

Finance, Move Together



About This Report

Overview of the ESG Fact Book

The 2024 Shinhan Bank ESG Fact Book has been prepared to provide stakeholders with a clear yet comprehensive summary of Shinhan Bank's ESG management performance. This report serves as a supplement to the 2024 ESG Highlight Report, focusing primarily on the bank's ESG management status and key quantitative data for the reporting year.

Reporting Period

The 2024 Shinhan Bank ESG Fact Book covers the reporting period from January 1, 2024, to December 31, 2024. To highlight trends over time, quantitative performance data is presented for a three-year period from 2022 to 2024.

Reporting Scope

This report encompasses Shinhan Bank's headquarters as well as all domestic and international business operations. In cases where there are limitations in collecting quantitative data, the scope of reporting for the affected information is specified separately in the footnotes.

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Finance, Move Together

Shinhan Bank is dedicated to building a brighter future for people and society through finance.

Overview

Shinhan Bank ESG Strategy



Shinhan Bank ESG Governance



Overview

Materiality Assessment Process



STEP 1. Issue Selection	STEP 2. Issue Identification	STEP 3. Issue Evaluation	STEP 4. Prioritization and Selection of Material Issues
<ul style="list-style-type: none"> Identify sustainability topics relevant to Shinhan Bank Select topics using references such as GRI, EU CSRD Sustainability Reporting Standards (ESRS), internal ESG materials, and ESG rating agency criteria <ul style="list-style-type: none"> ESG rating agency indicators: MSCI, Korea Institute of Corporate Governance and Sustainability, SUSBA, PRB, Sustaininvest, etc Identify a total of 17 relevant topics 	<ul style="list-style-type: none"> Analyze the environmental and social impact of the bank’s activities associated with each of the 17 identified topics, along with their financial implications from the bank’s perspective 	<ul style="list-style-type: none"> Engage internal and external stakeholders with relevant expertise to assess the significance of the identified topics Conduct a quantitative evaluation based on EU ESRS guidelines, measuring both social/ environmental and financial impacts <ul style="list-style-type: none"> Social/Environmental impact: Scale, scope, irreversibility, and likelihood of occurrence Financial impact: Qualitative significance, quantitative magnitude, and likelihood of occurrence 	<ul style="list-style-type: none"> Shinhan Bank conducted a quantitative and qualitative analysis of survey data to determine six key material issues: “Digital Financial Innovation,” “Win-Win Finance,” “Green Finance,” “Employee Expertise and Work-Life Balance,” “Ethical and Compliance Management,” and “Financial Consumer Protection and Information Security” To determine the priority of each topic based on its impact, risks, and opportunities, a threshold score is set <ul style="list-style-type: none"> The threshold is defined as 15% above the average evaluation score for each topic The identified material issues are reviewed by executives and ultimately reported to the ESG Committee under the Board of Directors



Overview

Materiality Assessment Results

Key Material Issues	Environmental/Social Impact			Financial Impact		
	Definition of Impact	Characteristic	Degree of Impact	Definition of Impact	Characteristic	Degree of Impact
Digital Financial Innovation	<ul style="list-style-type: none"> Enhancing financial accessibility for underserved communities Reducing resource consumption and carbon emissions associated with physical branch operations 	Positive impact Actual impact	●●○	<ul style="list-style-type: none"> Improving operational efficiency through digital system adoption and strengthening global market competitiveness 	Opportunity factor	●●○
	<ul style="list-style-type: none"> Potential financial exclusion of elderly and digitally vulnerable groups Risks related to data privacy and cybersecurity 	Negative impact Potential impact	●●○			
Win-Win Finance	<ul style="list-style-type: none"> Supporting economic stability and sustainable local development by providing inclusive financial services for small businesses, micro-entrepreneurs, and financially underserved groups 	Positive impact Actual impact	●●○	<ul style="list-style-type: none"> Opportunity to enhance trust through a virtuous cycle of shared growth with customers and society Strengthening the financial ecosystem by fostering collaboration with small businesses and micro-entrepreneurs Reinforcing social responsibility and strengthening the foundation for sustainable management 	Opportunity factor	●●○
Green Finance	<ul style="list-style-type: none"> Providing financial support for eco-friendly projects and businesses to expand renewable energy, facilitate the transition to a sustainable economy, and contribute to the development of a green industry ecosystem 	Positive impact Potential impact	●●○	<ul style="list-style-type: none"> Expanding sustainable investment opportunities by financing and investing in green companies and projects, fostering long-term growth and financial stability 	Opportunity factor	●○○
Employee Expertise and Work-Life Balance	<ul style="list-style-type: none"> Enhancing employee job satisfaction, productivity, and customer service quality through structured skill development programs and comprehensive welfare policies Strengthening organizational expertise and inclusivity to support long-term human capital growth 	Positive impact Potential impact	●●○	<ul style="list-style-type: none"> Improving the quality of financial services through employee skill development, leading to higher customer trust, satisfaction, and brand value Enhancing operational efficiency and workforce retention by improving job satisfaction and productivity 	Opportunity factor	●●○
Ethical and Compliance Management	<ul style="list-style-type: none"> Strengthening financial consumer protection and promoting a fair business environment among stakeholders by reinforcing anti-corruption policies and internal control systems while ensuring compliance with fair trade principles Establishing a corporate culture centered on social responsibility to ensure long-term sustainability 	Positive impact Potential impact	●●●	<ul style="list-style-type: none"> Minimizing financial risks while securing the bank's long-term competitiveness and financial stability Preventing financial losses associated with fines, legal disputes, and regulatory violations 	Opportunity factor	●●○
Financial Consumer Protection and Information Security	<ul style="list-style-type: none"> Ensuring the security of financial consumer data and providing reliable financial services Safeguarding customers against cyberattacks, data breaches, and privacy violations while strengthening trust through secure financial transactions 	Positive impact Potential impact	●●●	<ul style="list-style-type: none"> Mitigating legal risks through regulatory compliance, fostering long-term customer loyalty, and attracting new clients Preventing potential financial losses in the event of financial incidents 	Opportunity factor / Risk factor	●●○

Overview

Material Issue Management

2024 Material Issues	UN SDGs	Implementation Framework (Governance)	Implementation Strategy (Strategy)	Risk Management (Policies)	Activities (Key Achievements)
Digital Financial Innovation		<ul style="list-style-type: none"> Collaboration between the Digital Solutions Group and Tech Group to develop digital financial strategies and oversee the adoption of innovative technologies - Digital Innovation Unit: Focused on advancing AI-powered and data-driven financial services Assessing the feasibility of technology and the appropriateness of budget allocation through the ICT Working Council Establishing a bank-wide digital transformation strategy, selecting key initiatives, monitoring implementation, and fostering close collaboration among relevant departments through the Digital Transformation Operations/Strategy Committee 	<ul style="list-style-type: none"> Enhancing platform-based business operations (Hey Young) Expanding B2B/B2C Banking-as-a-Service (BaaS) operations Accelerating internal and external AX (Advanced Experience) initiatives Diversifying digital channels (Home Bank) Leveraging digital financial expertise to explore and develop new global business opportunities 	<ul style="list-style-type: none"> Reviewing AI ethics guidelines and conducting audits on training data Enhancing education programs for digitally marginalized groups while strengthening alternative service channels Incorporating financial consumer protection measures into platform expansion and new business development Addressing global compliance issues when exploring and developing new overseas business ventures 	<ul style="list-style-type: none"> Secured official approval from the Financial Supervisory Service (FSS) for ancillary services on the Hey Young platform Finalized multiple contracts and successfully launched services for B2B/B2C BaaS business initiatives Launched AI Branch (for customers) and AI Studio (for employees) Advanced the Home Bank platform Received FSS approval for global digital consulting services for foreign financial institutions and initiated consulting activities
Win-Win Finance		<ul style="list-style-type: none"> The Win-Win Finance Department and Customer Solutions Group provide financial assistance to vulnerable groups and small businesses, manage financial support programs, and coordinate loan policies Policy review and resolution through the ESG Committee 	<ul style="list-style-type: none"> Participating in win-win financial initiatives, such as microfinance support programs Supporting vulnerable communities and contributing to social issue resolution 	<ul style="list-style-type: none"> Engaging with customers and external organizations to promote win-win finance initiatives Monitoring financial support policies related to win-win finance 	<ul style="list-style-type: none"> Contributed KRW 306.7 billion to microfinance support programs - Interest cashback for small business owners and support for win-win financial products Recognized for outstanding practices in inclusive and win-win finance
Green Finance		<ul style="list-style-type: none"> The ESG Planning Office is responsible for designing and developing eco-friendly financial products Facilitating the development and investment of green finance products through the Treasury Department, Asset Management Solutions Group, and GIB Group Policy review and resolution through the ESG Committee 	<ul style="list-style-type: none"> Establishing green finance policies and expanding green finance initiatives based on K-Taxonomy Strengthening financial support for SMEs transitioning to low-carbon business models Expanding the sustainable investment market to foster green growth 	<ul style="list-style-type: none"> Assessing the eligibility of green loans in accordance with K-Taxonomy standards Monitoring environmental and social risks in large-scale development projects following the Equator Principles Implementing Shinhan Bank's environmental and social risk management best practices 	<ul style="list-style-type: none"> Surpassed KRW 5 trillion green loans Implemented a green taxonomy evaluation process Participated in the Net Zero Challenge X Project
Employee Expertise and Work-Life Balance		<ul style="list-style-type: none"> The HR Department oversees talent acquisition and development programs, improves workplace environments and employee benefits, develops work-life balance policies, and fosters organizational culture innovation 	<ul style="list-style-type: none"> Managing future talent development programs Implementing current job skill enhancement programs Executing wellness programs Facilitating employee engagement programs 	<ul style="list-style-type: none"> Conducting regular assessments through the Shinhan Guardian Program and Counseling Center 	<ul style="list-style-type: none"> 1,000 employees participated in professional development programs 200 employees enrolled in future talent development programs 10 employees obtained professional certifications Conducted five wellness programs
Ethical and Compliance Management		<ul style="list-style-type: none"> The Compliance Officer (Compliance Management, Anti-Money Laundering, and Compliance Departments) spearheads ethical management and internal control policies, ensuring adherence to financial regulations and overseeing fraud prevention and anti-money laundering measures Conducting internal audits through the Audit Department to prevent financial misconduct. 	<ul style="list-style-type: none"> Embedding internal control systems based on the Responsibilities Map framework Raising awareness of ethical and compliance culture Enhancing monitoring and operational systems by integrating Digital/AI technologies 	<ul style="list-style-type: none"> Establishing operational manuals and inspection guidelines to develop a reporting and assessment system for the Responsibilities Map Implementing monthly Compliance Letters and self-assessment programs for ethical and regulatory compliance Conducting themed and special inspections at headquarters and branch offices to ensure adherence to internal controls, along with ongoing and on-site monitoring Establishing and enhancing a timely support process for internalizing external regulatory amendments into internal policies 	<ul style="list-style-type: none"> Introduced the financial industry's first Responsibilities Map and established an operational system Strengthened internal controls through the application of AI and other digital technologies Expanded the ethical compliance culture by hosting the quarterly "All Integrity Day" to reinforce ethical awareness
Financial Consumer Protection and Information Security		<ul style="list-style-type: none"> Developing and managing governance frameworks to ensure compliance with information security regulations and strengthen internal and external data protection measures Overseeing governance structures and committees dedicated to information security and personal data protection, including the Information Security Committee and Fraud Detection System (FDS) Operations Council Implementing policies and protective mechanisms within the Consumer Protection Department to safeguard financial consumers 	<ul style="list-style-type: none"> Ensuring close supervision throughout the entire financial product sales process Improving financial accessibility and strengthening fraud prevention capabilities Reinforcing financial consumer protection and internal control measures Advancing compliance management for information security regulations Transitioning to a self-regulated security framework 	<ul style="list-style-type: none"> Expanding the responsibilities and operations of the Consumer Protection Officer (CPO) Establishing a dedicated review cell and advisory council for non-deposit financial products Expanding the <Shinhan HakYje Financial Education Center> in Suwon Operating the "Protect" platform to prevent voice phishing scams Securing ISMS-P and ISO27001 external security certifications Enhancing risk management by addressing information security vulnerabilities and reinforcing internal control security inspections, achieving top-tier performance 	<ul style="list-style-type: none"> Conducted a comprehensive review of all recorded calls related to the full-sale of investment products Provided senior financial education to over 5,000 participants through the <Shinhan HakYje> program Recognized as an outstanding institution for voice phishing prevention by the Ministry of Science and ICT Maintained an "S" grade for four consecutive years in the Financial Services Commission's ongoing evaluation system Selected as a best practice case in the "Unannounced Bank Sector Cybersecurity Incident Response Drill" conducted by the Financial Supervisory Service and presented at a National Security Office-led meeting

