

2021

Annual Report on
Corporate Governance &
Remuneration System





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Remuneration System

This Annual Report on Corporate Governance and Remuneration System is in strict compliance with the Company's Internal Code of Corporate Governance.

The data in this report are excerpts from the Korean version of the Annual Report on Corporate Governance and Remuneration System.

A handwritten signature in black ink, appearing to read 'Cho Yong-byung', with a long horizontal stroke extending to the right.

March 4, 2022

Cho Yong-byung

CEO

Shinhan Financial Group

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Shinhan Financial Group (hereafter "the Company") has prepared this report on its corporate governance policy and the operation of the Company and its subsidiaries for the calendar year 2021 in accordance with the Act on Corporate Governance of Financial Companies that became effective on August 1, 2016, and the Standards of Preparing the Annual Report on Corporate Governance and Remuneration System that were revised on January 23, 2017.

Unless otherwise mentioned herein, the information in this report is based on accumulated data as of the end 2021.

The statements on current members of the board of directors ("the Board") as of the end 2021 are ordered by their initial dates of election, following the statement on the chair of the Board. If members share the same date of election, then they are listed in the Korean alphabetical order.

The statements on former directors are set forth in the aforementioned order, following the statements on current directors.

The committees were listed in the order of the committees presented on the table of contents in the Annual Report. The committee members were listed in the Korean alphabetical order, following the name of the chairperson.



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I. Corporate Governance - Overview

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I. Corporate Governance - Overview

1. Principle and Policy of Corporate Governance

Good corporate governance contributes to the long-term success of a company, creating trust and engagement between the company and its stakeholders to create and deliver sustainable shareholder value. To pursue the long-term development of Shinhan Financial Group ("the Company") and protect the interests of shareholders and financial consumers, the Company endeavors to secure transparency, soundness, and stability and establish corporate governance that will lead to positive growth and supportive organizational culture. We further enhance our governance standards with strong internal controls, values and culture which are implemented through our Board and various sub committees. We measure and reward performance both in terms of what employees achieve and how they achieve it, which has a positive effect on how well our culture and values are embedded within the Company.

Through its efforts, the Company has been earning an "A+" integrated rating in the ESG Evaluation conducted by the Korea Corporate Governance Service ("KCGS") under the Korea Exchange 7 years in a row since 2015. The company became the first and only evaluated company to receive an "S" rating in the field of corporate governance in 2017. Also, in the "financial company corporate governance evaluation" which began to apply a more advanced evaluation model in 2018 for financial companies with better corporate governance than manufacturing companies, it received "A+" (top rating)

[Reference] Company's corporate governance rating by the Korea Corporate Governance Service (KCGS)

Classification	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 ¹⁾	2019	2020	2021
Corporate governance rating	Strong	A	A	A+	A+	A+	A+	A+	S	A+	A+	A+	A+

Note1) Rating adjustment as a result of introducing a new evaluation model in 2018

The Company's principle and policy of corporate governance are as follows.

A. Transparency of corporate governance

The Company actively discloses the standards, procedures, and results of corporate governance-related matters to achieve transparent corporate governance.

First, the Company discloses its annual corporate governance report on its website, that of the Korea Federation of Banks and the electronic disclosure system (dart.fss.co.kr) at least 20 days prior to the date of its general meeting of shareholders each year. This report transparently notifies all of its stakeholders about all matters related to corporate governance.

Second, the Company provides an annual corporate governance report to its stakeholders to help them understand how the Company handles corporate governance. This report discloses all of its corporate governance-related internal regulations (e.g., articles of incorporation, bylaws, regulations of the Board, regulations of the Board's subcommittees).

Third, the Company promptly discloses the results of the general meeting of shareholders, appointment and dismissal of executives, and cases of non-compliance with its Internal Code of Corporate Governance through its website and that of the Korea Federation of Banks.

Fourth, especially in connection with the general meeting of shareholders, the Company does not exclude the "cumulative voting system" to protect minority shareholders' rights but promotes electronic voting and "exercise of voting right in writing" to guarantee active voting by shareholders, thus enhancing shareholders' rights. The Company also provides real-time videos of its general meeting of shareholders to provide information from these meetings in a fair and timely manner.

On the Company's website, the corporate governance-related disclosure site is as follows.

<http://www.shinhangroup.co.kr/kr/governance/others.jsp>

B. Soundness of corporate governance

For the soundness of corporate governance, the Company runs an independent and professional board of directors, and has reflected, in its internal regulations such as the Articles of Incorporation, Internal Code of Corporate Governance, and Board of Directors Regulation, the matters recommended by the Commercial Act, the Act on Corporate Governance of Financial Companies ("Corporate Governance Act"), Model Corporate Governance, etc. in connection with the Board and diligently complies with the same.

C. Stability of corporate governance

To realize stable corporate governance through checks and balances between the Board and the management, the Company has delegated its decision-making and operation to them respectively. The management's execution of business was reported to the Board, which conducted diligent monitoring through its activities and those of its subcommittees.

Independent directors account for 86% (12 out of 14 total independent directors) of the Board, which is greatly in excess of the majority required by the law. In this way, the Company is creating conditions enabling the Board to dutifully perform its function of checking the management.

The Company also actively promotes the Board's independent directors-centered activities by filling a majority of each subcommittee with independent directors. (The average percentage of independent directors in subcommittees is 94%)

The Board is granted the authorities to appoint and dismiss CEO (executive director) and senior management so that it can actually check the management. Independent directors have the authority to request data, advisory services, etc., and the Company has the obligation to provide this information to independent directors.

Independent directors shown to have outstanding capability to fulfill their role are granted the terms of office to the extent allowed by the applicable laws and internal regulations. When independent directors are appointed, their experience and knowledge as independent directors, stability and continuity of corporate governance, professionalism in the operation of committees within the BOD, etc. are comprehensively considered.

To ensure the continuity of independent directors' work while maintaining their diligent performance of duties, they will be given a 2-year term of office when elected the first time and thereafter given successive 1-year terms. This ensures that only independent directors that have dutifully executed their duties will have the chance of being re-elected at the general meeting of shareholders.

In addition, in the Independent Director & Audit Committee Member Recommendation Committee, independent directors that belong to the re-election candidate group are fundamentally prohibited from self-recommendation and from voting on their recommendation.

The CEO shall not be over 70 years of age for the sake of an effective CEO succession process.

