Banking

Even amidst the complex uncertainties of the VUCA era, Shinhan Bank has set out distinctive strategic goals and directions, responded to the increasingly diverse requirements of companies, and thus maintained strong growth.

- Retail Banking
- Corporate Banking
- Credit Card
- Brokerage & Securities
- Insurance
- Wholesale Financing
- Asset Management

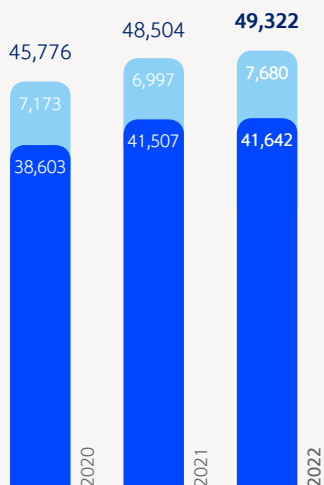
## Key Figures

# No. 1

Market share in the area of SME clients with more than KRW 100 million in loans

## SME Loan Clients

(Unit: Companies)



■ Audited SMEs  
■ Non-audited SMEs

## Key Performances in 2022

In 2022, Shinhan Bank set out its strategic goal for the year as “Corporate Banking A.C.E! Client-centered RE:Boot for Excellence.” In order to achieve strong growth alongside this goal, the Bank defined its detailed strategic directions as strengthening key competitiveness, leading the future of corporate banking, and enhancing corporate banking capabilities, with the goal of further solidifying its position as a leading provider of corporate banking services.

### Strengthening Key Competitiveness

Despite a slowdown in economic growth caused by the continuing impact of COVID-19, Shinhan Bank achieved both quantitative and qualitative growth as a result of a growth strategy centered around ultra-high-quality assets. We achieved a strong net increase in SME loans, and doubled the proportion of our assets attributable to robust audited SMEs compared to the previous year. Staying true to our reputation as the leading bank for SMEs, we also increased the level of consulting supports. Thanks to these efforts, the number of SME clients with more than KRW 100 million in loans as of 2022 year-end stood at 52,961, making us the leader in this sector in Korean commercial banking. We enhanced the efficiency of our asset management and ensured better profitability by improving our comprehensive loan support systems, and achieved stable profitability based on good asset growth and increased liquidity.

### Leading the Future of Corporate Banking

In response to the ever-increasing speed of digital transformation, we opened the Digital SOHO Sales Division so that we can react quickly to customer in-flows from non-face-to-face channels.

We completely reorganized our corporate non-face-to-face channels in October 2022, after preparations of around a year, thus ensuring that we are ready for changes in corporate sales. Going forward, Shinhan Bank will further improve sales channels by expanding non-face-to-face coverage and strengthening non-banking platforms.

### Enhancing Corporate Banking Capabilities

Shinhan Bank has set in place a “Senior Relationship Manager (SRM)” system which assigns coaching roles to senior Relationship Managers (RMs) with outstanding sales skills. This provides junior RMs with the opportunity to identify their own career growth roadmap and build top-level skills. We also created the “Young RM System” which has boosted sales in the IT venture market, a market which is led by millennial and Generation Z customers. Overall sales performance has improved since the adoption of the SRM system, and the Young RM System has contributed to increases in assets despite being in its early stages.

### Plans for 2023

In 2023, Shinhan Bank has set its strategic goal as “Strategic Growth Towards No. 1! Developing Distinctive Capabilities for Excellence.” This expresses our commitment to responding preemptively to risks caused by the economic slowdown in Korea and abroad, as well as firm determination to facilitate data-based digital corporate sales. In support of this goal, we are implementing three detailed strategic directions – strengthening the core client base, accelerating digital transformation, and developing future business capabilities.

Shinhan Bank is striving to further strengthen its key corporate client base, which remains the foundation of our long-term growth. To this end, the Bank is string to achieve strategic growth in consideration of financial soundness, while also focusing on win-win support for SMEs and individual businesses despite intense market competition driven by severe economic uncertainties and lower corporate demand for raising funds for facility investments.

We will increase loan support for promising industries as nominated by the Korean government, and we will also launch such new products as dedicated products for national strategic technology industries. In addition, we will enhance customer value by providing distinctive non-banking solutions, including consulting services related to tax and family business succession planning, as well as ESG management consulting. Furthermore, we will create a distinctive customer value by expanding platform-based financial and non-banking services through platforms designed to support small businesses.

In implementing digital transformation, Shinhan Bank is improving efficiency from the perspective of customers and employees, and is sharpening a competitive edge over other banks. As part of this transformation, we plan to establish a non-face-to-face completion process for nation-wide guarantee foundation loans, launch new SOHO client loans, make the non-face-to-face process for extending loan maturities much easier, and reduce workloads at sales locations. In addition, continuous efforts will be made to upgrade "SOL Biz," our dedicated corporate client platform, in order to improve its competitiveness.

We will also set up a Business Financial Management (BFM) service for individual businesses, and will offer more non-banking services so that we can generate client inflows through our various platforms. In new products, we will develop products which are entirely non-face-to-face, thus giving us a competitive edge over big tech and fintech companies, while also developing specialized products in alliance with major platforms.

In efforts to upgrade our future business capabilities, the functions of RMs will be categorized and specialized in 2023, establishing client-centered corporate banking. We will offer wide-ranging business solutions and customized finance through the Frontier & Relationship Manager (FRM) system created this year, including more loan support, thus enabling branch RMs to focus on existing client management. In addition, we will change the previous Project & Relationship Manager (PRM) system from a regional one to a system based on industry RM specialization. On the back of these efforts, we will build a strong business relationship with top-tier audited companies, which in turn will enable us to drive qualitative growth and increase our influence in the financial markets of audited companies.

In the ESG sector, we plan to provide more ESG management support to mid-cap companies and SMEs. We will expand our green finance portfolio and upgrade the ESG consulting service launched in 2022. This will enable Shinhan Bank to help the companies it does business with be more interested and active in their ESG.

## Strategies for 2023



# Credit Card

Having a broader perspective, based on the direction of “hyper-connection, hyper-expansion, hyper-cooperation,” Shinhan Card makes continuous efforts to overcome the limitations of the card business by expanding its business scope through cooperation with a greater number of partners.

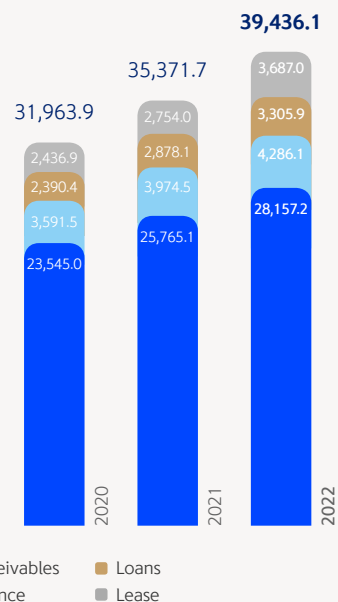
## Key Figures

# No. 1

Shinhan Card Market Share in South Korea

## Earning Assets

(Unit: KRW billion)



## Key Performances in 2022

In 2022, Shinhan Card implemented its new vision, “Connect more, Create the Most,” which envisions a company sharing outstanding value with its customers through profound connections. In addition, we implemented the “Deep pLay” strategy aimed at securing leadership in new markets through our distinctive customer experience and digital/platform capabilities. Thanks to these efforts to evolve into a life & finance platform company, Shinhan Card has strengthened its business fundamentals, even in the highly uncertain post-pandemic business environment, and has achieved positive outcomes across all business areas. Based on these successes in going beyond the card business, Shinhan Card has won recognition as the industry’s top brand, including receiving the Presidential Citation at the Korea Design Award, and becoming the first financial company to achieve the triple crown in brand value evaluations for 11 consecutive years.

### Being Positioned as the No. 1 Life & Finance Platform through Connection and Expansion

Shinhan Card expanded its line-up of card products, diversified sales channels, and expanded the range of services that are uniquely offered by Shinhan Card. These include “Seoul Pay+,” a life platform for citizens of Seoul run in cooperation with the Seoul Metropolitan Government. As a result, the number of integrated membership customers – a key fundamental of our card business – exceeded 30 million, and the number of members with continuous use of six months or more surpassed 10 million. In addition, the MAU of our integrated platforms, including pLay, Allthat and MyCar, exceeded 10 million, enabling Shinhan Card to be positioned as a leader in the platform sector, in addition to credit card business.

### Accelerating the Transition into a Multi Finance Company through Asset Portfolio Diversification

Shinhan Card has achieved balanced asset growth, including loan assets of KRW 12 trillion and auto finance assets of KRW 8.2 trillion. We are also developing new financial businesses by increasing non-member loans, expanding loan brokerage services, and building a wider line-up of financial products. In addition, we have expanded our business areas by launching the card business of Shinhan Vietnam Finance Company (SVFC), Shinhan Card’s subsidiary in Vietnam, and by making Shinhan Credit Information a subsidiary of Shinhan Card directly.

### Strengthening Position as a Leader in Data and Digital

Number of subscribers, using MyData service offered by Shinhan Card has exceeded 4.71 million, one of the highest in the Korean financial industry. We also led the establishment of the Group-level “Shinhan One Data Center” and became the first private financial company to win preliminary approval as a “data specialist organization.” Thanks to our extensive customer data and big data analysis capabilities, we have been able to generate KRW 32.7 billion in cumulative data business profits and realize KRW 137.8 billion in strategic cost reductions.

### Plans for 2023

Over the last five years, Shinhan Card has achieved continuing success by implementing a customer-centered “Deep Strategy.” In 2023, we forecast a complex business environment, including “big blur” whereby boundaries between businesses disappear as competition increases exponentially amidst rising interest rates, higher inflation and a global economic downturn.



In response, we will implement our “Deep VALUE” strategy to overcome this complex environment by creating unique Shinhan Card values which meet the new requirements of customers, society and the environment, and supported by the ‘Deep’ capabilities that we have accumulated in recent years. The four key agenda items to achieve this are as follows:

#### Victorious Payment

We will solidify our position as the leader in the Korean payments market by offering the best in payment accessibility and convenience. We will maximize customer engagement, improve our products, innovate our sales channels, and strengthen our business partnerships. In addition to improving the payment profit structure, we will use our leading market position to lead a paradigm shift in card business competition.