Overview

Engagement in ESG Initiatives

ESG Initiatives	Date	Initiative Overview
Carbon Disclosure Project (CDP)	Joined in March 2007 (Inducted into the Hall of Fame in 2018)	A global climate action initiative that requires major corporations worldwide to disclose information on their climate change strategies and greenhouse gas emissions. This data is then used to assess corporate sustainability.
United Nations Environment Programme Finance Initiative (UNEP FI)	Joined in January 2008	A public-private partnership between the United Nations Environment Programme (UNEP) and the financial sector, aimed at promoting sustainability-driven business practices in financial institutions.
UN Global Compact	Joined in May 2008	The world's largest voluntary corporate citizenship initiative, encouraging businesses to integrate and uphold ten principles related to human rights, labor, environment, and anti-corruption while providing practical solutions for sustainable management.
Task Force on Climate-related Financial Disclosures (TCFD)	Joined in September 2018	A task force dedicated to promoting the disclosure of financial information related to climate change.
UNEP FI Principles for Responsible Banking (UNEP FI PRB)	Joined in September 2019	An international framework under the United Nations Environment Programme Finance Initiative (UNEP FI) that defines the banking sector's responsibilities in supporting the Paris Agreement and the United Nations Sustainable Development Goals (UN SDGs).
Equator Principles	Joined in September 2020	A financial industry initiative that sets voluntary guidelines for project financing (PF), ensuring that large-scale development projects do not contribute to environmental degradation or human rights violations.
Partnership for Carbon Accounting Financials (PCAF)	Joined in November 2020	A global initiative that focuses on assessing and disclosing greenhouse gas emissions associated with financial institutions' investment and lending activities to align with the Paris Agreement goals.
Science-Based Targets Initiative (SBTi)	Joined in November 2020	An initiative that sets and monitors carbon reduction target standards for corporations and financial institutions to help achieve the goals of the Paris Agreement.
Net-Zero Banking Alliance (NZBA)	Joined in April 2021	A global banking alliance committed to achieving net zero emissions across loan, investment, and asset portfolios by 2050.
Net-Zero Asset Managers Initiative (NZAMI)	Joined in July 2021	A net zero movement that sets phased targets and implements gradual actions to achieve net zero emissions in managed assets by 2050.
Taskforce on Nature-related Financial Disclosures (TNFD)	Joined in March 2022	A global coalition established to protect nature and biodiversity by reducing corporate impacts on ecosystems.
Partnership for Biodiversity Accounting Financials (PBAF)	Joined in September 2022	A global partnership that provides standards for financial institutions to measure and disclose the impact of their lending and investment activities on nature and biodiversity.

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Sustainable Finance Framework

Sustainable Finance Framework

Shinhan Bank has established a sustainable finance framework to support the achievement of the United Nations Sustainable Development Goals (UN SDGs) and promote green, social, and sustainable finance.

Leveraging this framework, the bank has introduced sustainable finance policies tailored to different business sectors and offers financial products and services that adhere to its principles.

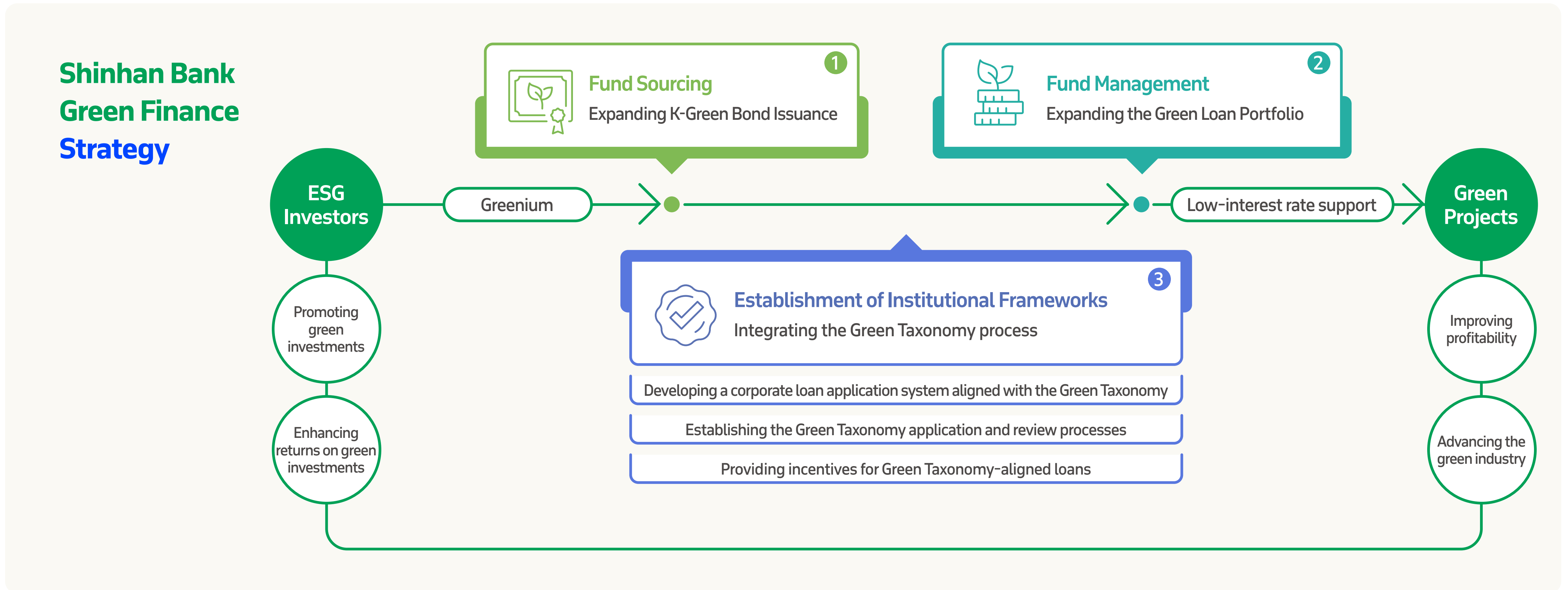
Categories	Green Financing						Social Financing					
Sectors	Renewable Energy	Energy Efficiency		Green Transportation	Preventing and Managing Environmental Pollution	Green Buildings	Healthcare, Microfinance, SME (Small and Medium-sized Enterprise) Financing, and Financial Support for Socially Vulnerable Groups			Affordable Housing Finance		
UN SDGs	 SDG 7.2	 SDG 7.3	 SDG 9.4	 SDG 11.1	 SDG 12.4	 SDG 7.3	 SDG 11.1	 SDG 1.2 SDG 1.4	 SDG 3.1	 SDG 8.3	 SDG 10.2	 SDG 1.4