The Company implements corporate governance so that the aforementioned system and devices will help the Board, the management, and independent directors exercise checks and balances against each another.

D. Diversity and expertise in the composition of the Board

The Internal Code of Corporate Governance of the Company specifies the "principle of diversity" in the composition of the Board. These principles keep the Board from sharing a specific common background or advocating specific interests, thereby realizing diversity and expertise of corporate governance.

In its actual operations, the Board consists of members with diverse expertise. This prevents specific backgrounds or skill sets from being over-represented.

The composition of the Board evenly covers 6 areas (finance, business management, economics, legal, accounting, and

information technology) mentioned in the Corporate Governance Act as expertise requirements and the international business chosen by the Board in connection with the direction of management strategies.

Considering financial holding companies' characteristics, which cover all sectors of the financial industry, the Company endeavors to elect independent directors with expertise across multiple areas.

[Reference] Composition of the Board by area of expertise

(Unit: No. of directors)

Classification	Finance	Economics	Business management	Accounting	Legal	Information technology	International business	Total
Before General Meeting of Shareholders (March 2021)	5	1	3	1	1	1	1	13
After General Meeting of Shareholders (March 2021)	3	1	2	2	3	2	1	14

The Company also considers independent recommendation channels and diversity in regard to the Board's composition and the selection of independent director candidates.

In the 2nd Corporate Governance and CEO Recommendation Committee meeting (May 9, 2019), the "Independence of Director" requirement complying with global standards was reviewed and then the result, 'Director Independence Guidelines', was posted on the Company's website.

The 5th Independent Director Recommendation Committee meeting (Aug 23, 2019), as the principle of independent director selection, required that the number and expertise of independent directors shall be decided through review by the Board and that the Independent Director Recommendation Committee shall select those in the independent director long list who meet the qualifications of independent directors and recommend them. In addition, referring to expertise, fair judgment, Integrity, and strong work ethics as listed by the Corporate Governance Act as independent directors' qualifications, prescribed additional review criteria of diversity in the composition of the Board, compatibility with Shinhan Financial Group, and effectiveness in securing a competitive edge. Also, it reviewed requirements for considering the diversity of the Board and then posted the same on the Company's website as 'Guidelines on diversity of the Board'.

In the 6th Independent Director Recommendation Committee meeting (Nov 15, 2019), so that the existing 'shareholders' recommendation of independent director candidates' is further promoted and more shareholders can easily participate, a resolution was made to allow year-round recommendation instead of restricting the recommendation period.

In the 7th Independent Director Recommendation Committee meeting (Dec 19, 2019), we supplemented the criteria of the independent director candidate long list to include candidates who can succeed to and develop the Group's spirit/corporate culture so that Shinhan Financial Group's governance characteristics can be reflected, a strengthened candidate exclusion requirement to maintain reasonable number of quality candidates, and to pursue efficient decision-making in actual candidate recommendation, established a criteria of detailed candidates management, and placed candidates under circumstantial restrictions, not personal disqualification in separate long list, thus sophisticating the monitoring system so that they can be included after the restrictions disappear.

At the 7th Independent Director & Audit Committee Member Recommendation Committee meeting (Dec 16, 2021), a large number of female independent director candidates recognized for their expertise in each field were newly added to the candidate group in order to secure 'diversity in the composition of the Board,' and the management criteria of the long list of independent director candidates have been supplemented, such as additional deliberation of candidates that require in-depth verification, reinforcement of criteria for inclusion in the independent director candidate group of the Group companies, etc.

The Company complies with the 'Board Diversity Guidelines' which requires the long list to include independent director

candidates with diverse experiences and perspectives in terms of nationality, gender, age, experience and background, and actually the Board currently has 1 female independent director, thus pursuing its gender diversity, and has independent directors of 2 nationalities (Korean, and American) and 3 main countries of operation (Korea, Japan, and Hong Kong), thus incorporating global perspectives in its management. In addition, in order to continuously expand the number of female independent directors, we are endeavoring to diligently follow the principle of diversity in the Board's composition including clarifying the criteria to maintain a minimum 20% for female candidates in the long list.

[Reference] Number of female independent director candidates in the past 3 years

Classification	Number of independent director candidates	Number of female independent director candidates (Percentage)
As of December 31, 2019	108	30 (27.8%)
As of December 31, 2020	117	29 (24.8%)
As of December 31, 2021	131	49 (37.4%)

E. Corporate governance reflecting growth direction and Shinhan Financial Group's organizational culture ("the Group")

The Company began as Shinhan Bank, which was founded in July 1982 as "the first bank in Korea to be formed solely with private capital". It was born out of the patriotism of 341 Korean national shareholders residing in Japan (100% shareholding, with equity capital of 25.9 billion won).

With the slogan of "Bank for the country," the genuine sense of mission of the aforementioned Korean national shareholders to contribute to the development of their mother country's financial industry was the basis for Shinhan Financial Group's founding spirit, ("the Group"). That spirit is fully reflected in the company name which signifies "Bank of the new (*Shin*) Korea (*Han*)."

From the incorporation of Shinhan Bank to the present, the Company's Korean national shareholders residing in Japan, as the founding shareholders, have been acting as more than just investors.

After Shinhan Bank's incorporation, these shareholders have unwaveringly supported the Company's "no-dividend policy." This policy has been successfully upheld for a long time to secure Shinhan Bank's future growth engines, despite continuously posting a profit.

By launching the "campaign to buy Shinhan shares" despite a heavy fall in its stock price during the 1997 Korean financial crisis, the Korean national shareholders residing in Japan have not only contributed to their home country's economic development, but have also played the role of silently and patiently helping the Group's development.

The founding shareholders' unwavering affection and support have laid the foundation for Shinhan Bank, a small financial company with only 3 branches at the time of its incorporation, to grow into a financial group that proudly represents Korea today.

Based on such full-fledged trust by its founding shareholders, the Group has mainly been run, from its incorporation until now, by professional managers with a deep affection for and understanding of the "Shinhan" value, thus continuing to record stable development.