#### Advanced Finance

We will attract customers by offering advanced financial services, thus diversifying our new growth asset portfolio. Our loan business will respond flexibly to the ongoing rapid changes in the financial environment. In addition, we will seek quantitative and qualitative growth in auto finance. We will increase the financial contributions made by our new businesses, including our data and fee-based businesses, and we will diversify our growth strategies and adding new business areas by enhancing our global competitiveness.

#### Leading Platform

Shinhan Card will evolve into a true digital/big data-based platform company, and will actively discover and invest in the engines of its future growth. We will continue to provide distinctive digital-based customer experiences, and will expand our digital platforms in order to increase their financial contributions. We will create business opportunities by improving our big data-based competitiveness, and by diversifying our data/digital-based content. In addition, we will use our DT/AI capabilities to create a technology ecosystem based on digital R&D, thus increasing the efficiency of our sales channels, operations, and our personnel and ICT functions.

#### Unlimited & Energetic Capability

Shinhan Card will strengthen its infrastructure and support functions, build a dynamic corporate culture through RE:Boot, and enhance its ESG practices. In addition to the RE:Boot of the company’s overall organizational culture and systems, we will build a digital/platform infrastructure and support system. Shinhan Card will also improve its business support systems by strengthening its risk response capabilities and by managing funds even more efficiently. In addition, we will continue to develop and expand our sustainable ESG management systems.

## Strategies for 2023



# Brokerage & Securities

Shinhan Securities is the capital market hub for Shinhan Financial Group. It is driven by a customer-centered management philosophy, and is striving to become a leading securities company in Korea's capital market.

- Retail Banking
- Corporate Banking
- Credit Card
- Brokerage & Securities**
- Insurance
- Wholesale Financing
- Asset Management

## Key Figures

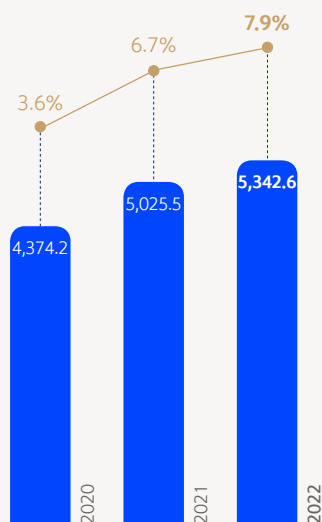
# 412.5

KRW billion

Year-on-year net income growth of 28.6% from the previous year's KRW 320.8 billion

## Equity

(Unit: KRW billion)



■ Equity Capital  
— ROE (%)

## Key Performances in 2022

Net income variability continued to increase throughout 2022, especially in those businesses most affected by market conditions such as brokerage, FICC, and equities. This was the result of continued uncertainties in capital markets, including interest rate hikes and weakness in Korean and international stock markets. Nevertheless, Shinhan was able to overcome the difficult market environment on the back of a strong performance from the GIB Group, and solid income from the GMS Group compared to its competitors.

In order to overcome the difficult conditions in Korea and abroad, and to enhance customer trust, Shinhan Securities has established four major strategic directions – establishing business fundamentals and principles to improve customer trust; growing into a renowned investment house; becoming a leading digital company; and building a corporate ecosystem. These strategies will enable the company to become the “leading securities company in Korea’s capital market,” and will be implemented through ten major key tasks, as follows:

First is the strong and consistent execution of “Shinhan RE:BOOT.” Shinhan RE:BOOT refers to the innovation activities put in place to ensure a customer-centered corporate culture. Shinhan Securities aligns this with its corporate vision and internalizes Shinhan Financial Group’s new vision, “We believe finance should be More Friendly, More Secure, More Creative,” thereby being completely committed to customer-centric management activities. Second is customer-focused channel innovation. Shinhan Securities subdivides its customers into HNW, Mass Affluent, and Mass<sup>1)</sup>. Based on this segmentation, we provide tailored services through three channels – branch PB, digital PB, and digital platform.

Third is the completion of our internal control systems. Shinhan Securities became the first securities company in Korea to create an organization dedicated to operational risk management. We have also established company-wide operational risk management processes, thus maximizing our internal control systems against potential loss risk. Fourth is to focus on maintaining the position of the GMS Group as the market leader. The equity unit has diversified its advanced management strategies, including equity long/short and pre-IPO, and has thus been able to maintain its overwhelming No. 1 position in the industry, even widening the gap to second place. The FICC Unit has continued to overhaul its management strategies in response to increased volatility in market conditions.

Fifth is responding to money move and strengthening our capabilities in asset management. Money move is defined as the two money flows of fund movements between generations and fund movements between businesses. We are responding to the money move by strengthening services with a focus on inheritance and bestowal for intergenerational fund flows, while strengthening individual savings account (ISA) and retirement pension products in order to respond to fund movements between businesses. Sixth, we are diversifying our overseas revenues by adding a retail business to the existing IB business at our subsidiary in Vietnam. In addition to emerging markets, we have now opened an office in Silicon Valley in California to pursue various business opportunities, including global venture capital and alternative investments.

<sup>1)</sup> Classification based on customer assets: High Net Worth is KRW 1 billion or more, Mass Affluent is KRW 100 million or more, Mass is less than KRW 100 million

Seventh is building the foundations for our future growth by substantially increasing MAUs and the number of millennial and Generation Z customers. We are increasing MAUs by continuing to innovate the customer experience through further improvements of our digital platforms, while also striving to attract more millennial and Generation Z customers by offering hyper-personalized services and new big tech alliances.

Eighth is to continue to build the industry's first cloud-based systems, and then put those systems into active use. One leading example of this is how we moved our mobile trading system (MTS) server to the cloud, which has enabled us to provide safe services despite a huge increase in non-face-to-face digital customers. In recognition of these innovations, Shinhan Securities became the first Korean company in the industry to give a keynote speech at Amazon Web Services Summit Korea 2022.

Ninth and tenth are increasing corporate client coverage by building a corporate ecosystem, and enhancing the competitiveness of the GIB Group. We created an arena for communications between corporate clients by holding both face-to-face and non-face-to-face forums for such clients, and we continue to strengthen our services so that we can provide total financial solutions from the customer perspective.

### Plans for 2023

There are concerns about an economic downturn in 2023, especially given the prevailing high inflation, high exchange rates, and high interest rates, leading to more market uncertainty. In order to overcome the difficult internal and external environment, and to generate new outcomes, Shinhan Securities has set out four strategic directions – facilitating the corporate ecosystem, positioning itself as a renowned investment house, developing into a leading digital company, and establishing sound fundamentals and principles. We will fulfill these strategies by implementing the following key tasks:

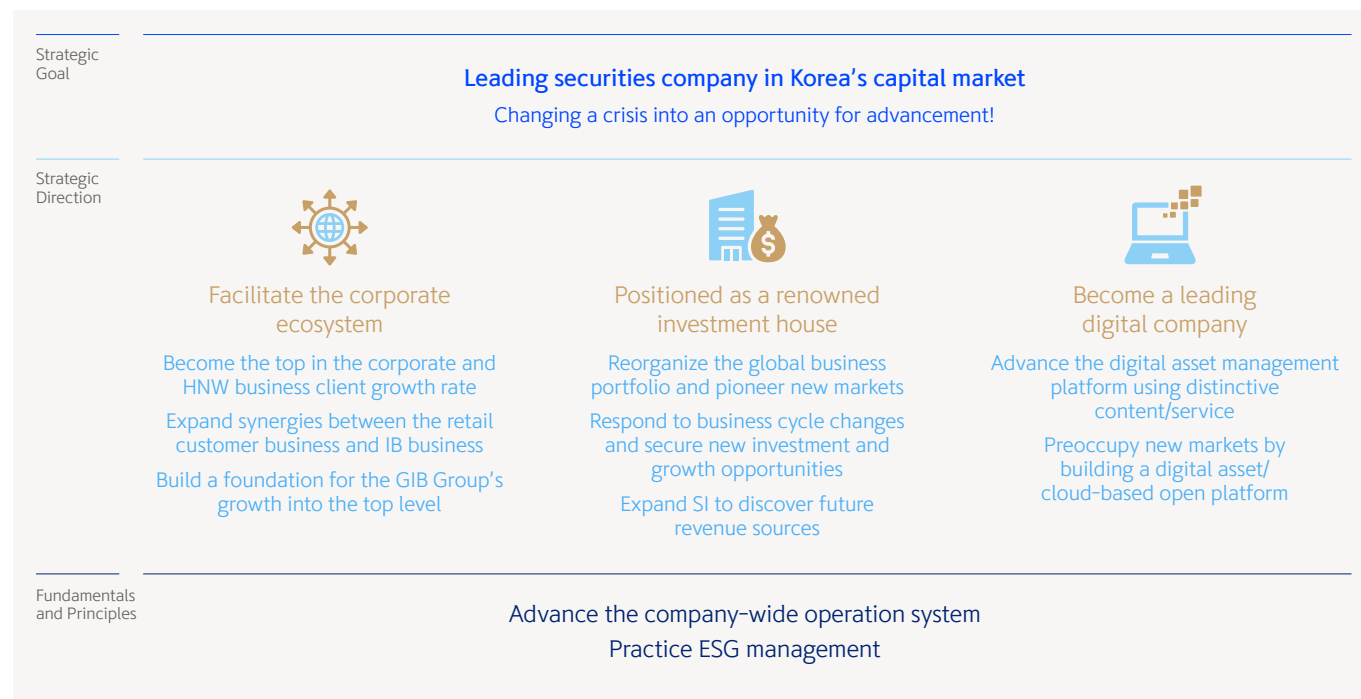
First, in order to facilitate the corporate ecosystem, we will build a distinctive service system which provides advanced services and products, with the goal of becoming the leader in corporate and HNW client growth rate. In addition, we will rapidly respond to customer requirements by establishing new channels for asset management, and strengthening our expertise in that area. In addition, with an aim to increase cross-selling between retail customer and IB businesses, we will move away from the previous focus on retail sales and add more corporate sales business. We will also strengthen the collaboration between the Retail Client Group and the GIB Group by enhancing the relevant services and infrastructure. Overall, this will enable us to build the foundations for the GIB Group to advance to a truly leading global level.