Sustainable Finance Policies	Project Financing (PF) Policies	Sustainable Investment Policies	Sustainable Stewardship Policies
<ul style="list-style-type: none"> Guidelines for integrating ESG factors into credit and lending businesses Specific definitions of ESG factors under consideration Incorporation of ESG elements into the Know Your Customer (KYC) process Communication regarding clients' sustainability-related risks and opportunities 	<ul style="list-style-type: none"> Adoption of the Equator Principles and integration of ESG aspects in project funding Monitoring the implementation of the Equator Principles and conducting internal and external verifications 	<ul style="list-style-type: none"> Specific definitions of ESG factors considered in investment decisions Investment exclusion principles Asset and industry classification guidelines 	<ul style="list-style-type: none"> Stewardship objectives and engagement guidelines for climate-related ESG issues Escalation strategy Definition of ESG resolutions and voting guidelines for proxy voting Decision-making process for supporting shareholder resolutions (Deliberation and approval by the ESG Strategy Committee)

Green Finance

Virtuous Cycle of Green Finance

Shinhan Bank has established and operates a green finance virtuous cycle system, where funds saved through green bond issuance are reinvested to expand support for green loan products. In 2023, the bank developed the "Green Taxonomy Corporate Loan Application System" based on the K-Taxonomy, which has been officially operational since 2024. For new loans exceeding KRW 1 billion, the bank evaluates green loan eligibility based on supporting documentation. Loans that meet the criteria receive various incentives, including preferential evaluations and reduced interest rates, encouraging companies to engage in green economic activities.

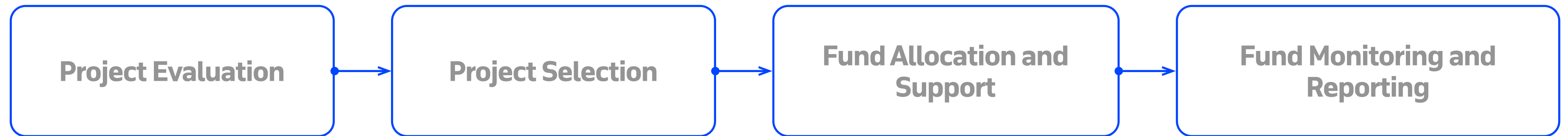


Green Finance

Green Bond Management Framework

Shinhan Bank has established a green bond management framework in accordance with the 2024 K-Green Bond Guideline issued by the Ministry of Environment and the Financial Services Commission, as well as the K-Taxonomy set by the Ministry of Environment. When funds raised through green bonds are allocated to lending, an internal evaluation is conducted, and support recipients are selected only if the large-scale project complies with the K-Green Bond Taxonomy. Post-allocation, the bank continuously monitors fund usage and ensures transparency by disclosing green bond performance data in its Annual Report for investors, keeping stakeholders informed.

Green Bond Project Evaluation and Management System



Green Bond Issuance

Shinhan Bank became the first in Korea to issue climate bonds, a type of green bond that exclusively finances environmentally friendly projects aimed at addressing climate change. Additionally, the bank was the first commercial bank in Korea to participate in the "Korean Green Bond Issuance Interest Subsidy Pilot Program," which follows the K-Taxonomy Guidelines established by the Ministry of Environment. In 2022, Shinhan Bank issued KRW 100 billion in green bonds, followed by a KRW 150 billion issuance in 2023. The proceeds have been allocated to renewable energy projects, including Shinan County Solar Power Project Financing (KRW 13.6 billion) and Gwangyang City Biomass Power Project Financing (KRW 84.6 billion), as well as funding the transition to zero-emission vehicles (KRW 50 billion). Looking ahead, Shinhan Bank plans to continue issuing green bonds aligned with the K-Taxonomy in 2024, further strengthening its position as a leading green finance institution in the capital markets.

Indicators	Unit	2022	2023	2024
Total ESG bond issuance amount	KRW billion	1,377	1,491	2,879
Green bond ¹⁾		714	150	1,523
Social bond		664	1,341	1,356
Sustainability bond		-	-	-

1) K-Green Bond issuance performance (2022: KRW 100 billion, 2023: KRW 150 billion)

Sustainable Finance

ESG Loan Evaluation System

ESG Finance*

Shinhan Bank evaluates environmental and social risks based on the Equator Principles when handling investment banking (IB) loans. Additionally, before and after granting loans, the bank assesses changes in financed emissions, as well as offset and avoided emissions from renewable energy projects. A checklist-based review is conducted to ensure a comprehensive assessment. ESG risk analysis findings are incorporated into the evaluation report and utilized in the loan review decision-making process to effectively manage ESG risks.

Indicators			Unit	2022	2023	2024
Corporate – Total ESG loan volume				261	1,678	749
Corporate finance	ESG loans	Green Guaranteed Loan	KRW billion	119	148	141
		Green Exclusive Loan		13	2	2
		Green Policy Fund		129	1,528	606
Total corporate loan volume				26,623	26,801	33,018
Corporate loan – ESG loan ratio			%	1.0	6.2	2.3
Retail – Total ESG loan volume				2,667	6,028	6,698
Retail	ESG loans	Beotimmok Jeonse Fund Loan	KRW billion	2,317	5,454	6,108
		Shinhan New Hope Holssi Loan ¹⁾		298	515	533
		Seoul Climate Change Fund Loan (Building Energy Efficiency)		5	15	28
		Shinhan Green Remodeling Interest Subsidy Loan (Residential) (Housing Finance Corporation)		8	8	1
		Shinhan Green MY CAR Loan		39	36	28
Total personal loan volume				28,460	42,257	44,368
Personal loan – ESG loan ratio			%	9.4	14.3	15.1

* ESG finance performance is calculated based on environmental, social industries, and projects as classified by ICMA (International Capital Market Association)

1) Includes Shinhan SOL-Easy New Hope Holssi Loan

Sustainable Finance

Zero Carbon Drive - Green Finance Performance*

Indicators	Unit	2022	2023	2024
Total amount	KRW billion	376	2,518	2,351
Green loans ¹⁾		313	2,230	1,799
Green bond investments		-	-	260
Green equity investments (GIB)		-	255	266
Green investments (Indirect)		63	32	26

* Since 2023, following organizational restructuring, GIB project financing (PF) loans and equity investments have been included in performance reporting

1) Cumulative new commitments for green corporate loans (including PF) and retail loans

ESG Investments (Indirect)

Indicators	Unit	2022	2023	2024
Renewable energy / Energy efficiency	KRW billion	5.5	2.8	1.5
Green transportation		52.0	28.5	23.7
Natural resources		5.7	0.9	0.9
Job creation / SME financing		9.9	8.4	11.2
SRI funds		84.4	73.3	626

Win-Win Finance and Inclusive Finance

Microfinance

Indicators		Unit	2022	2023	2024
Total amount			653.2	845.0	652.7
Shinhan New Hope Holssi Loan ¹⁾		KRW billion	298.0	515.0	532.6
Shinhan Sunshine Loan 15 ²⁾			336.1	314.9	106.3
Shinhan New Hope Dream Loan			0.2	-	0.1
Shinhan Stepping Stone Loan			0.03	0.02	0.00
Saidol Mid-Interest Loan			6.0	3.0	3.0
Miso Microfinance			13.0	12.0	10.7

1) Shinhan New Hope Holssi Loan (Including Shinhan SOL-Easy New Hope Holssi Loan)

2) Excludes Sunshine Loan Youth Bank

Other Inclusive Finance

Indicators		Unit	2022	2023	2024
Deposits	Shinhan New Hope Savings	KRW billion	12.0	30.0	22.5
	Shinhan Miso Dream Savings		0.1	0.4	0.7
	Didim Seed Savings Account		54.0	93.0	107.5
	Beautiful Courage Savings		210.0	302.0	128.9
	Yellow Umbrella Mutual Aid Fund for SMEs and Microbusinesses		3.0	3.2	3.4
Others	Household Debt Healing Program (Credit Loan 119)	Cases	1,317.0	1,231.0	1,054.1
	SME Healing Program (Former SME Healing Program)		446.0	345.0	112.0
	Fee reductions for socially vulnerable groups		0.10	0.09	0.08
	Number of accounts with waived financial fees for financially vulnerable groups		230,299	262,166	267,787
	Number of new cases of financial fee exemptions for financially vulnerable groups		381,898	404,226	372,828

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Greenhouse Gas (GHG)

Greenhouse Gas Emissions (Scope 1, 2, 3)

Indicators		Unit	2022	2023	2024
Greenhouse gas emissions	Total emissions (Scope 1+2) ¹⁾	tCO ₂ eq	73,672	72,193	70,718
	Scope 1 ²⁾		10,027	10,421	9,618
	Scope 2		63,999	62,115	61,447
	Scope 3 ³⁾		44,690,107	44,860,348	46,568,518

- 1) REC offsets (2,281.4 tCO₂eq), which are government-submitted values under the GHG Target Management System, are included, while Green Premium offsets (9,647.4 tCO₂eq), which are not recognized under the Emissions Trading Scheme, are excluded
- 2) Differences may occur between actual emissions and reported figures due to the application of whole-number rounding principles at the business site level Scope 1 and Scope 2 emissions are calculated as total emissions by source and are not subject to the whole-number rounding principles applied at the business site level
- 3) Financed emissions