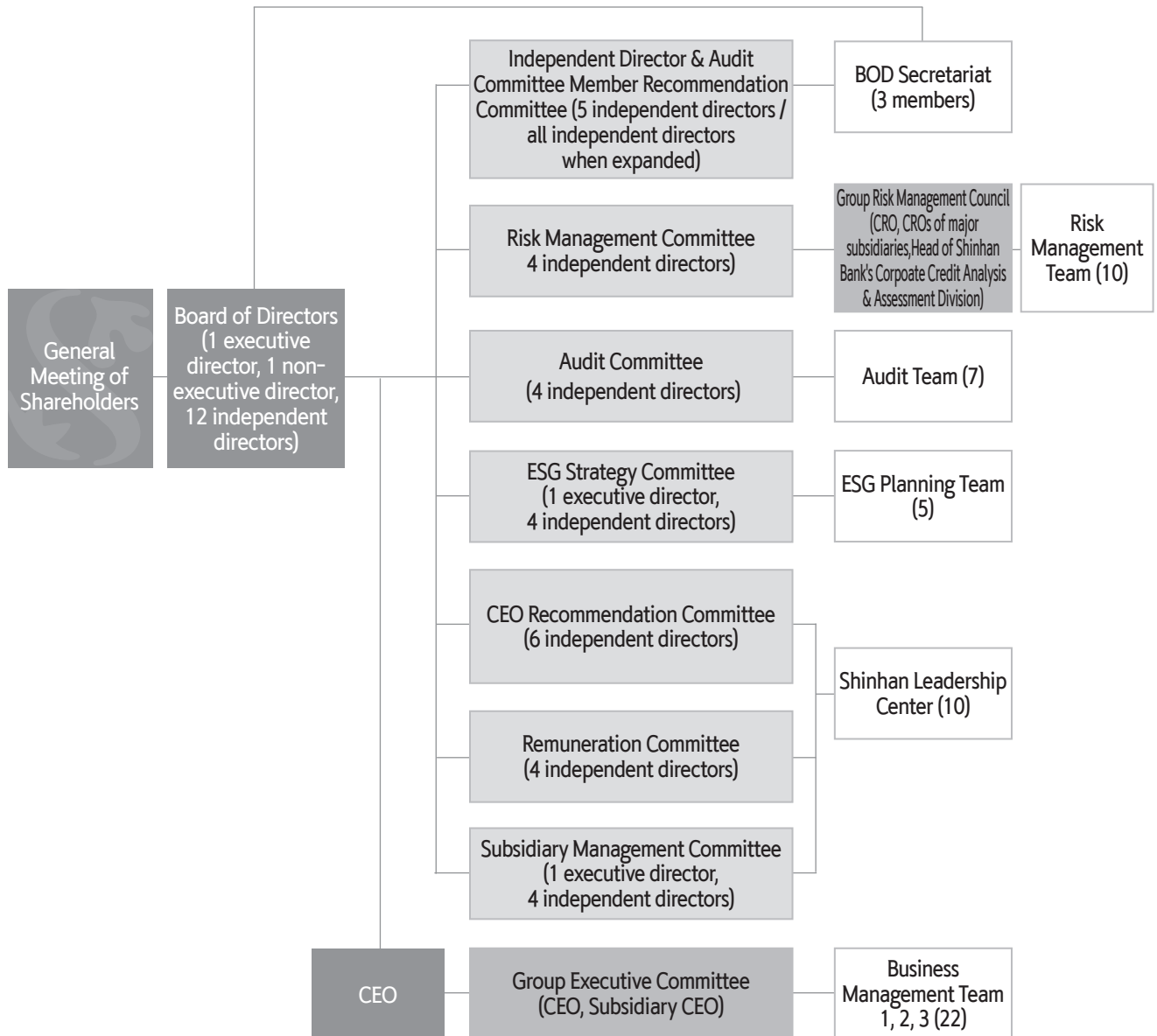
Launched in 2001 as "the first privately-held financial holding company in Korea.", the Company successfully laid the foundation for a new leap into the future through its strategic partnership with BNP Paribas Group, a global financial group. Also, it attracted investment by IMM PE, a management-participating private equity fund, in 2019 and investment by the global private equity funds Affinity Equity Partners and Baring Private Equity Asia (BPEA) in 2020, thus strengthening communication and cooperation with capital market participants and securing a long-term growth engine.

Members of the Board are chosen to reflect the Group's growth path and organizational culture in its corporate governance. Independent directors include management, law, and information technology (IT) experts representing the Group's founding

spirit and the Company's Korean-national shareholders residing in Japan, and accounting, law, and IT experts recommended by IMM PE, Affinity Equity Partners and Baring Private Equity Asia, the Company's strategic partners.

2. Current Status of Corporate Governance

A. Organizational chart



B. Characteristics of corporate governance

(1) Independent director-centered composition of the Board

The Board is the Company's supreme and standing decision-making body. It has the authority to appoint and dismiss CEO, and independent directors play a central role in its operation. Currently, 12 out of the 14 members of the Board are independent directors (86%), and the proportion of independent directions are much higher than in other financial companies. This strong presence of independent directors enhances rational decision-making through greater participation in

the Board by those with diverse expertise and backgrounds. It also strengthens checks against the management through multiple independent directors with verified independence. In addition, the Company's internal regulations were updated in March of 2010 so that chair of the Board is now required to be an independent director.

(2) Subcommittees-centered operation

There is a total of 7 subcommittees: the Independent Director & Audit Committee Member Recommendation Committee, CEO Recommendation Committee, Audit Committee, Remuneration Committee, Risk Management Committee, ESG Strategy Committee, and Subsidiary Management Committee.

Among the subcommittees, the Independent Director & Audit Committee Member Recommendation Committee, CEO Recommendation Committee, Audit Committee, Remuneration Committee, and Risk Management Committee are required by law, particularly the Corporate Governance Act. The remaining two subcommittees were voluntarily formed by the Board to enhance expertise, independence and efficiency of the Board and stability of the corporate governance.

Independent directors also play a central role in the subcommittees, as is the case in (1) above.

For example, in the case of the Independent Director & Audit Committee Member Recommendation Committee, the Corporate Governance Act requires that independent directors shall account for a majority thereof, and the Company's internal regulations also set this as a requirement. Actually, all its members are independent directors (Article 3 of Independent Director & Audit Committee Member Recommendation Committee Regulation). Likewise, in the case of CEO Recommendation Committee, all its members are independent directors despite the law requiring that a majority thereof be independent directors, enhancing transparency and independence in the CEO succession process. (Article 3 of the CEO Recommendation Committee Regulation.)