Second, in order to solidify our position as a renowned investment house, we will reorganize our global business portfolio and pioneer new markets. Our subsidiary in Vietnam will further develop the retail business that was launched recently, while our subsidiary in Indonesia will expand its customer base by establishing a strategic alliance with a local fintech company. We will also seek new business opportunities through our new office in Silicon Valley. In addition, we will respond to rapid changes in the business cycle and secure new investment and growth opportunities by identifying companies whose value may have fallen temporarily due to the market environment and volatility, but which have outstanding potential for future growth, and then making selective investments in such companies. Joint efforts will be made with other subsidiaries of Shinhan Financial Group to develop an advanced venture ecosystem led by Shinhan Financial Group. We will also expand the relevant networks and create future sources of revenue by increasing strategic investments (SI). In particular, we will make SI related to digital technology, and create Group synergies by making investments using the Group SI fund.

Third, in order to develop into a leading digital company, we will systematize our digital asset management business by using offering distinctive content and services. We will also build a digital asset/cloud-based open platform that will help us to discover new markets.

Lastly, in order to establish the sound fundamentals and principles needed to implement all these strategies, we will improve company-wide operating systems and strengthen our ESG management.

## Strategies for 2023





# Insurance

Established in July 2021 as the result of the merger between Shinhan Life Insurance and OrangeLife Insurance, bringing together the key competitive advantages of each company, Shinhan Life is striving to become Korea's leading insurance company driven by its vision of "New Life, Adding New Value to Life."

## Key Figures

# 267.0%

Maintaining the industry's top RBC Ratio

\* As of the third quarter 2022

## Net Income

(Unit: KRW billion)



## Key Performances in 2022

The economy recovered in 2022 as social distancing came to an end and COVID-19 became endemic, but market uncertainties still continued to impact business. In particular, inflation reached its highest levels since the 1990s, and concerns across financial markets increased liquidity risk. Shinhan Life therefore focused on preemptive risk management, increasing its access to high quality capital, and loss ratio management.

### Completing the Merger and Establishing a Foundation for Growth

After the merger, Shinhan Life successfully launched an integrated IT system in May 2022. We then established an integrated HR system which will enable us to foster the best talent, become "One Team" and build a great organizational culture.

### Improving Sales Based on Targeted Customer Strategies

In order to expand the key customer base, including millennials, Generation Z and wealth management (WM) customers, Shinhan Life improved its sales channels by focusing on highly efficient operations, by offering a wide range of products, and through effective marketing. We launched new products with distinctive underwriting and premiums which match the requirements of the era of hyper-personalization, and also launched includes an insurance product targeted specifically at millennials and Generation Z. In addition, we undertook detailed customer data base (DB) analysis in order to create an optimal matching strategy, and ran training programs for our specialist DB-based planners.

## Implementing Advanced Capital Systems

In response to the adoption of IFRS 17, which is scheduled to be effective in 2023, and the new Korean solvency regime "K-ICS," we upgraded our company-wide management systems by establishing more advanced and targeted business management, audit process and control systems. In addition, we ensured our ability to respond flexibly to changes in the internal and external environments by improving our risk management and asset management systems.

## Building the Businesses of the Future

Shinhan Life has pioneered new markets and new challenges across such diverse areas as sales subsidiaries, global business, and healthcare services. Our sales subsidiaries implemented a strong general agency (GA) organization, and focused on organizational growth. Our Vietnamese subsidiary, established in 2021, launched sales in full in 2022, and has been able to diversify its channel portfolio after building a stable position in the local market. The new healthcare business won new customers by offering a wide range of customer services through its platform business and joint marketing.

## Plans for 2023

In 2023, Shinhan Life will strive to become Korea's top insurance company both quantitatively and qualitatively by increasing its growth potential and efficiency. To this end, we have set out our strategic direction as being "One Team Life, Sprint for the Top 2," based on which, we will improve the fundamental competitiveness of our insurance business with core and new businesses as two main pillars.

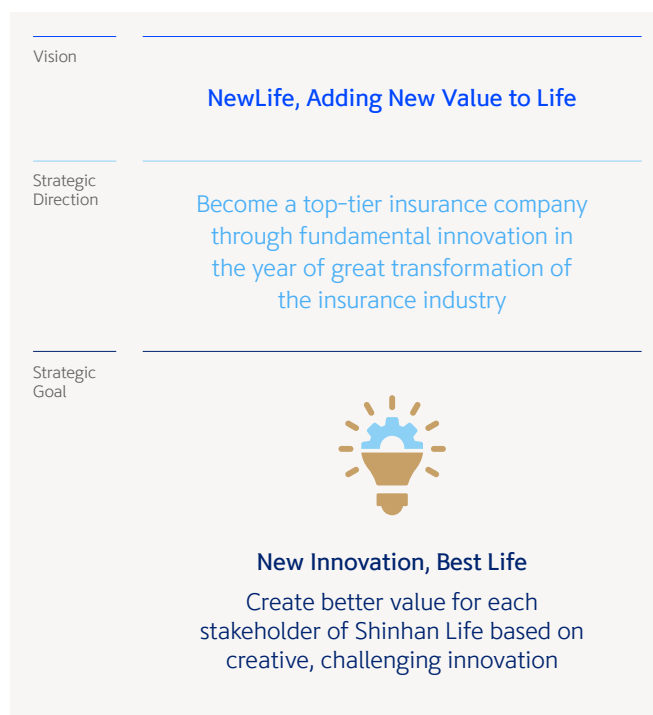
We will also seek to achieve our goals by adding to our value-centered management an organizational culture which focuses on communications.

We plan structural innovations to strengthen our fundamental competitiveness, especially across our sales channels. To this end, we will generate more growth momentum by focusing our sales management on performance, and by integrating more branches into hubs throughout Korea. We will therefore build a strong support infrastructure, led by our headquarters, right across the business, from sales and product support to marketing, HR, and systems. In new businesses, Shinhan Life will focus on creating positive practical outcomes, while also undertaking detailed market research in order to identify drivers of potential future growth in new markets.

Great efforts will be made to build a sales culture in which new business and efficiency are the major focus under IFRS 17, thereby achieving value-centered sustainable growth. In addition, we will further enhance our consumer protection and internal control management, as well as putting into practice balanced, long-term ESG management.

Lastly, we will create an organizational culture, based on consideration for others and in-depth collaboration, whereby all employees trust and communicate with each other. We will always listen attentively to the opinions of our employees, our sales sites and our customers, and we will work closely with them to create a unified team.

## Strategies for 2023



# Wholesale Financing

Shinhan Capital is enhancing its market position by implementing responsive and diverse portfolio strategies, based on fundamental soundness and detailed risk management.

- Retail Banking
- Corporate Banking
- Credit Card
- Brokerage & Securities
- Insurance
- ➔ Wholesale Financing
- Asset Management

## Key Figures

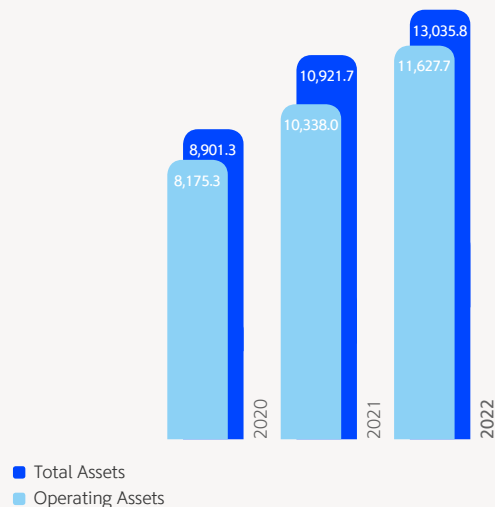
# 303.3

 KRW billion

Year-on-year net income growth of 10.2% from the previous year's KRW 274.9 billion

## Total Assets and Operating Assets

(Unit: KRW billion)



## Key Performances in 2022

In 2022, Shinhan Capital responded to the new post-pandemic era by implementing its customer-centered “RE:Boot” strategy. We adopted a new strategic goal, to be a “High-Class True Partner,” reflecting our determination to raise ourselves up to the highest standards and become a true partner for customers and shareholders. We successfully implemented the detailed strategic tasks that we defined alongside our strategic goal. As a result, Shinhan Capital achieved its best performance since its founding, despite the complex crisis caused by high inflation, high interest rates, and high exchange rates.

### Establishing a Balanced Business Portfolio

In 2022, Shinhan Capital strengthened the competitiveness of its key businesses, while also focusing on creating and expanding new sources of revenue, including non-interest earnings. In addition, we strengthened our position in other key business areas by offering such advanced new products as firm-commitment underwriting and strategic blind funds. We increased our investments in SI and venture capital, and established a portfolio for each of our businesses and products. We also established the foundations for further sustainable growth by increasing ESG and digital-related loans and investments, which has in turn enhanced our competitiveness in the environmental, social, and customer aspects of our business.

## Upgrading Management System

In response to rapid changes in the business environment, Shinhan Capital strengthened its front-middle-back office functions, while also upgrading its risk management capabilities by making focused improvements to appraisal systems and processes, as well as to risk management systems. In addition, we have established a digital-based management system, which includes a new business information system, improvements to the quality of our data, and better operational risk management processes. This is driving us towards our goal of establishing in full a “data-driven management culture.” In addition, a new ESG Committee was established as part of the improvements to our ESG systems, and there was additional focus on ESG-related programs, including the reduction of internal/external carbon emissions and regular ESG training for employees.