Energy

Energy Management

Indicators		Unit	2022	2023	2024
Energy consumption	Total		1,502.2	1,267.5	1,240.9
	Electricity	Subtotal	1,335.4	1,094.5	1,080.5
		General	1,335.4	1,343.8	1,329.7
		Renewable energy	-	249.3	249.3
		REC purchases	-	47.7	47.7
		Green premium purchases	-	201.6	201.6
		City gas	61.4	62.8	59.4
	Gasoline	102.3	107.2	97.8	
	Diesel	0.5	0.4	0.4	
	Steam (district heating)	2.6	2.6	2.8	
Energy intensity (employee)		TJ/person	0.098	0.083	0.083

Resource Management

Water Consumption

Indicators	Unit	2022	2023	2024
Total water consumption (municipal water + groundwater ¹⁾)	m ³	199,749	133,261	131,941
Municipal water		128,367	123,592	128,992
Groundwater ²⁾		71,382	9,669	2,949

1) Management scope: Municipal water (Headquarters, Gwanggyo Main and Annex Buildings, Centennial Complex, Gangnam Annex); Groundwater (Headquarters)

2) In 2023, the groundwater measurement method was modified to reflect the results of the environmental information disclosure verification audit

Waste Disposal

Indicators	Unit	2022	2023	2024
Total waste disposal (general waste + recyclable waste)	ton	460.4	404.2	276.0
General waste		314.5	310.7	187.7
Recyclable waste		145.9	93.6	88.3

Paper Consumption

Indicators	Unit	2022	2023	2024
Paper	ton	666.3	674.7	656.2

Environmental Management Performance

Environmental Investments

Indicators	Unit	2022	2023	2024
Total	KRW million	11,804.3	7,278.7	5,779.5
Purchase of green IT products		7,926.6	3,958.2	4,077.5
Purchase of LED lighting		1,540.8	1,216.9	699.6
Replacement of aging facilities		2,336.9	2,103.6	1,002.4

Zero-Emission Vehicle Transition

Indicators	Unit	2022	2023	2024
Zero-emission vehicle ratio	%	9.1	13.8	16.3
Number of corporate vehicles	Vehicles	1,489	1,505	1,407
Number of electric/hydrogen vehicles		135	208	230

“Leave no one behind”



Financial Consumer Protection

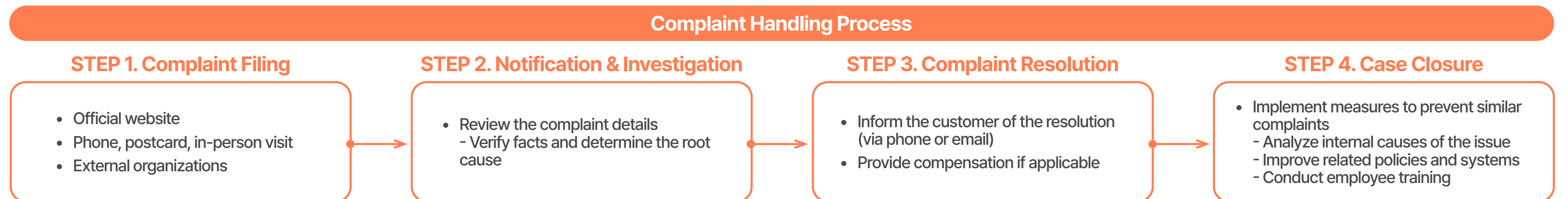
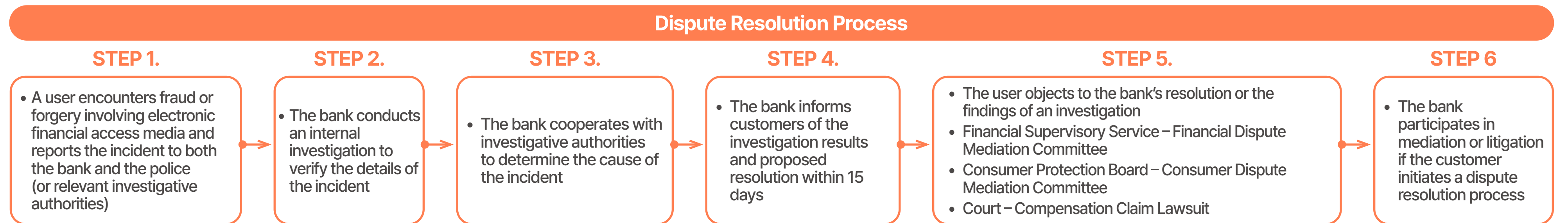
Product Development with a Focus on Financial Consumer Protection

Before launching new products, Shinhan Bank conducts a checklist evaluation and collaborates with relevant departments to assess financial consumer protection and market risks.



Dispute Resolution and Complaint Handling

Shinhan Bank follows a structured process to address disputes when users experience losses due to counterfeit or altered electronic financial access media or errors in electronic transmission or processing during contract execution or transaction instructions.



Financial Consumer Protection

Debt Collection Policy

Shinhan Bank is committed to protecting the rights of debtors by ensuring fair and lawful debt collection practices in strict compliance with relevant laws and guidelines. Through internal controls, the bank works to prevent illegal or unfair collection activities and minimize unnecessary disputes. Additionally, the bank supports financially distressed debtors through initiatives such as the Credit Counseling and Recovery Service's Support Program (Workout) and judicial procedures under the Debtor Rehabilitation and Bankruptcy Act.

Fair Advertising Policy

Shinhan Bank conducts advertisement reviews by establishing advertising guidelines, financial transaction disclosure policies, and a pre-screening manual to ensure fair advertising practices and prevent financial disputes. The bank implements advertisement checklists for each product category, establishing standards for mandatory disclosures, prohibited content, and group-wide advertising formats. These measures help prevent customer misunderstandings caused by unclear language and ensure a balanced presentation of both benefits and potential risks for financial consumers.

Additionally, Shinhan Bank adheres to the Korea Federation of Banks' Advertising Review Standards and Detailed Regulations, maintaining a standardized advertising template that complies with pre-screening requirements. To reinforce compliance, the bank provides internal training programs for employees, including advertising compliance education, while also conducting regular monitoring of product disclosures.

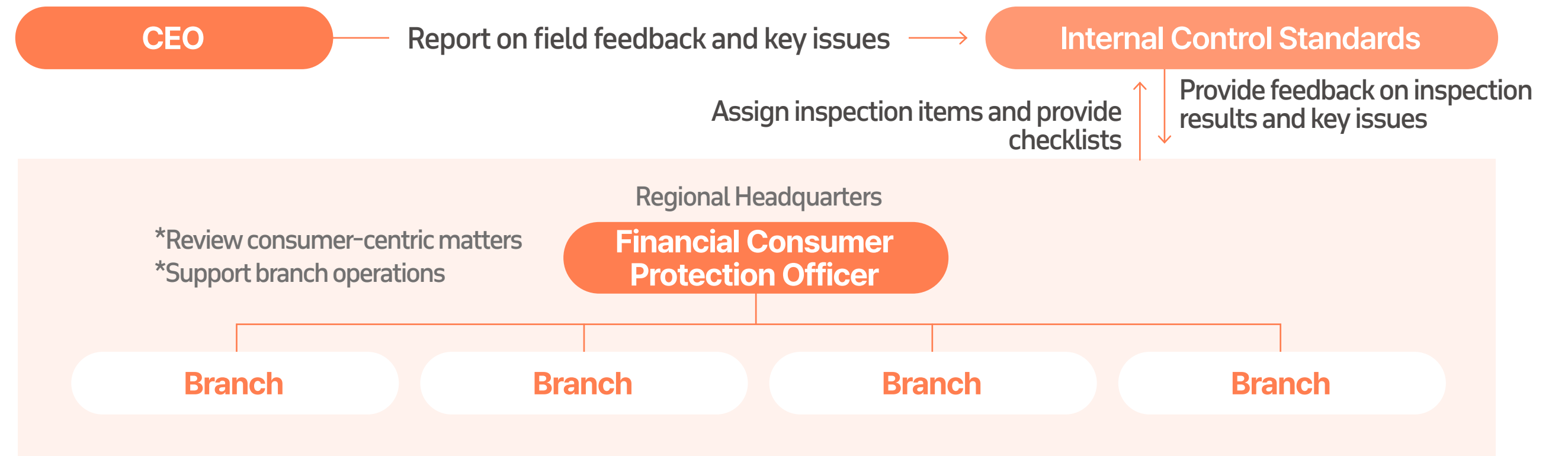
The Compliance Department is responsible for pre-screening of financial product advertisements, product descriptions, and disclosures to ensure compliance with regulations. Meanwhile, the Consumer Protection Department reviews advertising materials to identify misleading wording, clarity of expressions, false or exaggerated claims, and unfair comparisons with competitors.

Interest Rate Reduction Request System

Shinhan Bank operates the Interest Rate Reduction Request System in compliance with relevant regulations for loans where a debtor's credit status impacts interest rate determination. The bank conducts an internal evaluation that considers credit history, overdue amounts and repayment periods, creditworthiness indicators, annual income, and financial assets to determine whether the debtor's internal credit rating has improved. An increase in income and assets, enhanced creditworthiness, or improved financial stability may positively affect the internal credit rating, which in turn influences the bank's decision on granting an interest rate reduction request.

Financial Consumer Protection Officer System

The Financial Consumer Protection Officer System is designed to reduce the burden on employees handling consumer-related tasks. Shinhan Bank assigns dedicated personnel at the headquarters and regional headquarters to evaluate the suitability of product sales processes from a consumer perspective and assist sales branches in handling customer complaints.



Human Resource Development

Work-Life Balance Support

Shinhan Bank implements various policies and support programs to help employees balance their work and family life. These initiatives enhance employee well-being, boost productivity, and foster diversity within the organization. In addition to parental and maternity leave, Shinhan Bank offers a reduced working hour system for employees with children entering elementary school, allowing them to better manage both professional and family responsibilities. As a result of these efforts, Shinhan Bank has been recognized as a Family-Friendly Certified Company by the Ministry of Gender Equality and Family. The bank's family-friendly culture initiatives, first introduced at Shinhan Bank, have now been adopted across all group affiliates.