In regard to the Audit Committee, the Corporate Governance Act and the Company's internal regulations (Article 7 of Audit Committee Regulation) mandate that independent directors shall account for two thirds or more. In actuality, all its members are independent directors in the Company so that the Audit Committee can dutifully exercise its role of supervising the management's execution of duties.

In the ESG Strategy Committee, and Subsidiary Management Committee, which were established by the Board's voluntary resolution, independent directors account for a majority of the members.

In addition, all subcommittees excluding Subsidiary Management Committee have independent directors as their chairmen.

(3) Distribution of authorities to recommend candidates for executives

In connection with the recommendation of the candidates for executives, the Company runs the Independent Director & Audit Committee Member Recommendation Committee, CEO Recommendation Committee, and Subsidiary Management Committee.

The Corporate Governance Act, having become effective on August 1, 2016, obligates that a committee recommending candidates for executives (independent directors, CEO, representative officers, and Audit Committee members) be formed. The Company had already been running multiple subcommittees depending on the types of executives when the law started being enforced.

The Independent Director Recommendation Committee has been in charge of recommending independent director candidates since May 10, 2004. The CEO Recommendation Committee (Formerly Governance & CEO Recommendation Committee) has been in charge of recommending candidates for CEO since August 25, 2011, the Audit Committee Member Recommendation Committee has been in charge of recommending candidates for Audit Committee members since February 4, 2008, and the Board Steering Committee has been in charge of recommending candidates for non-executive directors since August 25, 2011. Currently, through the amendment of the Articles of Incorporation and related internal regulations

(March 25, 2021), the Independent Director Recommendation Committee and the Audit Committee Member Recommendation Committee are merged to form the Independent Director & Audit Committee Member Recommendation Committee in order to clarify the authority of recommending candidates for independent directors who are also Audit Committee members, and the recommendation authority was transferred to the Board to strengthen the non-executive director recommendation process, leaving the Board Steering Committee redundant and abolished. In addition, for independence and transparency in the recommendation of candidates for subsidiaries' CEOs, the Subsidiary Management Committee has been turned as a subcommittee.

Independent directors are appointed as members of the subcommittees to avoid overlaps to the maximum extent possible. This prevents certain independent directors from monopolizing their authority to recommend candidates for executives.

Classification	Executives to be recommended	Subcommittee members (independent directors)
Independent Director & Audit Committee Member Recommendation Committee	Recommend candidates for independent directors, and Audit Committee members	Huh Yong-hak, Yoon Jaewon, Lee Yong-guk, Choi Kyong-rok, Choi Jae-boong (However, when the final recommendation of independent director candidates and the recommendation of Audit Committee member candidates commences, all independent directors become members of the committee)
CEO Recommendation Committee	Recommend candidates for CEO	Sung Jae-ho, Byeon Yang-ho, Lee Yoon-jae, Jin Hyun-duk, Choi Kyong-rok, Huh Yong-hak (However, at the final meeting for the selection of the CEO candidate, all independent directors become members of the committee)
Subsidiary Management Committee	Recommend candidates for subsidiaries' CEOs	Kwak Su-keun, Park Ansoon, Byeon Yang-ho, Sung Jae-ho

(4) Strengthen expertise of subcommittees

The Corporate Governance Act does not have a separate provision on subcommittees, but in consideration of the purpose of applicable provisions in the former Model Corporate Governance, the Company continues to include at least 1 person with experience working for a financial company or in the areas of corporate finance, or accounting experience in the Risk Management Committee and Remuneration Committee.

In the case of the Risk Management Committee, Director Byeon Yang-ho, a former high-ranking official of the Ministry of Finance and Economy and former CEO of Vogo Fund (Korea's 1st private equity fund) and Director Huh Yong-hak, former CIO of Hong Kong Monetary Authority are such examples, and in the case of the Remuneration Committee, Director Byeon Yang-ho is serving as a member.

The Audit Committee must include at least 1 accounting or financial expert: Director Yoon Jaewon, a professor of business management with accounting major who is a licensed certified public accountant in the US, and Director Kwak Su-keun, also a professor of business management with accounting major, are serving there, thus meeting the statutory requirement and reinforcing the subcommittee's expertise.

Given the relevant committees' characteristics, members of the Remuneration Committee are not allowed to consecutively serve in excess of 2 years, and exceptions to the foregoing are allowed only when there are unavoidable circumstances, such as when they do not significantly interfere with the composition of the committees.

However, in the case of the Audit Committee, Risk Management Committee, etc., in consideration of expertise in the relevant areas, checks against the management, etc., changes in subcommittee members are minimized during the directors' terms of office.

(5) Strengthen corporate social responsibility and sustainable management

In order to grow together with internal and external stakeholders including customers, shareholders, and the community, fulfill its corporate social responsibility as a financial company, and actively and systematically realize the Group's mission, 'Compassionate Finance for the Future,' the Company on March 25, 2015 established the ESG Strategy Committee (formerly Corporate Social Responsibility Committee) as a subcommittee for the first time among domestic financial companies.

(6) Implement responsibility as a financial holding company

As the first privately held financial holding company in Korea, the Company endeavors to operate in compliance with the purpose of its incorporation in the aspect of corporate governance.

The Corporate Governance Act does not have a separate provision regarding this, but in consideration of the purpose of applicable provisions in the former Model Corporate Governance, the Company has established and continues to run its Management and Risk Management Council.

Since September 2011, the Company has been running the Group Executive Committee. This committee discusses the Group's key issues (Business Management Council under the Model Corporate Governance) as an organization that supports decision-making by the CEO.

To discuss the Group's risks in detail, the Company has been running the Group Risk Council (Risk Management Council under the Model Corporate Governance) since December 2001. In November 2009, the Group strengthened Risk Management Committee's role as a working-level policy body.

The subsidiary management committee ensures that while subsidiaries operate in a way to maximize shareholder value, they adhere to the overarching group-wide corporate governance framework.