## Creating a Role-driven Organization

In 2022, Shinhan Capital realigned its headquarters organizations with a particular focus on key IB regions. We also strengthened our operations system, and created a new specialist organization which will develop new engines for growth and improve the company-wide planning and support functions, which has enabled more efficient operation of expert sales units in the field. In addition, we enhanced the workplace culture by putting into place an evaluation and compensation system in line with the requirements of an IB company. We are also creating a more dynamic, horizontal organizational culture by building an ICT-based smart working environment, and by making the organization less hierarchical.

## Plans for 2023

After emerging as an IB and corporate banking specialist in 2020, Shinhan Capital has continued to achieve rapid growth through to 2022. In 2023, we will maintain this growth through the “Deep Innovation” strategy, aimed at generating innovative responses to the complexities of the multi-dilemma era, and transforming crises into opportunities by focusing on specific targets. This strategic goal is being driven by four key strategic directions, as follows:

First, we will expand our range of structured financing and asset-backed products, with a particular focus on acquisition financing. This will generate stable revenues, build a balanced business portfolio, and enable preemptive risk management. In addition, we will leverage our expertise to further solidify our position in the mezzanine market by increasing investments and diversifying the range of products. In addition, concentrated efforts will be made to turn the market downturn crisis into an opportunity by using the know-how and networks we have built over many years to optimize our asset allocation strategy based on selective, data-based, and high-quality asset management.

Second, we will leverage the strengths that have enabled us to reach KRW 400 billion in asset under management (AUM) despite the sharp downturn of the venture market in 2022. We will further increase cooperation with the Group subsidiaries, support continued growth of our portfolio companies, and take the lead in discovering and fostering unicorns in 2023. To achieve these goals, we will upgrade the relevant organizations, particularly through specialization/segmentation. In addition, we will build an investment portfolio strategy that is more diverse in business, product, and period.

This year in particular, we will make our data more sophisticated by building a data mart, based on which we will focus more on business and risk management.

Third, Shinhan Capital will build an organization which maximizes expertise and the cooperation between investment units. To this end, we will diversify our roles as a general partner (GP) and limited partner (LP) within the Group, and by overhauling its organizational systems for each product characteristic. In addition, we will make our front-middle-back office functions more efficient in order to strengthen the keep-in-check and collaboration systems. Given the growing importance of internal controls, we will expand the company’s internal controls coverage to the higher organization level, while also building detailed internal control systems based on segmentation.

Fourth, we will complete the full implementation of our new personnel system, which will drive an organizational culture suited to IB, and will ensure the realization of Shinhan’s core value of “right, nimble, different.” Furthermore, we will innovate our corporate culture by establishing a wide range of communication channels, and build an unrivaled expertise-based organizational culture by strengthening talent nurturing systems in each business area.

## Strategies for 2023

Strategic Goal	<b>“Deep Innovation” for continued growth, beyond comparison</b>	
Strategic Direction	<b>BUSINESS</b> Balanced business expansion	<b>CULTURE</b> Unrivaled organizational culture
Tasks	<p><b>KEY BUSINESSES</b> Preemptively expand structured financing and asset-backed products; strengthen our position in the mezzanine market; and advance our asset allocation strategy</p> <p><b>GROWTH BUSINESSES</b> Build a customer-based venture ecosystem; strengthen investment portfolio management; and implement data-based risk management</p>	<p><b>ORGANIZATIONAL MANAGEMENT</b> Strengthen investment collaboration and expertise; run efficient operation of middle-back functions; and advance the risk/compliance system</p> <p><b>CULTURAL INNOVATION</b> Achieve true realization of the core value; build an autonomous/creative communication culture; and strengthen the fostering of professional talent by area</p>

# Asset Management

Shinhan Asset Management generates profitable investments for its customers and creates value by providing customers with asset management services that they can trust, based on its vision of “Your total investment solution for a better future.”

- Retail Banking
- Corporate Banking
- Credit Card
- Brokerage & Securities
- Insurance
- Wholesale Financing
- ➔ **Asset Management**

## Key Figures

# 109.2

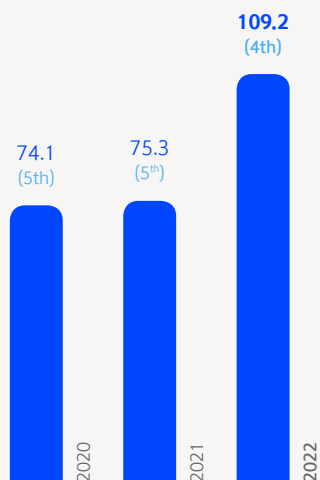
**KRW trillion**

Assets under management as of the end of 2022, a year-on-year growth of 45%

\* Based on net asset value (NAV)

## Assets Under Management (Market Position)

(Unit: KRW trillion)



\* Based on total NAV of the newly integrated Shinhan Asset Management

## Key Performances in 2022

In 2022, market uncertainties increased across the globe, including sharp interest rate hikes, high inflation and declines in the value of both stocks and bonds. Nevertheless, Shinhan Asset Management upheld its philosophy of thinking of customer's future first, especially in an uncertain market environment, and thus continued to offer customers a range of truly distinctive products, including the “ETF Monthly Dividend Fund.” We were also focused on attracting funds and enhancing earnings based on the excellent performance of our target date funds (TDF) and equity funds. Also, on the back of the merger with Shinhan Alternative Investment Management and the transfer from the liability-driven investment (LDI) fund, our net asset value (NAV) at the end of 2022 stood at KRW 109.2 trillion. Shinhan Asset Management thus ranks fourth in total NAV and second in alternative assets among the approximately 400 asset management companies in Korea.

## Solidifying a Market-Leading Position through the Merger

In January 2022, Shinhan Asset Management grew considerably as a result of the merger with Shinhan Alternative Investment Management, and the resulting integration of the two companies' assets under management (AUM) following the launch of the integrated Shinhan Asset Management. This was also supported by the launch of distinctive products, synergies between traditional and alternative investments, and the LDI fund transfer. As a result of our active leverage of economies of scale, Shinhan Asset Management rose from 4th place at the end of 2021 to second at the end of 2022 in terms of total NAV in alternative investments.

## Discovering the Growth Businesses of the Future

We expanded growth in our strategic products on the back of increased AUM in TDF, improvements of equity fund performance, and an expanded exchange traded fund (ETF) product line-up. For TDF and equity funds, we leveraged their excellent performance to drive new sales, and for ETF, we led the market by launching the ETF Monthly Dividend Fund. In alternative investments, we expanded our global business by working in partnership with overseas management companies, and increased our investments in overseas assets.

## Increasing ESG Activities for Sustainable Growth

Shinhan has sent letters and questionnaires about its net zero target to shareholders for three consecutive years, and will continue with more active climate disclosures through on-going monitoring and engagement. We will also continue to monitor the climate change risks within our portfolio, and undertake any shareholder engagement activities required to confirm Shinhan Asset Management's position as a leader in ESG management. In addition, we will ensure more ESG investment by establishing a full line-up of ESG funds.



## Plans for 2023

In 2023, Shinhan Asset Management will preemptively respond to changes in the capital markets by seeking out new market opportunities, including default options, distressed asset-related investments, and regulatory innovation. Our goal is to become a “top 3 asset management company,” and in support of that goal, we have established the following seven major strategic directions:

First, we will focus on the high growth businesses of the future, including TDF, ETF, and outsourced chief investment officer (OCIO). We will strengthen their competitiveness through excellent asset management performance and distinctive product strategies, while also actively responding to changes in the market environment, including the increased demand for bonds and the licensing of default options. Second, focused efforts will be made to increase profitability of our core businesses. We will strengthen our strategic equity products, including “Early Bird,” “Korea Long Short,” and other leading public offering funds. We will also offer advanced bond products in response to higher interest rates, thus both offering a service to customers and increasing our own earnings through expansion.

Third, we will strengthen our global business capabilities. We will build more partnerships with top-tier global asset management companies and increase global investments by attracting overseas investors to make strategic investments in Korea.

Fourth, we will generate market-leading business model by launching targeted and distinctive products, including ESG-themed funds (renewable energy, eco-friendliness) and real estate funds. Fifth, we will enhance customer trust by maintaining excellent management performance, launching competitive products, and improving marketing, while also striving to increase our corporate value through extensive involvement in ESG activities.

Sixth, we will generate synergies through collaboration between headquarters and other work units, and will also enhance efficiency and performance of asset management. Seventh, an organizational structure will be established with the goal of responding effectively to changes in the capital markets. To this end, we will solidify a base of our distinctive organizational structure by strengthening compensation systems and utilizing a flexible personnel system aimed at retaining key talent, and by operating a wide range of recruitment channels aimed at attracting outstanding talent.

## Strategies for 2023



# Corporate Governance

Shinhan Financial Group has established a governance structure which reflects its milestones and organizational culture, while also ensuring transparency, soundness, and stability, in order to achieve long-term growth and protect the interests of all its stakeholders.

## Principles of Governance Structure

Shinhan Financial Group has established a governance structure and principles that promote the interests of shareholders, protect the rights of stakeholders, enhance corporate value, and achieve sustainable growth. Thanks to our commitment to these principles and policies, we run our business ethically and with a sense of responsibility.

Our outstanding corporate governance has garnered outside recognition. For example, in the ESG assessment carried out by the Korea Corporate Governance Service (KCGS), we have received an integrated assessment rating of A+ for eight consecutive years since 2015, and obtained an S rating in the governance category in 2017. In addition, we continued to receive the highest-possible rating even when a more demanding assessment model was applied to financial institutions beginning in 2018. In addition, after being included in the Dow Jones Sustainability World Index (DJSI World) for ten consecutive years, we have been receiving an outstanding assessment in governance and Board of Directors (BOD) operation category evaluations every year. In an ESG evaluation organized by SUSTINVEST, we earned the highest-possible rating of “AA” for four consecutive years. We are steadily receiving excellent evaluations in relation to governance from various global evaluation organizations.