Category	Leave and Support Programs
Parental leave	Available for up to 2 years, including maternity leave
Maternity leave	Available for 110 days, including both pre-childbirth and post-childbirth periods
Reduced working hours for childcare	Available for employees with children under the age of 9 or in the 3rd grade or below
Reduced working hours for parents of elementary school entrants	Employees with 1st-grade elementary school children can adjust their working hours to 10 AM - 6 PM for two months between March and June (Standard working hours: 9 AM - 6 PM)
Infertility treatment leave	Paid leave is provided for infertility treatment, up to three days per year
Family care leave	Employees can take up to 10 days of paid leave for family care responsibilities
Harmony Square	A program that serves as a communication platform for employees to freely exchange ideas
Visiting & Inviting Communication	A program where the CEO and employees discuss concerns, solutions, and support systems to improve communication channels and create a better consultation environment
Todak Todak Appreciation Program	Each month, an employee is recognized for their hard work and receives a personal message from the CEO along with a small gift. This initiative boosts employee morale, ensures that the CEO is aware of workplace challenges, and serves as a gesture of appreciation for employees' dedication
Everyone's COP	A two-way communication program where employees submit HR-related ideas, which are reviewed and implemented if feasible

Parental Leave Status

Indicators	Unit	2022		2023		2024	
		Female	Male	Female	Male	Female	Male
Employees scheduled to return to work within the year after parental leave	Persons	315	31	308	40	239	43
Employees who returned to work within the year after parental leave		293	28	295	37	228	37
Parental leave return rate within the year (%) ¹⁾	%	93	90	96	93	95	86
Employees who continued working for more than 12 months after returning from parental leave in the previous year	Persons	325	19	282	26	280	34
12-month retention rate for employees who returned from parental leave in the previous year (%) ²⁾	%	95	95	96	93	95	92

1) Number of employees who returned from parental leave within the year / Number of employees scheduled to return from parental leave within the year

2) Number of employees who continued working for more than 12 months after returning from parental leave in the previous year / Number of employees who returned from parental leave within the year (previous year)

3) Due to differences in the timing of calculation, the method and figures for the "Parental Support Program Usage Status" may differ from those stated in the business report.

Human Resource Development

Performance Evaluation System for Employee Growth

Shinhan Bank has established a performance evaluation system designed to support employee growth and development. At the beginning of each year, all employees set MBO (Management by Objectives) goals, and performance is assessed based on the achievement of these objectives.

Throughout the year, evaluators and employees regularly share progress updates, providing ongoing feedback. Additionally, a 360-degree competency evaluation is conducted for employees at the junior level (assistant manager and above) to ensure comprehensive assessments.

As a foundation for performance and competency evaluations, the bank utilizes an internal platform (Monthly Note) to track OKR-based individual KPI achievements and provide monthly feedback. Employees log their monthly accomplishments and upcoming goals, enabling evaluators to offer targeted coaching and guidance. During the annual evaluation process, all recorded entries and feedback are provided to evaluators to minimize recency bias and ensure a fair assessment.

To enhance synergy between individual and organizational performance, the evaluation system integrates both individual and team-based performance metrics. The alignment between team leaders and members is reflected in individual management performance evaluations, incorporating departmental and department head performance ratings to reinforce a sense of ownership among both leaders and employees.

All employees, including contract staff, undergo regular performance reviews focused on career development and continuous performance management. Shinhan Bank also operates a performance-based compensation and incentive system to reward high achievers. Individual performance evaluation results are utilized across various HR processes, including promotion reviews, personnel transfers, and training selections, regardless of eligibility for performance-based incentives. In accordance with Article 13 of Shinhan Bank's Compensation Regulations, performance-based incentives are provided to all employees, including general staff, RS staff, permanent contract employees, management personnel, dedicated managers, and personnel exchange employees. These incentives are determined by incorporating the performance coefficient of the employee's group and department, as well as their KPI achievement rate. The performance-based bonus system consists of both cash-based short-term incentives and ESOP (Employee Stock Ownership Plan) for long-term incentives. Performance-based incentives consist of a combination of performance-linked components—30% based on group performance, 40% based on individual performance, and 30% equally distributed.

Human Resource Development

Job- and Position-Specific Training

Shinhan Bank offers job-specific foundational courses and mandatory training programs tailored to different position levels for all employees, including both regular and contract staff. These programs support employees in acquiring essential job-related knowledge, while the bank continuously tracks and manages training outcomes to ensure effectiveness. Additionally, in 2023, Shinhan Bank established the Shinhan Future Academy to provide specialized advanced learning programs by job function and offline training designed to enhance practical skills for sales roles.

Indicators	Unit	2022	2023	2024
Number of participants in Shinhan Bank's job basics training	Persons	8,324	8,552	7,997
Number of participants in Shinhan Future Academy training ¹⁾		-	923	1,004
Essential ²⁾	Persons	-	501	584
Level - Up ³⁾	Persons	-	310	307
Master ⁴⁾	Persons	-	112	113

1) Established in 2023

2) Self-directed learning through online training, including basic theoretical studies and assessments conducted by the Korea Banking Institute

Training hours: 50 hours per field (Asset Management, Corporate Finance, IB, Risk, etc)

3) Field-oriented offline advanced training, combining intermediate/advanced theoretical studies at the Korea Banking Institute with practical lectures by headquarters departments

Training hours: An average of 100 hours per field (Asset Management, Corporate Finance, IB, Risk, etc)

4) Advanced education in collaboration with leading universities in Korea (Seoul National University, Yonsei University, KAIST), offering economics and business core lectures along with specialized classes for each field

Training hours: Over 150 hours for both the Seoul National University and Yonsei University programs

Employee Management and Leadership Development

Shinhan Bank evaluates multiple factors when promoting employees to managerial positions, including the completion of training programs, acquisition of required certifications, and leadership assessments from supervisors and peers. Following promotion, newly appointed managers participate in leadership training to help them adapt to their new roles and responsibilities while developing the leadership skills essential for their position. Additionally, comprehensive assessments are conducted to support their ongoing growth as effective leaders.

Leadership training programs are structured by position level. For headquarters executives, a coaching interview process provides case-specific coaching and tailored feedback strategies. For department heads, a conference-style seminar offers opportunities to learn and apply leadership responsibilities. For newly appointed department heads, training focuses on enhancing leadership competencies and improving feedback and coaching skills.

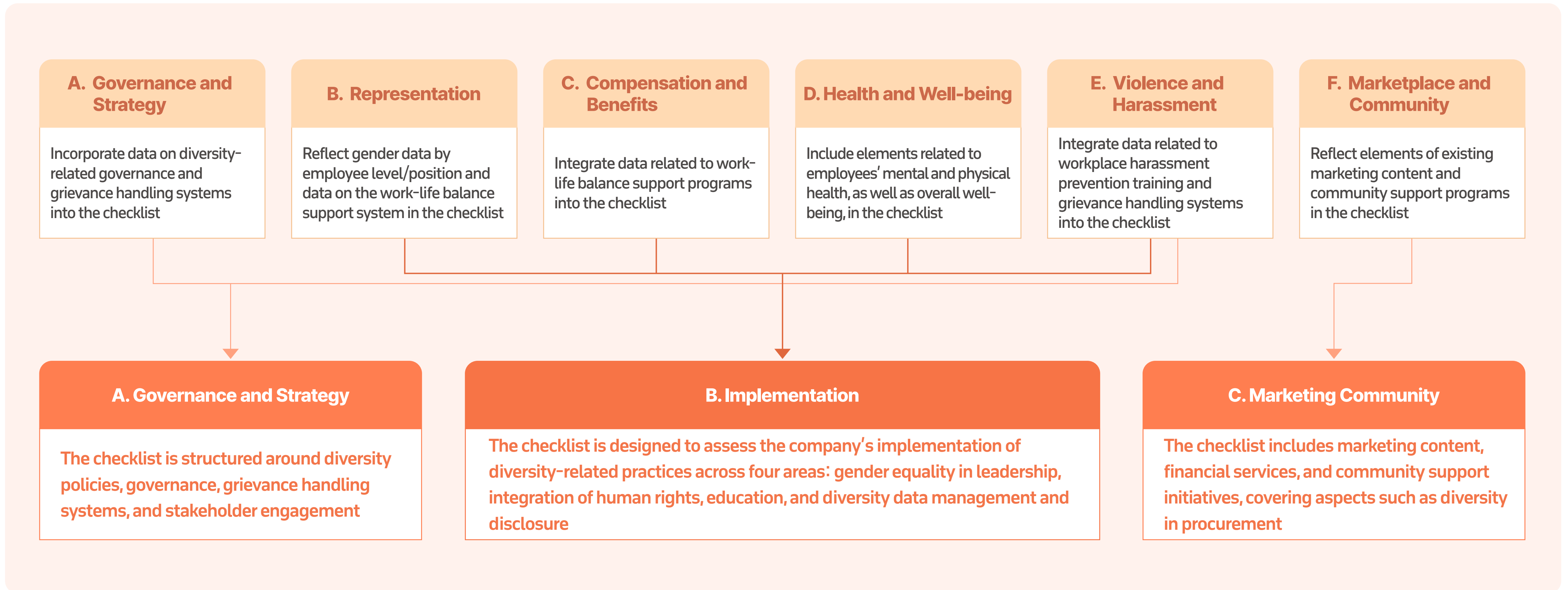
Employee Training

Indicators	Unit	2022	2023	2024
Total training hours	Hours	1,586,826	1,599,896	1,684,767
Total training cost	KRW million	18,912	18,797	21,584

Diversity and Human Rights

Diversity Management System

Shinhan Bank has developed a Diversity, Equity, and Inclusion (DEI) management framework based on the methodology outlined by the World Benchmarking Alliance (WBA) to establish a structured approach to diversity management. This framework is integrated into the bank's human rights management system, allowing for a comprehensive identification of key areas of stakeholder interest and expectations. Additionally, it allows Shinhan Bank to manage the essential factors necessary to achieve gender equality.