C. Current status of corporate governance (Summary)

Subcommittees	Key roles	Composition (No. of independent directors / No. of members)	Chair (Name/ status as executive, non-executive, or independent director)	Related regulations
Board of Directors	<ol style="list-style-type: none"> 1. Establish and evaluate management plans covering subsidiaries in scope 2. Establish, revise, and abolish important internal regulations such as Articles of Incorporation 3. Matters on budget and settlement of accounts 4. Matters on important organizational changes and contracts 5. Matters on overall corporate governance of the Company 6. Supervise conflict of interest between the Company and major shareholders or executives 7. Establish and revise the Company's internal control system 8. Establish and revise the Company's risk management standards 9. Establish and evaluate CEO succession plan and manage the CEO candidate pool 	12/14	Lee Yoon-jae (independent director)	<ul style="list-style-type: none"> · Key roles: Article 4 of the Internal Code of Corporate Governance, Article 10 of the Board of Directors Regulation · Composition: Article 36 of Articles of Incorporation, Article 3 of the Internal Code of Corporate Governance, Article 5 of Board of Directors Regulation · Chairman of the Board: Article 45 of Articles of Incorporation, Article 5 of the Internal Code of Corporate Governance, Article 7 of Board of Directors Regulation

Subcommittees	Key roles	Composition (No. of independent directors / No. of members)	Chair (Name/ status as executive, non-executive, or independent director)	Related regulations
Independent Director & Audit Committee Member Recommendation Committee ¹⁾	<ol style="list-style-type: none"> 1. Establish, review, and supplement the principles of electing independent directors, and Audit Committee members 2. Recommend candidates for independent directors, and Audit Committee members to be elected at the general meeting of shareholders 3. Manage the independent director candidate pool and verify the candidates 	5/5 (12/12) ²⁾	Huh Yong-hak (Independent director)	<ul style="list-style-type: none"> · Key roles: Article 13 of the Internal Code of Corporate Governance, Article 6 of the Independent Director & Audit Committee Member Recommendation Committee Regulation · Composition: Article 13 of the Internal Code of Corporate Governance, Article 3 of the Independent Director & Audit Committee Member Recommendation Committee Regulation · Chairman: Article 4 of the Independent Director & Audit Committee Member Recommendation Committee Regulation
CEO Recommendation Committee ³⁾	<ol style="list-style-type: none"> 1. Support the Board in the succession of CEO 2. Set the qualifications of CEO such as talents or business acumen 3. Recommend the candidate for CEO 4. Select the candidate for CEO and manage the candidate pool (e.g, verify whether the candidate meets the qualifications) 	6/6 (12/12) ⁴⁾	Lee Yoon-jae (Independent director)	<ul style="list-style-type: none"> · Key roles: Article 10 of the Internal Code of Corporate Governance, Article 6 of the CEO Recommendation Committee · Composition: Article 10 of the Internal Code of Corporate Governance, Article 3 of the CEO Recommendation Committee · Chairman: Article 4 of the CEO Recommendation Committee
Audit Committee	<ol style="list-style-type: none"> 1. Supervise directors' and the management's execution of duties 2. Select external auditor and request dismissal of the same 3. Other matters prescribed by the Articles of Incorporation or internal regulations in connection with auditing 	4/4	Yoon Jaewon (Independent director)	<ul style="list-style-type: none"> · Key roles: Article 12 of the Internal Code of Corporate Governance, Article 10 of Audit Committee Regulation · Composition: Article 12 of the Internal Code of Corporate Governance, Article 7 of Audit Committee Regulation · Chairman: Article 8 of Audit Committee Regulation

Subcommittees	Key roles	Composition (No. of independent directors / No. of members)	Chair (Name/ status as executive, non-executive, or independent director)	Related regulations
Remuneration Committee	<ol style="list-style-type: none"> 1. Matters on determination and payment method of remuneration for the Company's management and financial investment personnel 2. Prepare and disclose an annual report on payment of remuneration to the management and financial investment personnel 3. Design and operate remuneration system for the management and financial investment personnel and evaluate reasonableness of such design and operation 4. Matters on evaluation of, and remuneration for, subsidiaries' executives 5. Decisions on the Company's financial investment personnel 6. Matters on procedure for decision-making concerning remuneration policy 7. Other matters related to remuneration system 	4/4	Lee Yong-guk (Independent director)	<ul style="list-style-type: none"> · Key roles: Article 15 of the Internal Code of Corporate Governance, Article 6 of Remuneration Committee Regulation · Composition: Article 15 of the Internal Code of Corporate Governance, Article 3 of Remuneration Committee Regulation · Chairman: Article 4 of Remuneration Committee Regulation
Risk Management Committee	<ol style="list-style-type: none"> 1. Establishing basic risk management guidelines befitting management strategies 2. Decide the level of risk which the Company and each subsidiary can bear 3. Approve the limits of reasonable investment or allowable loss 4. Enact and revise Group Risk Management Regulation and Group Risk Council Regulation 5. Matters on the structure, and delegation of responsibilities, of the risk management department 6. Operate the risk management system 7. Set the limits and approve exceptions thereof 8. Decision-making related to Group Internal Ratings-Based Approach approval of the Financial Supervisory Service's non-retail and retail credit rating system 9. Matters of risk disclosure policy 10. Result of crisis analysis, and capital management plan and funding plan related thereto 11. Matters deemed necessary by the Board 12. Matters required by outside regulations (e.g., FSC regulations) and matters prescribed by other regulations, guidelines, etc. 13. Matters deemed necessary by the Committee Chairman 	4/4	Byeon Yang-ho (Independent director)	<ul style="list-style-type: none"> · Key roles: Article 14 of the Internal Code of Corporate Governance, Article 6 of Risk Management Committee Regulation · Composition: Article 14 of the Internal Code of Corporate Governance, Article 3 of Risk Management Committee Regulation · Chairman: Article 4 of Risk Management Committee Regulation
ESG Strategy Committee	<ol style="list-style-type: none"> 1. Establish sustainable management strategy 2. Establish, revise, and abolish standards/policies related to sustainable management such as eco-friendly management (including response to climate change) and corporate social responsibility 3. Other matters related to sustainable management and submitted by the chairman 	4/5	Kwak Su-keun (Independent director)	<ul style="list-style-type: none"> · Key roles: Article 17 of the Internal Code of Corporate Governance, Article 6 of ESG Strategy Committee Regulation · Composition: Article 17 of the Internal Code of Corporate Governance, Article 3 of ESG Strategy Committee Regulation · Chairman: Article 4 of ESG Strategy Committee Regulation