### Principles of Governance Structure

Diversity and Expertise of the BOD

Board Sub-Committee Structure

### Transparent Governance Structure

We actively disclose our governance-related standards, procedures, and outcomes to ensure transparent corporate governance. We share corporate governance-related matters with all stakeholders by publishing an annual corporate governance report, disclosing it on the company website, and then submitting it to the Korea Federation of Banks, 20 days prior to the annual general meeting (AGM). In 2022, we made improvements in the contents of our convocation notice while also providing an additional proxy supplement material, thus offering a more in-depth information on the AGM agenda.

In addition, we help our stakeholders understand operational practices concerning corporate governance by disclosing the full text of our internal corporate governance regulations in the annual corporate governance report. These include the Articles of Incorporation, BOD regulations, and the regulations of each sub-committee of the BOD. It is particularly noteworthy that we use a cumulative voting methodology in order to protect the rights of minority shareholders at AGMs, and use both an electronic voting system and a system enabling shareholders to vote in writing in order to actively guarantee shareholder voting rights. We also offer fair and timely information at AGMs by providing real-time video streaming.

[SFG's Corporate Governance Report](#)

[Convocation Notice of the 22<sup>nd</sup> AGM & Proxy Supplements](#)

## Sound Governance Structure

We have formed a BOD equipped with the independence and expertise necessary to maintain sound corporate governance. We faithfully abide by all laws, including the Commercial Act and the Act on Corporate Governance of Financial Companies, and all internal regulations, including the Articles of Incorporation, the code of corporate governance, and the regulations of the BOD. In addition, all recommendations in relation to BODs stipulated in the Act on Corporate Governance of Financial Companies and the KCGS Corporate Governance Code are reflected in the Group's corporate governance, and strictly observed.

## Stable Governance Structure

In order to ensure stable governance structure through checks and balances among our constituents, we have delegated our decision-making and operation to the Board and the management, respectively, and the management reports the status of their execution of duties to the Board. We also actively promote the Board's independent directors-centered activities by filling a majority of each subcommittee with independent directors. The Board is granted the authorities to appoint and dismiss CEO (executive director) and senior management. Independent directors have the authority to request data, advisory services, etc., while the company has the obligation to provide this information to independent directors. In particular, if an independent director has excellent abilities in handling duties, the independent director's tenure is guaranteed within the scope of observing external laws and internal rules, in consideration of the company's governance stability and continuity as well as BOD expertise.

In addition, to keep clubby boards of independent directors in check, we do not appoint an independent director who is included in the group of candidates subject to re-appointment as a member of the Independent Director and Audit Committee Member Recommendation Committee unless there are inefficiencies in the committee composition. Even if an independent director who is a part of the group of candidates subject to re-appointment unavoidably becomes a member of the Independent Director and Audit Committee Member Recommendation Committee for efficient committee composition, the independent director is fundamentally prohibited from recommending him/herself and participating in a vote on his/her own recommendation agenda item pursuant to regulations. Also, the age of the CEO & president is restricted to 70 or less to result in the full establishment of a virtuous cycle of management succession.

## Features of Governance Structure

Shinhan Financial Group originates from Shinhan Bank, which was launched in July 1982 with 341 Korean-Japanese shareholders making a 100% equity investment of paid-in capital of KRW 25.9 billion. This was the first bank in Korea to be funded exclusively with private capital. These founding shareholders provided the foundations which enabled the Bank to grow from a small financial company with only three branches at the time of its establishment to a leading financial group in Korea, and they have provided wholehearted support as shareholders of the Group since its founding. The founding shareholders have continued to help with our development, including the "Campaign for Holding Shinhan Shares" despite a sharp drop in the share price during the Asian financial crisis.

Thanks to the trust of our founding shareholders, we have continued our stable development guided by management who are not only financial experts, but who also have an in-depth understanding of the Shinhan culture from the time of our founding.

Launched in 2001 as the first private sector financial holding company in Korea, Shinhan Financial Group has built foundations for further growth by establishing a strategic alliance with BNP Paribas Group. In 2019, we attracted an investment from IMM PE, thus strengthening communication and collaboration with capital market participants and developing long-term growth engines. In addition, through a capital increase in September 2020, we attracted Affinity Equity Partners (AEP) and Baring Private Equity Asia (BPEA), global private equity funds, to preemptively respond to changes in the financial environment as well as build strategic alliances, including discovery of new growth areas through attraction of global professional investors.

# Diversity and Expertise of the Board of Directors

Shinhan Financial Group specifies the principle of diversity in the composition of the BOD in its internal code of corporate governance. Moreover, we use a “Board Skill Matrix” to confirm diversity and expertise of the Board members. They also have a wide range of expertise, which prevents the BOD from leaning too much towards a specific background or occupational group. The independent members of the BOD evenly represent the six sectors stipulated as required expertise in the Act on Corporate Governance of Financial Companies, specifically finance, business administration, economics, legal affairs, accounting, and information technology.

We also consider diverse recommendation channels and perspectives regarding the Board’s composition and the selection of independent director candidates, including from shareholders, the Independent Director and Audit Committee Member Recommendation Committee, and outside agencies. By operating a system which invites shareholders to recommend candidates as independent directors, we receive recommendations for candidates who are fully committed to independently representing shareholder value, thereby enabling shareholders to participate in management. In addition, we run the BOD from the global perspective by having the BOD consist of independent directors with two nationalities (Korea, US) and two countries where they mainly work (Korea, Japan).

Shinhan Financial Group is dedicated to increasing female representation on the Board. At the 2020 AGM, Yoon Jaewon, a female independent director with expertise in accounting, was appointed to join our Board, and in March 2022, Kim Jo Seol, a female independent director with expertise in economics, was appointed.

We also ensure that the candidate group represents diversity in experience, background, and age, while factors that could restrict diversity, such as race, ethnicity, and religion are strictly taken out of the consideration for the candidacy. This is helping us in our efforts to abide faithfully by the principle of diversity in the composition of the BOD.

## BOARD COMPOSITION

Director	Independence	Gender	Key Expertise <sup>1)</sup>	Director Since
Jin Ok Dong	Executive	M	Finance, Business Management, International Business	March 2023
Lee Yoon-jae	Independent	M	Economics, Finance, Business Management	March 2019
Kwak Su Keun	Independent	M	Accounting, Business Management	March 2021
Kim Jo Seol	Independent	F	Economics, International Business, ESG	March 2022
Bae Hoon	Independent	M	Legal, Accounting, Business Management, International Business	March 2021
Sung Jaeho	Independent	M	Legal, International Business	March 2019
Yoon Jaewon	Independent	F	Accounting, Business Management	March 2020
Lee Yong Guk	Independent	M	Legal, International Business	March 2021
Jin Hyun-duk	Independent	M	Business Management, International Business	March 2020
Choi Jae Boong	Independent	M	Technology	March 2021
Jung Sang Hyuk	Non-executive	M	Finance, Business Management	March 2023

\* As of March, 2022

Skills/Qualifications	Description
Finance	Understanding of financial market, reporting, and management strategies
Economics	Ability to interpret macro-economic trends and events
Business management	Current or past leadership roles as top or senior executives
Accounting	Accounting expertise overseeing the integrity of financial reporting
Legal	Legislative experiences gained as policy practitioners and legal professionals, or from the academia and relevant associations
Technology	Experience with or oversight of information system, fin-tech or privacy, cyber security and their related risks
International Business	Experience in diverse geographic, political and regulatory environments

# Board Sub-Committee Structure

As the company's top-level standing decision-making body, Shinhan Financial Group's BOD is vested with the authority to appoint and dismiss the CEO, and mainly consists of independent directors. As of the end of March, 2023, the BOD comprises a total of 11 members, of which nine are independent directors. Since March 2010, it has been regulated that an independent director serves as the BOD Chairperson.

There are a total of seven sub-committees of the Board – the Independent Director and Audit Committee Member Recommendation Committee, CEO Recommendation Committee, Audit Committee, Remuneration Committee, Risk Management Committee, ESG Strategy Committee, and Subsidiaries' CEO Recommendation Committee. Of these, the establishment of the Independent Director and Audit Committee Member Recommendation Committee, CEO Recommendation Committee, Audit Committee, Remuneration Committee, and Risk Management Committee has been made mandatory by such laws as the Act on Corporate Governance of Financial Companies. The BOD autonomously established the other two remaining committees to enhance BOD expertise, independence, and efficiency.

With regards to recommending candidates for executive positions, the Group operates the Independent Director and Audit Committee Member Recommendation Committee, CEO Recommendation Committee, and Subsidiaries' CEO Recommendation Committee. Enforced on August 1, 2016, the Act on Corporate Governance of Financial Companies obligates the establishment of the executive recommendation committee, which recommends candidates for executives, such as independent directors, chairman, CEO, and audit committee members. Even before the enforcement of relevant laws, we segmented the authority to recommend executives and divided it among sub-committees of the Board.

## BOARD SUB-COMMITTEE STRUCTURE

BOD Sub-Committees	Main Roles and Responsibilities
<b>CEO Recommendation Committee</b> <b>Sung Jaeho (Chair)</b> Bae Hoon, Lee Yong Guk, Lee Yoon-jae, Jin Hyun-duk, Choi Jae Boong	Recommend CEO candidates Establish and review management succession plan and its operation
<b>Risk Management Committee</b> <b>Lee Yong Guk (Chair)</b> Sung Jaeho, Choi Jae Boong	Oversee comprehensive risk management Monitor overall risk exposure and review risk policies and risk limits Review risk-based capital allocations
<b>Remuneration Committee</b> <b>Sung Jaeho (Chair)</b> Kwak Su Keun, Kim Jo Seol, Lee Yoon-jae	Review and approve the management's evaluation and compensation programs
<b>Audit Committee</b> <b>Yoon Jaewon (Chair)</b> Kwak Su Keun, Bae Hoon	Oversee financial reporting and approve the appointment of audit-related officers Review financial information, audit reports, key financial statements, and administration of the Board's financial affairs
<b>Independent Director and Audit Committee Member Recommendation Committee</b> <b>Choi Jae Boong (Chair)</b> Kim Jo Seol, Yoon Jaewon, Lee Yong Guk, Jin Hyun-duk	Recommend independent director candidates and audit committee member candidates; and manage the independent director candidate pool Establish, review, and supplement the guide fore recommending independent directors and audit committee members
<b>ESG Strategy Committee</b> <b>Kwak Su Keun (Chair)</b> Kim Jo Seol, Yoon Jaewon, Lee Yong Guk, Jin Ok Dong <sup>1)</sup>	Set direction for the Group's ESG management Establish, revise, and abolish norms and policies related to climate change, sustainable management, and socially responsible management
<b>Subsidiaries' CEO Recommendation Committee</b> <b>Jin Ok Dong<sup>1)</sup> (Chair)</b> Kwak Su Keun, Bae Hoon, Sung Jaeho, Lee Yoon-jae	Support the Board in the management succession of subsidiaries' CEOs Set the qualifications of subsidiaries' CEOs Recommend, manage, and verify the qualifications of subsidiaries' CEO candidates

\* As of end of March, 2023

\*\* Each Committee member is appointed by the Board of Directors, except for members of the Audit Committee, who are elected at the general meeting of shareholders.