Diversity and Human Rights

Diversity Goal Management

Shinhan Bank promotes diversity by establishing goals in three key focus areas: cultivating women’s leadership, empowering individuals with disabilities, and supporting multicultural communities.

Women’s Leadership Development		Support for Individuals with Disabilities			Multicultural Support		
Increasing the representation of female executives and department heads	Strengthening women’s leadership development	Expanding employment opportunities	Providing support for social enterprises	Expanding financial services	Promoting social integration	Expanding financial services	Providing aid to developing countries
<ul style="list-style-type: none"> Strengthening women’s leadership development programs through a talent cultivation strategy that prioritizes diversity 		<ul style="list-style-type: none"> Creating job opportunities Providing vocational training 	<ul style="list-style-type: none"> Supporting businesses that employ individuals with disabilities Implementing employee programs in collaboration with social enterprises 	<ul style="list-style-type: none"> Offering financial education programs at the Financial Education Center for Individuals with Developmental Disabilities 	<ul style="list-style-type: none"> Facilitating cultural experiences and exchange opportunities for children from multicultural backgrounds 	<ul style="list-style-type: none"> Improving financial accessibility and offering specialized services for foreign workers 	<ul style="list-style-type: none"> Providing assistance to urban migrant children in developing countries

Indicators	Unit	2022		2023		2024	
		Female	Male	Female	Male	Female	Male
Number of women in leadership positions	Persons	7	65	7	66	6	52
Number of veteran employees		319	463	318	448	321	442
Number of employees with disabilities		28	82	31	87	39	87

Indicators	Unit	2022		2023		2024	
		Female	Male	Female	Male	Female	Male
Sales department	Persons	4,359	3,954	4,251	3,941	4,135	3,743
STEM ¹⁾ department		400	804	417	739	406	693

1) Science, Technology, Engineering, Math

Diversity and Human Rights

Board Diversity

Diversity within the board is a key focus for Shinhan Bank. A board composed of individuals with diverse backgrounds, experiences, and perspectives significantly influences corporate decision-making and strategic planning. Shinhan Bank is committed to increasing female representation on its board. Additionally, the bank strives to strengthen its global competitiveness and better represent its diverse customer base and stakeholders by appointing board members from various cultural backgrounds.

Diversity in Workforce Composition

Shinhan Bank is dedicated to promoting workforce diversity. By hiring individuals with disabilities, national veterans, and members from multicultural families as full-time employees, the bank works to enhance organizational diversity, reduce inequalities, and uphold fundamental human rights and dignity. In addition to its operations in Korea, Shinhan Bank operates branches in China, Vietnam, India, the United States, Hungary, and other international locations. The bank aims to strengthen its global competitiveness by fostering cross-cultural understanding and collaboration, thereby contributing to international relations and peace. By embracing diverse cultural, linguistic, and ideological perspectives from different regions, Shinhan Bank seeks to enhance problem-solving capabilities through varied viewpoints, ultimately driving creativity and innovation within the organization.

Women's Leadership Empowerment Program

Shinhan Financial Group's "Sheroes" program, meaning "Shinhan's Female Heroes," is a women's leadership development initiative that began in 2018. Since its launch, the program has trained 280 female leaders. The program features group mentoring, specialized lectures on humanities and emerging trends, and networking opportunities. By fostering organizational diversity and leadership skills, this initiative helps female leaders expand their roles within the organization and achieve greater professional success.

Diversity and Human Rights

Human Rights Management Declaration

Issues such as forced labor, child labor, and employment discrimination have become significant concerns in the international community, fostering a widespread consensus on the need for corporate human rights management. In response, Shinhan Bank is committed to proactively addressing human rights issues by respecting the rights of customers, employees, and stakeholders. The bank has established a human rights management system to promote the well-being of all and conducts human rights impact assessments with ongoing monitoring. Moving forward, Shinhan Bank will remain dedicated to protecting the dignity and rights of all individuals across its business operations.

Human Rights Management Policy

Shinhan Bank has established its Human Rights Management Policy in alignment with its mission, "Benefiting the world through finance," and three core principles: responsible growth, fostering social partnerships, and investing in the future. To prioritize the protection and respect of human rights, the policy was developed through consultations with internal and external experts, as well as key stakeholders. The Human Rights Management Policy is reviewed annually for relevance and updated as necessary.

Human Rights Management Process

STEP 1. Establish the Human Rights Management System

- Identify human rights management issues and select key management indicators
- Formulate human rights policies
- Establish a human rights management organization
- Establish remediation procedures for human rights violations
- Human rights impact assessments
- Designate the highest decision-making authority

STEP 2. Conduct a Human Rights Impact Assessment

- Perform internal evaluations and third-party assessments, including those related to the organization, customers, and stakeholders

STEP 3. Identify Areas for Improvement and Report to the ESG Management Committee

- Identify issues and implement corrective measures

STEP 4. Disclose Human Rights Management Information

- Disclose the status of human rights management efforts

Human Rights Management Governance

To effectively implement human rights management, Shinhan Bank has designated the ESG Planning Office as the primary overseeing department and established the ESG Management Committee as the highest decision-making body. The ESG Management Committee is responsible for establishing and evaluating human rights management plans, reporting to the ESG Committee, and making key decisions regarding human rights management. The ESG Planning Office oversees the development and implementation of human rights management plans, the execution and monitoring of human rights practices, including human rights impact assessments, the reception and resolution of human rights violation cases, as well as reporting to the ESG Management Committee and disclosing relevant information both internally and externally.

Department	Responsibilities
ESG Planning Office	Implements and monitors human rights practices, including human rights impact assessments, receives and handles reports of human rights violations, reports to the ESG Management Committee, and discloses relevant information internally and externally
Compliance Management Department	Provides consultation and receives reports on sexual harassment and workplace bullying, offers suggestions on ethical management, and handles complaints related to financial misconduct, banking service inconveniences, and other human rights issues
HR Department	Manages grievance resolution, receives and investigates reports on sexual harassment and workplace bullying, implements follow-up actions, and handles complaints regarding recruitment-related misconduct, including unfair hiring practices and discriminatory recruitment procedures
Information Security Department	Receives, investigates, and takes corrective actions regarding personal data breaches
Consumer Protection Department	Receives and investigates consumer complaints, including unfair business practices and financial disputes, and implements necessary corrective measures
Standing Auditor	Investigates and takes follow-up actions on violations of laws, internal regulations, and the code of ethics by bank employees
Digital Business Department	Receives, investigates, and takes necessary actions on reports related to behavioral data