Subcommittees	Key roles	Composition (No. of independent directors / No. of members)	Chair (Name/ status as executive, non-executive, or independent director)	Related regulations
Subsidiary Management Committee	<ol style="list-style-type: none"> 1. Support the Board in the management succession of subsidiaries' CEOs 2. Set the qualifications of subsidiaries' CEOs such as talents or business acumen 3. Recommend candidates for subsidiaries' CEOs 4. Select the candidates, verify whether the candidates the qualifications for subsidiaries' CEOs, and manage the candidate pool 5. Matters related to subsidiary management leadership evaluation 6. Request actions (sanctions, etc.) according to the inspection results for the subsidiaries 	4/5	Cho Yong-byoung (Executive director)	<ul style="list-style-type: none"> · Formation and operation: Article 19 of the Internal Code of Corporate Governance, Article 2 of Subsidiary Management Committee Regulation · Matters requiring committee resolution: Article 19 of the Internal Code of Corporate Governance, Article 5 of Subsidiary Management Committee Regulation · Chairman: Article 4 of Subsidiary Management Committee Regulation
Group Executive Committee	<p>Deliberate and discuss the Group's key issues and thereby support decision-making by CEO</p> <ol style="list-style-type: none"> 1. Matters related to establishment of the Group's vision/ strategic direction and management plan/budge. 2. Matters that require cooperation or interest coordination among subsidiaries, etc. and business divisions in order to implement the Group's strategy. 3. Matters related to the various management issues of subsidiaries, etc. and business divisions, that need to be shared and discussed among the subsidiaries. 4. Matters related to the systems jointly applied by subsidiaries, etc. and business divisions. 5. Matters related to the Group-level brand strategy. 6. Other matters deemed necessary by the CEO <p>* Submission may be exempt for agenda items required by laws or contracts to be confidential</p>	-	Cho Yong-byoung (Executive director)	<ul style="list-style-type: none"> · Key roles: Article 43 of the Internal Code of Corporate Governance, Articles 2, 6, and 7 of Group Executive Committee Regulation · Composition: Article 43 of the Internal Code of Corporate Governance, Article 3 of Group Executive Committee Regulation · Chairman: Article 3 of Group Executive Committee Regulation
Group Risk Management Council	<p>For consistency in the risk policies and strategies of the Group and subsidiaries, discuss on the Group's risks and resolve on matters necessary to implement policies formulated by Risk Management Committee</p> <ol style="list-style-type: none"> 1. Matters on the setting of exposure limits such as countries, critical areas, individual companies and affiliates. 2. Matters on implementation of the Group's integrated crisis analysis. 3. Decision-making related to the Group's non-retail credit rating system, excluding those subject to approval under the Financial Supervisory Service's Internal Ratings-Based Approach. 4. Other matters deemed necessary by the chairperson. 	-	Bang Dong-kwon (Chief Risk Officer)	<ul style="list-style-type: none"> · Key roles: Article 43 of the Internal Code of Corporate Governance, Articles 2, 5, and 6 of Group Risk Management Council Regulation · Composition: Article 74 of the Internal Code of Corporate Governance, Article 3 of Group Risk Management Council Regulation · Chairman: Article 3 of Group Risk Management Council Regulation

Note 1) Independent Director & Audit Committee Member Recommendation Committee for the recommendation of candidates for executives under the Corporate Governance Act (Recommend candidates for independent directors, and Audit Committee members)

Note 2) When the final recommendation of independent director candidates and the recommendation of Audit Committee member candidates commences, all independent directors become members of the committee

Note 3) CEO Recommendation Committee: Committee for the recommendation of candidates for executives under the Corporate Governance Act (Recommend candidate for CEO)

Note 4) At the final meeting for the selection of the CEO candidate, all independent directors become members of the committee

3. Related regulations

- (1) Articles of Incorporation
- (2) Internal Code of Corporate Governance
- (3) Group Internal Control Regulation
- (4) Board of Directors Regulation
- (5) Independent Director & Audit Committee Member Recommendation Committee Regulation
- (6) CEO Recommendation Committee Regulation
- (7) Audit Committee Regulation
- (8) Remuneration Committee Regulation
- (9) Risk Management Committee Regulation
- (10) ESG Strategy Committee Regulation
- (11) Subsidiary Management Committee Regulation
- (12) Group Executive Committee Regulation
- (13) Group Risk Council Regulation
- (14) Shinhan Financial Group Code of Ethics

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II. Board of Directors

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II. Board of Directors

1. Roles

A. Overview

The Board is the Company's supreme and standing decision-making body. It decides the Group's and the Company's key issues (e.g., appointment and dismissal of CEO, formulation and approval of the Company's business plan). Through its function of reasonable checks, it supports responsible management by the executives.

The Company endeavors to compose the Board of independent directors that can offer various expertise and insights. They are led by the CEO, executive & non-executive directors, and independent directors who are professional managers in the field of finance and have a deep understanding of "Shinhan Culture." This enables the Group's and the Company's key decision-making to be made from diverse perspectives. The Company also provides support to decision-making by using internal and external specialists, if necessary.

B. Specific roles

Article 4, Paragraph 1 of the Internal Code of Corporate Governance and Article 10, Paragraph 1 of the Board of Directors Regulation states the specific roles of the Board, which are reflected in the Company's Articles of Incorporation.

(1) Establish and evaluate management goals and strategies

The Internal Code of Corporate Governance (Article 4 Paragraph 1 Subparagraph 1) provides that the Board has authority for 'establish and evaluate management plans covering subsidiaries in scope', and the Board of Directors Regulation (Article 10 Paragraph 1 Subparagraph 4 Item a) provides that 'drafting and approval of the Company's business plan (including those of subsidiaries)' requires the Board's resolution.

The Company's Board establishes, evaluates and finally approves the management plan (including business, financial, risk, and budget plans), and in cases of dramatic changes in the management environment, may revise the same.

The 8th temporary Board meeting (Dec. 9, 2021) approved the 'Group's management plan and budget for 2022' as follows.

The management plan for 2022 began with 'review of group strategies and discussion of the direction of the 2022 management plan' at the holding company's working-level workshop on management plan (Sep. 2020). The Strategic Planning Team (department in charge of management plan) prepared a draft, and after a team head meeting and executive meeting, came up with a detailed 'Group management plan (draft)'. The Board's workshop (Oct. 5, 2021) discussed the draft plan, decided on the Group's strategic direction and shared the result with subsidiary companies. Then, each subsidiary company checked its performance of 2021 in the performance analysis meeting, and reviewed its draft management plan for 2020. Through discussions among the subsidiary companies' executives in charge of management plan and the Group Executive Committee, the 'draft Group management plan for 2022' was produced. The 8th temporary Board meeting (Dec. 9, 2021) approved it, finalizing the 'draft Group management plan and budget for 2022'.