<sup>1)</sup> Non-Independent Director



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# Board of Directors

→ Board of Directors

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## EXECUTIVE DIRECTOR

### Jin Ok Dong

Date of Birth February 21, 1961

Current Position President & CEO, Shinhan Financial Group

Education MBA, Chung Ang University

#### Main Work Experience

2019-2022 President & CEO, Shinhan Bank

2017-2018 Deputy President, Shinhan Financial Group

2017 Deputy President, Shinhan Bank

2015-2016 CEO, Shinhan Bank Japan

## INDEPENDENT DIRECTORS

### Lee Yoon-jae

Date of Birth November 3, 1950

Current Position Retired CEO, KorEI

Education AMP, Harvard Business School  
MBA, Stanford Graduate School of Business

#### Main Work Experience

2015-2018 Independent Director, CJ Freshway

2012-2016 Independent Director, Busan Bank

2009-2014 Independent Director, LG

2001-2010 CEO, KorEI

### Kwak Su Keun

Date of Birth August 16, 1953

Current Position Honorary Professor of Accounting,  
Seoul National University Business School

Education Ph.D. in Business Administration,  
University of North Carolina Chapel Hill

M.A in Business Administration,  
Seoul National University

B.B.A, Seoul National University

#### Main Work Experience

2018-Current Honorary Professor of Accounting,  
Seoul National University Business School

2019-Current Chair of Corporate Governance Advisory Board,  
Korea Listed Companies Association

2012-2014 Chair of Financial Supervisory Advisory Committee,  
Financial Supervisory Service

2011-2020 Independent Director, LS

2004-2012 Non-executive Member,  
Securities and Futures Commission

## Kim Jo Seol

**Date of Birth** December 5, 1957

**Current Position** Professor, Department of Economics, Osaka University of Commerce

**Education** Ph.D. in Economics, Osaka City University

**Main Work Experience**

2020-Current Professor, Department of Economics, Osaka University of Commerce

2021-Current Executive Director and Vice-chairman of the Association of North-east Asia

2017-2019 Advisory member of the Presidential Advisory Committee for the Peaceful Unification Advisory Council

## Sung Jaeho

**Date of Birth** March 18, 1960

**Current Position** Professor, Sung Kyun Kwan University School of Law

**Education** Ph.D. in Law, Sung Kyun Kwan University  
Masters in Law, Sung Kyun Kwan University  
Bachelor of Laws, Sung Kyun Kwan University

**Main Work Experience**

1994-Current Professor, Sung Kyun Kwan University School of Law

2021-Current Member, Public Fund Oversight Committee, Financial Services Commission

2018-2019 Independent Director, NICE Holdings

2015-2019 Independent Director, Shinhan Card

2015 Chairman, Korea Council of International Law

## Lee Yong Guk

**Date of Birth** May 11, 1964

**Current Position** Clinical Professor, Seoul National University, School of Law

**Education** J.D., Harvard University Law School  
B.A. Princeton University, Woodrow Wilson School of Public and International Affairs

**Main Work Experience**

2020-Current Clinical Professor, Seoul National University School of Law

1992-2019 Attorney, Cleary Gottlieb Steen & Hamilton LLP.

2014-2019 Director, Foreign Law Firm Association

## Bae Hoon

**Date of Birth** March 30, 1953

**Current Position** Representative Attorney, Orbis Legal Profession Corporation

**Education** MBA, Kobe University Graduate School  
B.A in Economics, Kyoto University

**Main Work Experience**

2003-Current Representative Attorney, Orbis Legal Profession Corporation

2006-2012 Director, LAZAK (Lawyers Association of Zainichi Korea)

2002-2006 Co-representative Attorney, LAZAK (Lawyers Association of Zainichi Korea)

## Yoon Jaewon

**Date of Birth** August 29, 1970

**Current Position** Professor, College of Business Administration, Hongik University

**Education** Ph.D. in Accounting, Korea University

**Main Work Experience**

2004-Current Professor, College of Business Administration, Hongik University

2017-Current Member, Committee on Tax System Development, Ministry of Economy and Finance

2017-Current Vice President, Korean Academic Society of Taxation

2013-2019 Non-executive Judge, Tax Tribunal

## Jin Hyun-duk

**Date of Birth** September 10, 1955

**Current Position** CEO, PHOEDRA Co., Ltd.

**Education** MBA, Keio Business School

**Main Work Experience**

1988-Current CEO, PHOEDRA Co., Ltd.

Current Councilor, The Korea Educational Foundation

2014-Current Visiting Professor, Business administration, Sakushin-gakuin University, Japan

2014-Current Visiting Professor, Engineering, Utsunomiya University, Graduate School, Japan

## Choi Jae Boong

**Date of Birth** February 18, 1965

**Current Position** Professor, Sung Kyun Kwan University, College of Engineering

**Education** Ph.D. in Mechanical Engineering, University of Waterloo  
M.A. in Mechanical Engineering, University of Waterloo  
B.A. in Mechanical Engineering, Sung Kyun Kwan University

**Main Work Experience**

2009-Current Professor, Sung Kyun Kwan University, College of Engineering

2023-Current Vice President, Natural Sciences Campus, Sungkyunkwan University  
& Dean, University-Industry Cooperation Foundation  
& Provost, Cooperative Center for Research Facilities

2019-2021 Director, Sung Kyun Kwan University, Human-centered Convergence Design Project (BK21+)

2018-2019 Policy Advisor, Innovative Growth Committee, Ministry of Strategy and Finance

2014-2021 Independent Director, E-mart

## NON-EXECUTIVE DIRECTOR

## Jung Sang Hyuk

**Date of Birth** November 26, 1964

**Current Position** President & CEO, Shinhan Bank

**Education** B.A. in International Economics, Seoul National University

**Main Work Experience**

2018-2022 President & CEO, Shinhan Bank

2021-2023 Executive Vice President, Management Planning Group and Capital Market & Trading Group, Shinhan Bank

2020 Managing Director, Management Planning Group, Shinhan Bank

2019 Chief Secretary, Shinhan Bank

## DEPUTY PRESIDENTS AND EXECUTIVE DIRECTORS

### Jang Dong-ki

**Date of Birth** January 2, 1964  
**Current Position** Deputy President & Chief Business Development Officer (CBDO), Shinhan Financial Group  
**Education** B.A. in Economics, Seoul National University  
**Main Work Experience**  
2023- Current Deputy President & CBDO, Shinhan Financial Group  
2019-2022 Deputy President & Head of GMS, Shinhan Financial Group  
2018-2019: Deputy President & CFO, Shinhan Financial Group

### Lee Een-Kyoon

**Date of Birth** April 1, 1967  
**Current Position** Deputy President & Chief Operation Officer (COO) & Chief Group Synergy Officer (CGSO), Shinhan Financial Group  
**Education** B.A. in English Literature, Hanyang University  
**Main Work Experience**  
2019- Current Deputy President & COO & CGSO, Shinhan Financial Group  
2017-2019 Head of Management Support Team, Shinhan Financial Group

### Kim Soung Jo

**Date of Birth** January 18, 1967  
**Current Position** Deputy President & Chief Audit Officer (CAO), Shinhan Financial Group  
**Education** B.A. in Economics, Seoul National University  
**Main Work Experience**  
2021-Current Deputy President & CAO, Shinhan Financial Group  
2018-2020 Head of Audit Team, Shinhan Financial Group

### Wang Ho-min

**Date of Birth** March 4, 1964  
**Current Position** Deputy President & Chief Compliance Officer (CCO), Shinhan Financial Group  
**Education** B.A. in Law, Hankuk University of Foreign Studies  
**Main Work Experience**  
2019- Current Deputy President & CCO, Shinhan Financial Group  
2017-2019 General Manager of Jamsil-nam Branch, Shinhan Bank

### Ahn Jun Sik

**Date of Birth** May 1, 1965  
**Current Position** Deputy President & Chief Public Relation Officer (CPRO), Shinhan Financial Group  
**Education** B.A. in Economics, Pusan National University  
**Main Work Experience**  
2021-Current Deputy President & CPRO, Shinhan Financial Group  
2019-2020 Head of Seocho Division, Shinhan Bank

### Bang Dong Kwon

**Date of Birth** February 10, 1966  
**Current Position** Deputy President & Chief Risk Officer (CRO), Shinhan Financial Group  
**Education** B.A. in Statistics, Korea University  
**Main Work Experience**  
2020-Current Deputy President & CRO, Shinhan Financial Group  
2019-2020 General Manager, Risk Management Department, Shinhan Bank



## Lee Taekyung

**Date of Birth** May 30, 1966  
**Current Position** Deputy President & Chief Financial Officer (CFO), Shinhan Financial Group  
**Education** Bachelor of Economics, Seoul National University  
**Main Work Experience**  
 2022-Current Deputy President & CFO, Shinhan Financial Group  
 2021-2022 CEO, Shinhan Bank Vietnam  
 2019-2021 CEO, Shinhan Bank Cambodia