Diversity and Human Rights

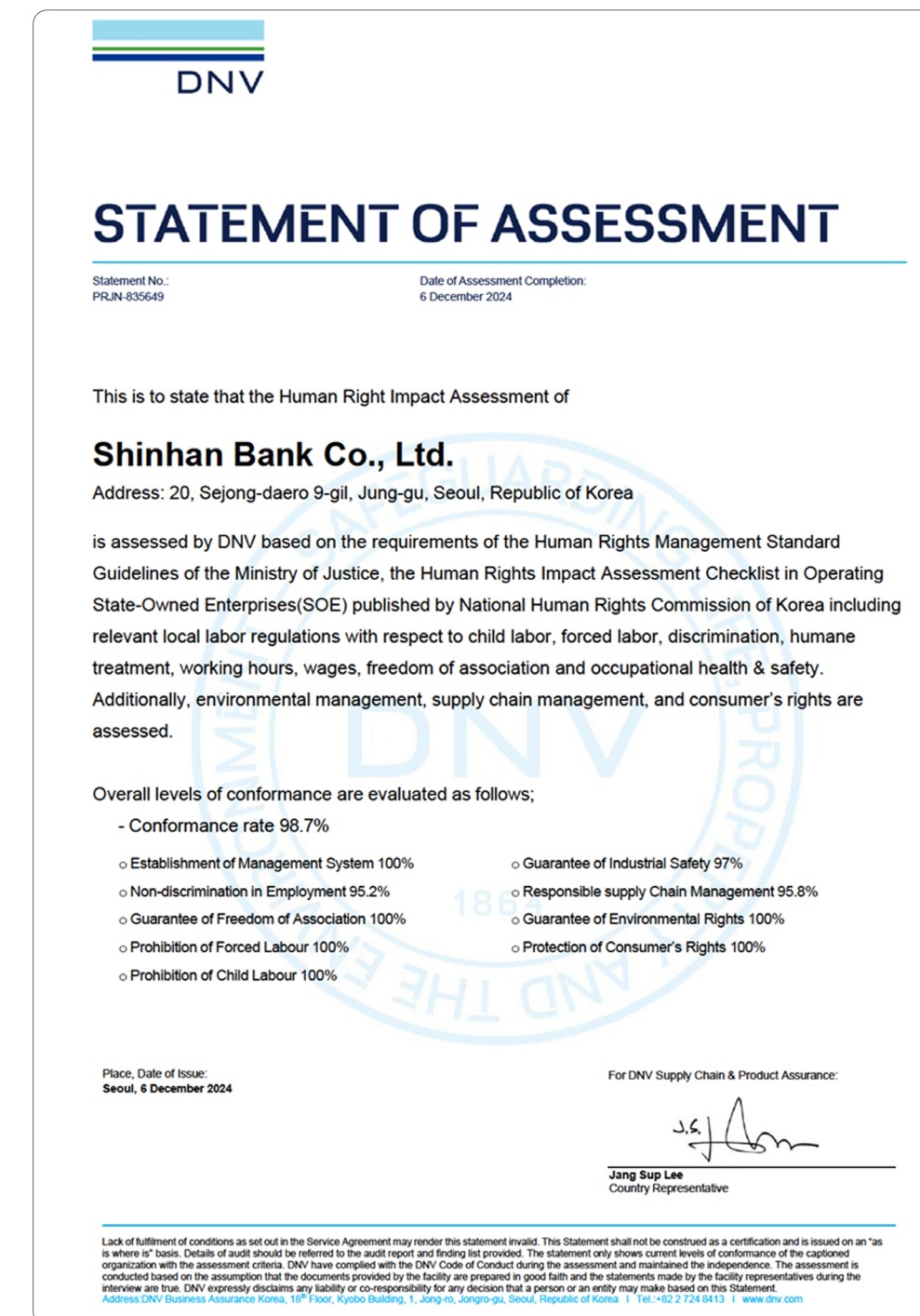
Human Rights Risk Management

In 2022, Shinhan Bank became the first domestic commercial bank in South Korea to conduct a third-party human rights impact assessment led by an external organization and continued this initiative with another assessment in 2024. To develop its human rights impact assessment indicators, the bank referred to key domestic and international requirements and guidelines, including the Human Rights Management Manual for Public Institutions issued by the National Human Rights Commission of Korea, domestic human rights-related regulations, and the UN Guiding Principles on Business and Human Rights. These indicators served as the foundation for conducting on-site evaluations. In the 2024 human rights impact assessment, Shinhan Bank achieved a final compliance rate of 98.7%, demonstrating improvements over 2023 in areas such as workplace safety assurance and responsible supply chain management.

Human Rights Management System	Compliance Rate
Establishment of a human rights management system	100.0%
Non-discrimination in employment	95.2%
Guarantee of freedom of association and collective bargaining	100.0%
Prohibition of forced labor	100.0%
Prohibition of child labor	100.0%
Assurance of workplace safety	97.0%
Responsible supply chain management	95.8%
Protection of environmental rights	100.0%
Protection of customer rights	100.0%
Final compliance rate	98.7%

Human Rights Management Information Disclosure

Shinhan Bank plans to regularly publish information on its human rights management initiatives, including human rights impact assessment reports and performance results, through its official website and ESG reports. By doing so, the bank aims to uphold its responsibility for respecting human rights while actively sharing its efforts and implementing measures to enhance and strengthen human rights initiatives through various communication channels. Shinhan Bank remains dedicated to fulfilling its commitment to human rights, fostering open communication through multiple platforms, and continuously improving its human rights practices.



Diversity and Human Rights

Identification of Human Rights Risks and Stakeholder Collaboration

Shinhan Bank identifies potential human rights risks across key areas, taking into account the characteristics of the financial industry and its business operations. The bank evaluates major human rights risks that may arise in the financial sector and identifies key stakeholders involved, implementing management measures to mitigate these risks. Furthermore, Shinhan Bank regularly collects stakeholder feedback through various communication channels, ensuring proactive efforts to prevent human rights risks.

Stakeholder Human Rights	Overview of Initiatives
<p>Employee Human Rights</p>	<p>Shinhan Bank is committed to maintaining a workplace free from discrimination based on academic background, regional origin, age, gender, race, or religion. The bank ensures fair evaluation and compensation based on performance while providing equal opportunities for professional growth based on employees' skills and qualifications. Additionally, Shinhan Bank continuously improves workplace safety and comfort to enhance employee well-being.</p>
<p>Customer Human Rights</p>	<p>Shinhan Bank upholds the principle of non-discrimination in its financial services, ensuring that customers are not treated differently based on gender, race, religion, or political beliefs. The bank refrains from requesting excessive personal information and implements robust technical and physical safeguards to protect customer data. Moreover, Shinhan Bank values and respects customer needs and expectations, striving to develop and deliver the highest-quality products and services to meet them.</p>
<p>Shareholder and Investor Human Rights</p>	<p>Shinhan Bank is committed to ensuring transparency in management and maintaining the accuracy and reliability of financial records for its shareholders and investors. The bank provides shareholders and investors with necessary information in a timely and fair manner in accordance with relevant laws and internal regulations. Additionally, it respects the legitimate requests and proposals of shareholders and investors, striving to foster a relationship built on mutual trust.</p>
<p>Partner Company Human Rights</p>	<p>Shinhan Bank recognizes the importance of its partner companies as key collaborators in mutual growth and does not impose any obligation to purchase the group's products or services. The bank conducts business transactions fairly, maintaining equal partnerships rather than leveraging a position of dominance, while taking proactive measures to prevent human rights violations in the transaction process.</p>
<p>Community Human Rights</p>	<p>Understanding its responsibility in contributing to community development, Shinhan Bank actively engages in social contribution initiatives as a member of the local community. The bank ensures equal access to financial products and services, employment opportunities, and financial education programs without discrimination against vulnerable groups. Additionally, it works to foster a transparent and ethical society by preventing transactions involving anonymous or proxy accounts and blocking illegal money laundering activities.</p>

Diversity and Human Rights

Human Rights Violation Reporting Channels and Process

Shinhan Bank operates a Human Rights Violation Reporting Center (Hotline) to enable both internal and external stakeholders to report incidents such as sexual harassment and workplace bullying promptly. The reporting center is available not only to employees but also to partner companies and other stakeholders. All reports are handled with strict confidentiality, ensuring that no information is disclosed externally. The identity of the reporter and the details of the case remain protected throughout the investigation process. The reported cases are confidentially investigated by the relevant departments, and any identified issues are promptly rectified and incorporated into the bank's ethical and human rights management policies.

Human Rights Violation Reporting Channels and Process



Principles	Principles of the Human Rights Violation Remedy Process
Fairness	The process must be conducted in a fair and just manner. It should ensure impartiality in handling grievances, fostering trust among stakeholders by guaranteeing the equitable implementation of the resolution process.
Transparency	The procedure must be objective and transparent. The progress, outcomes, and results should be communicated clearly and openly. However, if confidentiality is required for legitimate reasons, relevant information should not be disclosed, and the reason for non-disclosure should be communicated. (e.g., protection of victim identity, trade secrets, etc.)
Accessibility and Equity	The existence of the grievance resolution process must be publicly communicated so that everyone is aware of it, and it should be easily accessible without fear of retaliation or disadvantage. Additional support should be provided to socially vulnerable individuals during the grievance submission and resolution process.
Continuous Monitoring	Monitoring must continue even after the resolution of grievances to prevent future human rights violations and enhance the system. The root causes of violations should be identified and effectively addressed.
Predictability	The process should be clear and foreseeable. All relevant procedures, including the steps of the process, timelines for each stage, expected outcomes, and result monitoring, must be communicated transparently to the involved parties and stakeholders.
Dialogue and Participation-Centered Approach	The resolution of human rights violations should be driven by open dialogue and active participation from the affected parties and stakeholders.
Adequacy in Protecting Rights	The grievance resolution process and its outcomes must comply with internationally recognized human rights principles.

Whistleblowing System

Indicators	Unit	2022	2023	2024
Total number of reported cases ¹⁾	Cases	7	16	10
Number of resolved cases related to discrimination and harassment		1	1	0

* First reported in 2022

1) Includes cases addressed related to discrimination and harassment

Employees

Employee Status

Indicators		Unit	2022		2023		2024		
			Female	Male	Female	Male	Female	Male	
Total number of employees	Total	Persons	13,603		13,265		13,085		
	Total number of employees		6,223	7,380	6,104	7,161	6,138	6,947	
By employment type	Executive management		7	65	7	66	6	52	
	Full-time employees		6,035	6,526	5,898	6,401	5,933	6,293	
	Contract employees		188	854	206	760	205	654	
By age group	Under 30		1,045	417	1,016	490	905	465	
	30 to under 50		4,499	4,328	4,348	4,228	4,410	4,168	
	50 and above		679	2,635	740	2,443	823	2,314	
Non-affiliated workers within the workplace*				2,432	1,749	2,499	1,815	2,438	1,774

Employees

New Hires

Indicators		Unit	2022	2023	2024
By gender	Female	Persons	328	483	274
	Male		698	725	542
By age group	Under 30		650	487	313
	30 to under 50		211	314	142
	50 and above		465	407	361
By job position	Executive		32	31	12
	Department head		12	14	17
	Manager to deputy general manager		44	55	37
	Below manager level		938	1,108	750

Turnover Status

Indicators	Unit	2022		2023		2024	
		Female	Male	Female	Male	Female	Male
Total turnover ¹⁾	Persons	242	443	542	496	168	394
Voluntary turnover ²⁾		235	370	525	437	155	309

* First reported in 2022

1) In 2022, the "Total Turnover" indicator was updated from the previously used category of "Total Turnover and Retirees" to align with the Group ESG Data framework

2) Excludes cases of voluntary retirement, age-based retirement, dismissals due to disciplinary actions, and internal transfers within the group

Employees

Safety and Health

Indicators		Unit	2022	2023	2024
Sick leave and medical leave	Absence days*	Days	45,326	12,032	9,305
Occupational safety	Number of occupational accidents ¹⁾	Cases	3	2	7
	Absence days due to occupational accidents ²⁾	Days	233	55	10
	Accident rate ³⁾	%	0.0221	0.0151	0.0535

* First reported in 2022

Absences due to sick leave and medical leave include cases where an employee is unable to report to work due to work-related injuries or illnesses (including occupational accidents) as well as personal reasons, such as non-work-related illnesses or other personal circumstances.