Key items are as follows.

Through the consistent implementation of the 'F.R.E.S.H' (Fundamental, Resilience, Eco-system, Sustainability, Human-talent) 2020s mid-term strategy, the Company seeks to overcome macroeconomic uncertainty and respond to changes in the business environment. In order to achieve breakthrough growth, the Company set the management slogan 'Breakthrough 2022, RE:BOOT Shinhan!' and established detailed tasks.

The strategic tasks for 2022 are as follows.

First is the innovative/open digital transformation. Specific tasks include strengthening of digital platform competitiveness, creation of DT innovation values, refinement of digital driving systems, and promotion of capacity building.

Second is the expansion of the foundation for future growth. Specific tasks include strengthening of basic strength of the existing business lines, discovery of new growth engines, and expansion of investment.

Third is the promotion of differentiated global growth. Specific tasks include advancement of global growth strategy and strengthening of international business through connection and expansion.

Fourth is the creation of sustainable performance. Specific tasks include enhancement of fundamental competitiveness for ESG, strengthening of positioning as the ESG leading company, and promotion of ESG internalization.

Fifth is the preemptive risk management. Specific tasks include advancement of resilience capabilities to respond to changes, expansion of risk management areas based on capacity building, and advancement of the Conduct Risk management system from the customer's perspective.

Sixth is the building of a dynamic organizational system. Specific tasks include strengthening of organizational competitiveness from the Group's perspective and building of a dynamic organizational system.

In addition, there is the innovation-leading talent/culture as a base task for strategic tasks. Specific tasks include reinforced securing and nurturing of future talent and promotion of the Shinhan Culture RE:BOOT.

In addition, taking into account consistency between the aforesaid strategic tasks and mid-term strategic goals, the characteristics and environment of each business sector, each of the 15 subsidiaries (including Shinhan Bank) and 5 concurrent business groups prepared its business plan, which has been approved by the Board and each company's board of directors to secure a consistent strategic direction for the entire Group.

The Board receives reporting of 'Group management plan/annual business plan: Performance results' every half year and reviews progress of the management plan. The progress is monitored by reporting the performance results to the Board in the first and second half of the year respectively, and through this, we are enhancing Group-level execution thereof by linking the same with the CEO strategic task evaluation and the compensation system reflected in each subsidiary's business plan. In 2021, the matter was reported at the 1st temporary Board meeting (February 5) and the 3rd regular Board meeting (August 13). In 2022, it was reported at the 1st temporary Board meeting (February 9, 2021).

(2) Enact, amend, and abolish important regulations such as the articles of incorporation

The Internal Code of Corporate Governance (Article 4 Paragraph 1 Subparagraph 2) provides that the Board has authority for 'enactment, amendment, and abolishment of important regulations such as Articles of Incorporation', and designates the Board of Directors Regulation Articles of Incorporation as an important regulation and makes it clear that the Articles' amendment requires the Board's resolution (Article 10 Paragraph 1 Subparagraph 3 ('Enactment, amendment, and abolishment of important regulations')).

At its 2nd temporary Board meeting (March 2, 2021), the Board decided to submit to the annual shareholders' meeting a proposed partial amendment to the Company's Articles of Incorporation, inserting a clause enabling quarterly dividends, reflecting amendments to the Commercial Act and the Act on Electronic Registration of Stocks and Bonds, adjusting the issuance limit of convertible stock and bonds, and reflecting the changes of subcommittee names.

In addition to the Articles of Incorporation, the Board of Directors Regulation (Article 10 Paragraph 1 Subparagraph 3) designates, as important regulations, the Internal Code of Corporate Governance, Board of Directors Regulation,

Subcommittee Regulation, Executives Regulation, Subsidiary Management Committee Regulation, Internal Control Regulation, and Anti-Money Laundering Regulation, and provides that enactment, amendment, and abolishment of the foregoing (including other important regulations deemed to require the Board's resolution) requires Board resolution.

At the 1st temporary meeting (February 5, 2021), approved revision of the executive compensation regulations in order to enhance the competitiveness and equity of the executive compensation system, Also, at the same meeting, the Board approved 'Revision and repeal of Board regulations' in order to improve the efficiency of the operation of the subcommittees.

(3) Approve budget and settlement of accounts

The Internal Code of Corporate Governance (Article 4 Paragraph 1 Subparagraph 3) provides that the Board has authority for 'budget and financial statements' and the Board of Directors Regulation (Article 10 Paragraph 1 Subparagraph 4 Item b) more specifically provides that 'approval of budget and financial statements (including remuneration for directors, executives and employees' requires the Board's resolution.

The 2022 budget plan was established in the same process as in the aforesaid (A) 'establishment and evaluation of management goals and strategies, and was finally approved at the 8th temporary Board meeting (Dec. 9, 2021) as follows.

Key items of the '2022 budget plan' are as follows.

Total budget for 2022 is KRW 160.6 billion (decrease of KRW 0.5 billion over the previous year) and, in details, increase of KRW 14.2 billion in expense budget and decrease of KRW 14.7 billion in capital budget.

Expense budget is KRW 152.2 billion, with cost of labor KRW 42.9 billion, other expenses KRW 105.3 billion, and reserves KRW 4.0 billion.

In the Company, financial statements as well as budget plan have to be approved.

As for the 2020 financial statements, a draft was prepared by the internal accounting manager in January 2021, and by resolution of the 1st temporary Board meeting (Feb. 5, 2021), was submitted to the Audit Committee, and via the external auditor's review (Feb. 2021), accounting audit of the 20th financial statements was finalized at the 2nd Audit Committee meeting (Mar. 2, 2021) and submitted to the AGM, being finally approved by the 20th AGM (Mar. 25, 2021).

Key items of the '2020 financial statements' approved at the 1st temporary Board meeting (Feb. 5, 2021) are as follows.

As for profit/loss, the Company realized a total net profit of KRW 2,095.3 billion from banking subsidiaries and KRW 1,501.9 billion from non-banking subsidiaries, and its consolidated Group net profit reflecting simple equity gains/loss and consolidated adjustments was KRW 3,414.6 billion. It is an increase of KRW 11.1 billion over the previous years, whose key factors include increase in interest-bearing assets (in volume), increase in fee revenue, and increase in securities etc.

As for the total assets, thanks to increase in securities, loans, etc., we recorded KRW 605,328.3 billion, an increase of KRW 52,908.7 billion.