## Koh Seogheon

**Date of Birth** September 27, 1968  
**Current Position** Deputy President & Chief Strategy and Sustainability Officer (CSSO), Shinhan Financial Group  
**Education** Bachelor of Economics, Seoul National University  
**Main Work Experience**  
 2022-Current Deputy President & CSSO, Shinhan Financial Group  
 2020-2021 Head of Business Management Division, Shinhan Financial Group  
 2019-2020 Head of Strategic Planning Team, Shinhan Financial Group

## Lee Keon Hyok

**Date of Birth** July 17, 1963  
**Current Position** Head of Future Strategy Research Institute, Shinhan Financial Group  
**Education** M.A. and Ph. D. in Economics, London School of Economics (LSE)  
**Main Work Experience**  
 2020-Current Head of Future Strategy Research Institute, Shinhan Financial Group  
 2018-2019 Senior Advisor, Kim & Chang Law Firm  
 2016-2018 Vice President, Samsung Economic Research Institute

## Kim Myoung Hee

**Date of Birth** January 16, 1968  
**Current Position** Deputy President and Chief Digital Officer (CDO), Shinhan Financial Group  
**Education** Ph. D. in Knowledge Consulting, Dankook University  
 Masters in Management Information System (MIS), Sogang University  
 Bachelor of Management Science, KAIST School of Computing  
**Main Work Experience**  
 2022-Current Deputy President and CDO, Shinhan Financial Group  
 2020-2021 CEO, Hancor MDS Inc.  
 2013-2017 Head of Solutions consulting and IoT Solutions Division, SK Telecom  
 2010-2013 Executive Director and Head of Service Management & Infra Technology Services, IBM Korea Inc.

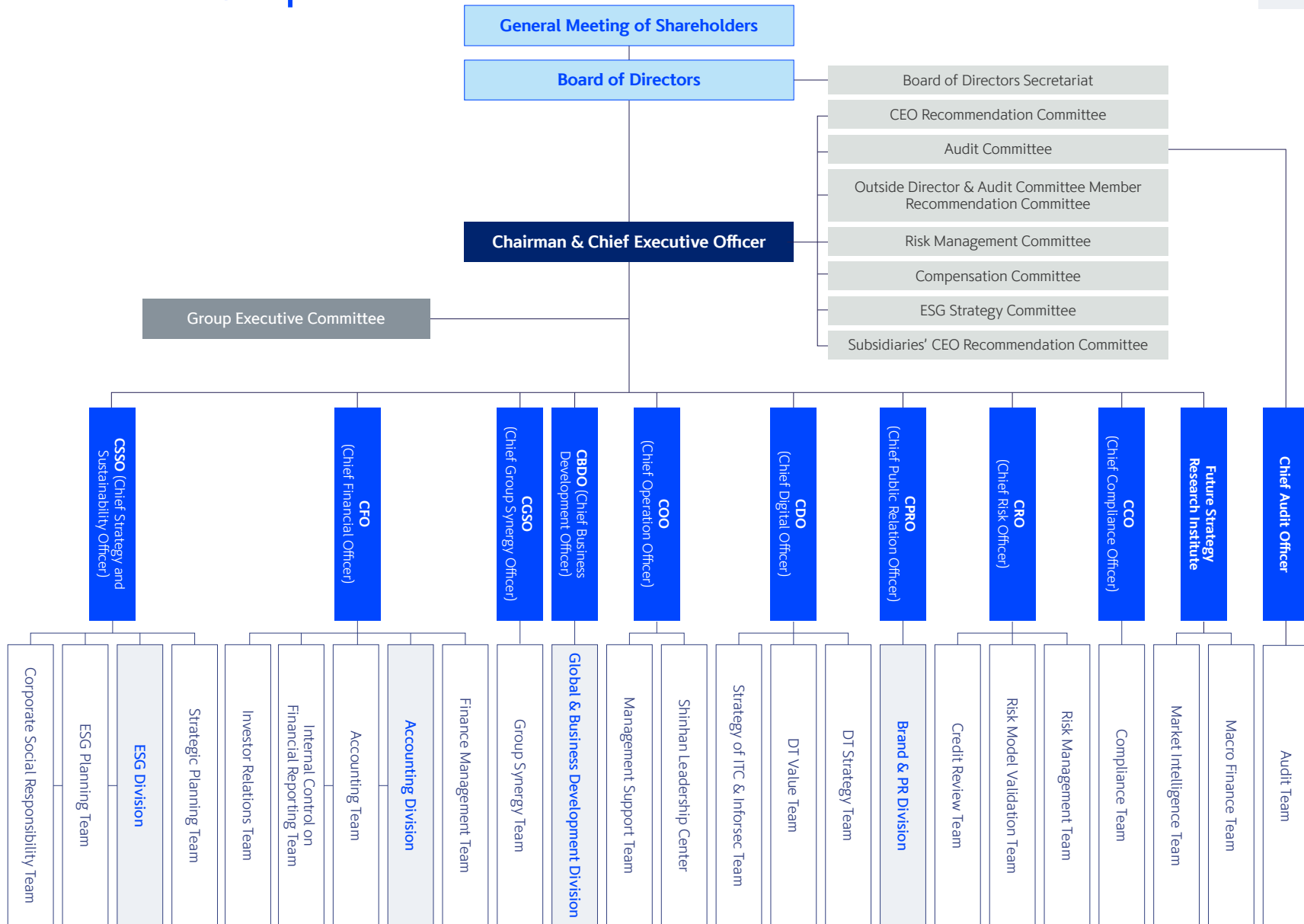
## Kim Tae Youn

**Date of Birth** July 7, 1968  
**Current Position** Executive Director & Head of Global & Business Development Division, Shinhan Financial Group  
**Education** B.A. in Economics, Yonsei University  
**Main Work Experience**  
 2023-Current Executive Director & Head of Global & Business Development Division, Shinhan Financial Group  
 2022 Executive Director & Head of Accounting Division, Shinhan Financial Group  
 2017-2021 Managing Director, head of Finance Management Team, Shinhan Financial Group  
 2009-2017 Deputy General Manager of Finance Management Team, Shinhan Financial Group

# Organization



- Board of Directors
- Management
- Organization
- Business Portfolio
- Global Network

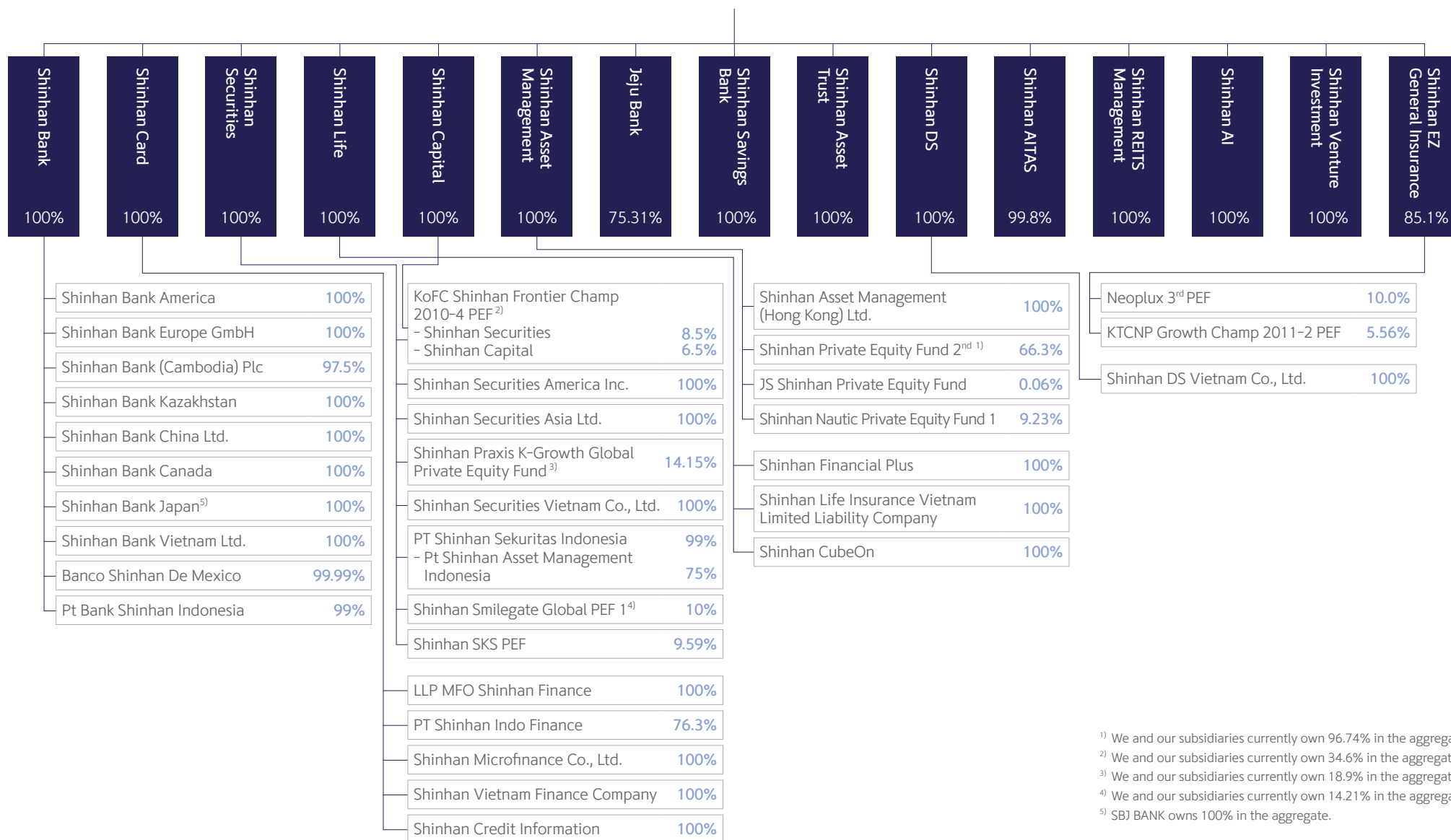


\* As of March 31<sup>st</sup>, 2023

# Business Portfolio

- Board of Directors
- Management
- Organization
- 👉 Business Portfolio
- Global Network

## Shinhan Financial Group



<sup>1)</sup> We and our subsidiaries currently own 96.74% in the aggregate.  
<sup>2)</sup> We and our subsidiaries currently own 34.6% in the aggregate.  
<sup>3)</sup> We and our subsidiaries currently own 18.9% in the aggregate.  
<sup>4)</sup> We and our subsidiaries currently own 14.21% in the aggregate.  
<sup>5)</sup> SBJ BANK owns 100% in the aggregate.