: Sick leave (non-work-related injury) + Leave of absence (non-work-related injury) + Sick leave (work-related injury) + Leave of absence (work-related injury)

1) Only cases reported to the relevant public authority are recognized as occupational accidents

2) Only officially recognized occupational accidents are counted

3) Number of occupational accidents / Total employees * 100

Collective Agreement

Indicators		Unit	2022	2023	2024
Employees eligible for labor union membership	Persons		9,134	8,421	8,493
Number of labor union members			9,134	8,421	8,493
Labor union membership rate	%		100	100	100

Employees

Social Contribution

Indicators	Unit	2021	2022	2023	2024
Amount of investment in social contribution	KRW 100 million	1,450	2,025	2,537	3,017
Volunteer participation hours	Hours	8,014	2,313	16,722	36,525
Number of participants in volunteer activities	Persons	754	257	2,759	6,506

Customers

Customer Management

Indicators	Unit	2022	2023	2024
Customer satisfaction score ¹⁾	Points	94.5	94.9	96.3
Total number of customer complaints received ²⁾	Cases	171	172	170
Number of cases resolved	Cases	171	172	170
Resolution rate	%	100	100	100
Total financial losses from legal disputes related to product sales	KRW million	-	101	641
Number of participants in financial and economic education programs	Persons	80,826	87,893	69,176

1) Reflects the percentage of respondents who rated their satisfaction as 4 or 5 on a 5-point scale

2) Includes cases submitted through various channels, including financial regulatory authorities, the company website, call centers, and in-person visits

Information Security

Indicators	Unit	2022	2023	2024
Number of customer data breach incidents ¹⁾	Cases	1	-	-
Number of customers affected by data breaches	Persons	3,382	-	-
Total financial losses due to customer data breaches	KRW million	-	-	-
Number of complaints related to personal data protection ²⁾	Cases	-	-	-
Number of customers who provided consent for third-party data sharing	Persons	12,957,614	14,539,253	15,214,528
Employee information security training	Training hours	80,768	78,204	78,202
	Number of participants	13,016	12,677	12,635
Information security training for external/partner companies	Training hours	2,994	1,360	1,570
	Number of participants	1,497	680	785

1) Number of data breach cases confirmed by regulatory authorities

2) Number of cases reported through regulatory authorities (Financial Supervisory Service)

Economy and Governance

Economic Performance

40

ESG Committee

40



Economy and Governance

Economic Performance

Indicators		Unit	2022	2023	2024
Generation of economic value	Total revenue ¹⁾	KRW billion	35,514	37,460	47,350

1) Based on consolidated financial statements

ESG Committee

Indicators		Unit	2022	2023	2024
ESG Committee activities					
Number of resolution items		Items	2	-	-
Number of report items			6	12	15
Number of meetings conducted		Sessions	3	4	4
Attendance rate	Executive directors	%	100	100	100
	Independent directors		100	100	100
	Non-executive directors		-	-	-

GHG Emissions Verification Opinions

Introduction

DNV Business Assurance Korea Ltd. ("DNV") was commissioned by Shinhan Bank Co., Ltd. ("Shinhan Bank" or "Company") to perform third party verification of the Company's Greenhouse Gas statement for the calendar year 2024. The company is responsible for the preparation of the GHG statement on the basis set out within the guidelines on the operation of GHG Target Management Scheme (Notification No. 2024-22 of Ministry of Environment). The Company has full responsibility of the GHG statement. According to terms of contract, DNV expressly disclaims any liability or responsibility for any decisions, based upon the verification opinion.

Scope of Verification

The GHG emissions data covered by our verification is based on the GHG statement submitted to the competent authority.

- Organizational boundary : Shinhan Bank Co., Ltd. (in Korea)
- Operational boundary : Direct Emissions (Scope 1) and Indirect Emissions (Scope 2)
- Reporting period : 2024.01.01 ~2024.12.31

Verification Approach

The verification has been conducted in accordance with the verification principles and tasks outlined in the guidelines on the operation of GHG Target Management Scheme (Notification No. 2024-22 of Ministry of Environment) and the verification guideline for GHG-ETS (Notification No. 2024-169, Korean Ministry of Environment) reasonable level of assurance. DNV planned and performed our work to obtain all the information and explanations deemed necessary to provide us with sufficient evidence to provide a verification opinion with 5% materiality level. As part of the verification process, we have reviewed as follows;

- Adequacy of GHG data control, collection and emission calculation and report process
- The GHG inventory is based on measurements and has inherent limitations that may arise from the process of calculating, estimating, and finalizing the reported data.

Conclusions

Based on the verification conducted, the information related to the GHG statement has been properly calculated and reported.

- DNV presents an 'Unmodified' opinion on Greenhouse Gas Emissions

Shinhan Bank		Unit	2024
Greenhouse Gas Emission	Scope 1	tCO ₂ -eq	9,618.573
	Scope 2		61,447.058
	Total Emissions		70,718
Energy Consumption	Fuel	TJ	157.636
	Electricity		1,282.055
	Total Consumption		1,173

* In order to report the GHG emissions and Energy consumption as an integer, the value on the opinion might be different from the actual number with ± 1 tCO₂-eq.

03 July 2025
Seoul, Korea

Lee, Jang Sup
Country Representative



DNV Business Assurance Korea Ltd.

Verification Opinion Statement

Dear Stakeholders

Korean Foundation for Quality (hereinafter 'KFQ') has been engaged to independently verify the 2024 Sustainability Report (hereinafter 'the Report')²⁾ of Shinhan Bank¹⁾ (hereinafter 'the Company'). KFQ is responsible for providing an independent third-party verification opinion on the report based on the verification criteria and scope specified below. The responsibility for the preparation of this report lies with the Company's management.

- 1) Organization Address (based on headquarters) : 20, Sejong-daero 9-gil, Jung-gu, Seoul, Republic of Korea
- 2) Data Collection Period : The reporting period is from January 1, 2024 to December 31, 2024. Data for the past three years (2022 to 2024) were provided to show annual trend changes in quantitative performance.

Verification Purpose

The purpose of this verification is to ensure the reliability of the data and information stated in the Company's report.

Verification Scope

- 1. Verification Boundary : Shinhan Bank headquarters and all Korean/foreign business sites operated by Shinhan Bank
- 2. Verification Items (Based on Shinhan Bank's Material Issues)

No.	2024 Material Issues
1	Digital Financial Innovation
2	Mutual Finance
3	Green Finance
4	Professionalism of Employees and Work life Balance
5	Ethical Management and Law-abiding management
6	Financial consumer protection and information protection/security

3. Excluded Items from Verification : The following items are not included within the scope of verification

- 1) Performance and reporting practices of subsidiaries, affiliates, partners, and third parties
- 2) Items related to other sustainability initiatives presented in the report
- 3) Other related information such as periodic disclosure reports and financial statements
- 4) Greenhouse gas emissions data

Verification Criteria

This verification has been conducted based on [AA1000AS (v3)], [AA1000AP (2018)], and [Type 1-Moderate]

Verification Method

The audit team reviewed relevant procedures, systems, and control mechanisms, along with available performance data, to verify the reliability of the report's content based on the aforementioned criteria. The documents reviewed during the verification process are as follows:

- **Non-financial Information** : Data provided by the company, disclosed Business Reports, and information obtained from media and/or the internet.
- **Financial Information** : Data disclosed in the electronic disclosure system (dart.fss.or.kr) of the Financial Supervisory Service and data posted on the homepage.

(However, the contents of the above data are not included in the verification scope.)

The verification was conducted through document review. The validity of the materiality assessment procedure in the Report, the selection of material issues considering stakeholders, the data collection, management, and report preparation procedures, as well as the accuracy of the descriptions, were evaluated appropriately. Subsequently, it was confirmed that any errors, inappropriate information, or unclear expressions identified in the above steps were appropriately corrected before the publication of the Report.

Verification Opinion Statement

Verification Limitations

This verification inherently contains limitations that may arise in the process of applying the criteria and methodology.

Competency and Independence

The audit team for this verification was duly composed in accordance with KFQ's internal regulations. KFQ has no conflicts of interest that could compromise the independence and impartiality of the verification, apart from providing third-party verification services.

Verification Opinion

As a result of the verification, it is the opinion of KFQ that:

- 1) It has been confirmed that the Report was prepared in compliance with the four principles of AA1000AP (2018)

Inclusivity

The company has appropriately defined stakeholder groups and communicates with them through tailored communication channels that consider the characteristics of each group. The audit team did not identify any missing key stakeholders in this process and confirmed that the company is making efforts to incorporate stakeholder feedback into its management strategy.

Materiality

The company has identified material issues through an appropriate process and has thoroughly reviewed the relevant impacts to enhance the validity of its materiality assessment. The audit team confirmed that the identified material issues were given due emphasis in this report and that all material issues recognized during the materiality assessment process were reported without omission.

Responsiveness

The company strives to respond promptly to stakeholders' requirements and key concerns. The audit team did not find any evidence indicating that the organization's response activities and performance regarding material issues were inappropriately reported.

Impact

The company identifies and monitors the impact of stakeholder-related material issues across its business activities and reports the findings to the extent possible. The audit team did not find any evidence indicating that the impact of material issues was inappropriately measured or reported.

- 2) The report has been appropriately prepared in accordance with the Shinhan Bank's own Reporting Standard.
- 3) The data and information used for verification were limited to the provided materials and were found to be appropriate, with no significant errors or omissions that could affect the verification opinion.
- 4) Therefore, an "Unmodified Opinion" is provided for the company's 2024 Sustainability Report.



July 17, 2025
Ji Young Song, CEO

Ji Young Song