\* As of December 31<sup>st</sup>, 2022

## SHINHAN BANK

Country	Name	Telephone	Address
Japan	<a href="#">Shinhan Bank Japan</a>	+81-3-6403-0505	The Mita Bellju Building 5F, 108-0014 5-36-7 Shiba, Minato-ku, Tokyo, Japan
China	<a href="#">Shinhan Bank (China)</a>	+86-10-8529-0088	12th Fl. Zhongyu Plaza No.6, Workers' Stadium Road N., Chaoyang District, Beijing 100027, China
Vietnam	<a href="#">Shinhan Bank Vietnam</a>	+84-8-3829-1581	Ground Floor, Mezzanine, 2nd & 3rd floor, Empress Tower, 138 – 142 Hai Ba Trung, Dakao Ward, District 1, Ho Chi Minh City, Vietnam
USA	<a href="#">Shinhan Bank America</a>	+1-646-843-7300	475 Park Ave South 4th(5th) FL New York, NY 10016
Indonesia	<a href="#">PT Bank Shinhan Indonesia</a>	+62-21-2975-1500	International Financial Centre Tower 2, Ground floor, Mezzanine, 30th and 31st floor, Jl. Jenderal Sudirman Kav.22-23 South Jakarta, Indonesia
Germany	<a href="#">Shinhan Bank Europe GmbH</a>	+49-69-975-7130	An der Welle 7, 60322 Frankfurt am Main, Germany
Canada	<a href="#">Shinhan Bank Canada</a>	+1-416-250-3500	5140 Yonge Street Suite 2300 Toronto, Ontario, M2N6L7, Canada
Cambodia	<a href="#">Shinhan Bank (Cambodia) Plc</a>	+855-23-971-100	No.79 Kampuchea Krom, Sangkat Mororom, Khan 7 Makara, Phnom Penh, Cambodia
Kazakhstan	<a href="#">Shinhan Bank Kazakhstan</a>	+7-727-356-9620	38 Dostyk Ave. Almaty, 050010, Kazakhstan
Mexico	<a href="#">Banco Shinhan de Mexico</a>	+52-55-5525-7787	Av. Paseo de la Reforma 250, Reforma Capital Torre B, Piso17, Cuauhtemoc, Col. Juarez, 06600, Mexico City
Hong Kong	<a href="#">Hong Kong Branch</a>	+852-2867-0100	Unit 7703, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
USA	<a href="#">New York Branch</a>	+1-212-371-8000	600 3rd Ave. 17th Floor, New York, NY10016, USA (Plan to move to a new location in June 2023 – 750 Seventh Ave. New York, NY10016, USA)
UK	<a href="#">London Branch</a>	+44-207-600-0606	6th Floor, 77 Gracechurch Street, London, EC3V 0AS. UK
Singapore	<a href="#">Singapore Branch</a>	+65-6536-1144	1 George St. #15-03, Singapore 049145
India	<a href="#">Mumbai Branch</a>	+91-22-6199-2000	Unit no 1, Peninsula Tower 1, Peninsula Corporate Park, G K Marg, Lower Parel, Mumbai, 400013, India
India	<a href="#">New Delhi Branch</a>	+91-11-4500-4800	2nd&3rd Floor, D-5, South Extension, Part-2, New Delhi, India
India	<a href="#">Poonamallee Branch</a>	+91-44-6714-4400	No.84/1C2B1, Bangalore Highway Road, Madavilakam Village, Nazarathpettai, Poonamallee Taluk, Thiruvallur District-600123, Tamil Nadu State, India
India	<a href="#">Pune Branch</a>	+91-20-3086-4800	Ground Floor, Red Building. Plot No.2, Galaxy Society, Boat Club Road, Pune, Maharashtra, India 411001
India	<a href="#">Ahmedabad Branch</a>	+91-79-7117-0400	FF2&FF3, 1st Floor, Shapath V Building, Opp. Karnavati Club, S.G.Highway, Ahmedabad, Gujarat, India 380015
India	<a href="#">Ranga Reddy Branch</a>	+91-40-6635-2000	SLN Terminus, 1st Floor, Survey No 133, Gachibowli, Serilingampally, Mandal, Ranga Reddy District, Telangana State, India 500032
Myanmar	<a href="#">Yangon Branch</a>	+95-1-9345-170	No.192, 10th Floor, Myanmar Centre Tower 1, Kabaraye Pagoda Road, Bahan Township, Yangon, Myanmar
Australia	<a href="#">Sydney Branch</a>	+61-2-9224-7901	Level 25, 52 Martin Place, Sydney, NSW 2000, Australia
Philippines	<a href="#">Manila Branch</a>	+63-2-405-6300	21st Floor, RCBC Savings Bank Corporate Center (RSBCC), 26th & 25th Street, Bonifacio South, Bonifacio Global City, Taguig City, Manila, Philippines
UAE	<a href="#">Dubai Branch</a>	+971-4-551-2820	S1204, Emirates Financial Tower, DIFC, P.O. Box 507001, Dubai, UAE
Uzbekistan	<a href="#">Shinhan Bank Uzbekistan Representative Office</a>	+998-71-150-1184	Neworld Bldg. 3rd Fl., Oybek St. 22 Tashkent, Uzbekistan 100015
Hungary	<a href="#">Shinhan Bank Hungary Representative Office</a>	+36-30-500-5860	2nd floor, Science Park B building, Budapest Irinyi Jozsef utca 4-20, 1117, Hungary

## SHINHAN CARD

Country	Name	Telephone	Address
Indonesia	<a href="#">PT Shinhan Indo Finance</a>	+62-21-857-9095	Wisma Indomobil 1, 10th Floor, Jl. Letjen M.T. Haryono Kav. 8, Jakarta 13330, Indonesia
Kazakhstan	<a href="#">LLP MFO Shinhan Finance</a>	+7-727-355-2550	2nd Floor, 48 Auezov street, Almaty, Kazakhstan
Myanmar	<a href="#">Shinhan Microfinance Co., Ltd.</a>	+95-94-5296-7837	No.206, Thiri Mingalar Street, East Ywama, Insein Township, Yangon, Myanmar
Vietnam	<a href="#">Shinhan Vietnam Finance Limited (SVFC)</a>	+84-1900-5454-49	Units 2301-06 & 2311 23F, Saigon Trade Center, No. 37 Ton Duc Thang Street, Ben Nghe, District 1, Ho Chi Minh City, Vietnam
Myanmar	<a href="#">Shinhancard Co., LTD (Representative Office)</a>	+95-9251890332	Level 3, Business Suite 03-08, No.1, Kaba Aye Pagoda Road Ward, Yankin Township, Yangon, Myanmar

## SHINHAN SECURITIES

Country	Name	Telephone	Address
Indonesia	<a href="#">PT. Shinhan Sekuritas Indonesia</a>	+62-21-8086-9900	Equity Tower, 50th Floor, Jl. Jend. Sudirman No. Kav. 52-53, South Jakarta 12190, Indonesia
Hong Kong	<a href="#">Shinhan Securities Asia Ltd.</a>	+852-3713-5301	Units 7705A, Level 77 International Commerce Center (ICC), 1 Austin Road West, Kowloon, Hong Kong
Vietnam	<a href="#">Shinhan Securities Vietnam Co., Ltd.</a>	+84-28-6299-8000	22nd floor, Centec Tower, 72-74 Nguyen Thi Minh Khai, Phuong 6, District 3, Ho Chi Minh City, Vietnam
USA	<a href="#">Shinhan Securities America Inc.</a>	+1-212-397-4000	1325 Avenue of the Americas #2002A, New York, NY 10019, USA
USA	<a href="#">Shinhan Securities Silicon Valley</a>		480 S. California Avenue, Suite 304, Palo Alto, CA 94306, USA
China	<a href="#">Shinhan Investment Shanghai Representative Office</a>	+86-21-2050-3052	#3222, 32/F, One Lujiazui, 68 Yin Cheng Road, Pudong, Shanghai, China
Indonesia	<a href="#">Shinhan Asset Management Indonesia</a>	+62-21-3952-5500	Equity Tower, 50th Floor, Jl. Jend. Sudirman No. Kav. 52-53, South Jakarta 12190, Indonesia

## SHINHAN LIFE

Country	Name	Telephone	Address
Vietnam	<a href="#">Shinhan Life Insurance Vietnam Limited Liability Company (SHLV)</a>	+84-28-7300-9920	20th Floor, Friendship Tower, 31 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
UK	<a href="#">Shinhan Life Insurance London Office</a>	+44-7494-712945	Level 30, The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AB, UK

## SHINHAN ASSET MANAGEMENT

Country	Name	Telephone	Address
Hong Kong	<a href="#">Shinhan Asset Management (HK) Ltd.</a>	+852-2525-9110	Unit 7702B, Level 77, International Commerce Centre, 1 Austin Road West Kowloon, Hong Kong

## SHINHAN DS

Country	Name	Telephone	Address
Vietnam	<a href="#">Shinhan DS Vietnam Company Limited</a>	+84-28-3823-7255	Room 201, 2nd Floor, Center Tower, 72-74 Nguyen Thi Minh Khai, Ward 6, District 3, Ho Chi Minh City, Vietnam
Indonesia	<a href="#">Shinhan DS Indonesia Office</a>	+62-813-1532-3465	Gedung Equity Tower Lantai 8 Unit B Sudirman Central Business District (SCBD) lot 9, Jalan Jenderal Sudirman Kav. 52-53 Kelurahan Senayan, kecamatan Kebayoran Baru, Jakarta Selatan 12190, Indonesia