In addition, at its 2nd temporary meeting of the year (March 2, 2021), the Board approved amendment of the 20th statement of appropriation of retained earnings, deciding to pay dividends of KRW 1,500 per common stock and KRW 1,716 per preferred stock, which results in a total of KRW 773.8 billion in common stock dividends and KRW 30 billion in preferred stock dividends.

In addition, the Company periodically (quarterly) report 'financial performance of the Company and Group companies' to the Board, and report on the Group companies' dividend annually.

(4) Important organizational changes such as dissolution, business transfer, merger

The Internal Code of Corporate Governance (Article 4 Paragraph 1 Subparagraph 4) provides that the Board has authority for 'material organizational changes and contracts,' and the Board of Directors Regulation (Article 10 Paragraph 1 Subparagraph 4 Item c ('change of stock and capital'), Subparagraph 5 ('inclusion and exclusion as subsidiaries'), Subparagraph 8 Item a ('capital contribution each of which is in excess of 1/100 of the equity'), Subparagraph 8 Item b ('funding intended for support of subsidiaries and each of which is in excess of 3/100 of the equity'), Subparagraph 8 Item c ('strategic alliance or partnership with foreign financial institutions for purposes of comprehensive business alliance, equity participation, etc.'), and Subparagraph 8 Item d ('approval of dissolution, business transfer, and merger') give details requiring the Board's resolution.

At its 1st temporary meeting (February 5, 2021), the Board reported on the acquisition of Neoflux and the acquisition of BNP Paribas Group's shares in Shinhan BNP Paribas Asset Management, executed in 2020, change of company names to Shinhan Venture Investment and Shinhan Asset Management, and incorporation of them into full subsidiaries.

At its 4th temporary meeting (May 14, 2021), the Board approved 'exclusion of Orange Life Insurance as a subsidiary,' completing the merger between Shinhan Life Insurance and Orange Life Insurance.

At its 3rd regular meeting (August 13, 2021), the Board received reporting on the integration between Shinhan Asset Management and Shinhan Alternative Investment Management and the direction of the Group's future asset management business line portfolio reorganization ('Report on the Group's Asset Management Business Line Integration'). In addition, at the same meeting, in the reporting 'Details of incorporation and exclusion of subsidiaries, etc. in the first half of 2021,' details of the incorporation and exclusion of subsidiaries, etc. that occurred during the first half of 2021 falling under Article 10 (1) 5 (cases where the amount invested by subsidiaries, etc. in sub-subsidiaries, etc. is less than 1/100 of the holding company's equity capital at the time of incorporation or exclusion of the subsidiaries, etc.) of the Board of Directors Regulation, were reported to the Board.

At its 6th temporary meeting (October 5, 2021), the Board received reporting on the 'review of plans for the Group's entry into non-life insurance business' to expand the portfolio of the Group, and at its 7th temporary meeting (October 26, 2021), the Board approved acquisition of shares in BNP Paribas Cardif Insurance Co., Ltd. as a means of bridge into non-life insurance business to expand the Group's synergies and secure diverse customers.

At its 8th temporary meeting (December 9, 2021), in relation to the asset management business line integration reported at its 3rd regular meeting, the Board received reporting on the progress of the merger between Shinhan Asset Management and Shinhan Alternative Investment Management, and approved 'exclusion of Shinhan Alternative Investment Management Co., Ltd. as a subsidiary' to complete the merger procedure after approval from the financial authorities.

(5) Establish and evaluate principles and policies of corporate governance

The Internal Code of Corporate Governance (Article 4 Paragraph 1 Subparagraph 5) provides that the Board has authority for 'the Company's overall policies and principles on governance,' and the Board of Directors Regulation provides that 'matters on the Company's corporate governance' (Article 10 Paragraph 1 Subparagraph 6) and 'matters on directors' (Article 10 Paragraph 1 Subparagraph 7) require the Board's resolution.

The 1st temporary Board meeting (Feb. 5, 2021) reviewed 'composition of the 2021 Board,' and decided the total number of Board members and the percentages of executive/independent/non-executive directors.

In addition, at its meeting on the same day, the Board approved 'Revision and repeal of Board regulations' to improve the operational efficiency of the subcommittees, revising the Internal Code of Corporate Governance, the Board of Directors Regulation, and related subcommittee regulations. In addition, in order to strengthen the competitiveness of the remuneration system for independent directors based on their activities and to enhance transparency in the operation of remuneration, the Board approved 'reorganization of the remuneration system for independent directors'.

At the 1st regular meeting (March 3, 2021), the Board, in the matter of 'Deliberation on adequacy of director candidates,' deliberated on the adequacy of all director candidates recommended by the Independent Director Recommendation Committee and the Board Steering Committee. In addition, on the same date, the Board approved the cap on director remuneration. These details were finalized at the 20th annual shareholders' meeting (March 25, 2021).

At its 3rd temporary meeting (March 25, 2021), the Board approved 'election of the chairman of the Board.' Given that the Board's role for the growth and development of the Group and protection of financial consumers at a time of increasing business uncertainty is important and that the chairman has a tougher job than other Board members, independent director Yoon-jae Lee was elected as the chairman of the Board at the directors' unanimous opinion that independent director Yoon-jae Lee, having excellent knowledge and understanding of the overall financial industry, having the ability to collect information through a wide network encompassing public and private sectors, and thus presenting balanced opinions at the Board meetings, would be desirable as the chairman of the Board.

The same Board meeting passed 'appointment of members of Subcommittees.' Members of the subcommittees are as follows.

- Independent Director & Audit Committee Member Recommendation Committee: Huh Yong-hak, Yoon Jaewon, Lee Yong-guk, Choi Jae-boong
- * However, when the final recommendation of independent director candidates and the recommendation of Audit Committee member candidates commences, all independent directors become members of the committee
- CEO Recommendation Committee: Sung Jae-ho, Byeon Yang-ho, Lee Yoon-jae, Jin Hyun-duk, Choi Kyong-rok, Huh Yong-hak
- * However, at the final meeting for the selection of the CEO candidate, all independent directors become members of the committee
- Remuneration Committee: Lee Yong-guk, Bae Hoon, Huh Yong-hak, Byeon Yang-ho, Sung Jae-ho
- Risk Management Committee: Byeon Yang-ho, Lee Yong-guk, Choi Jae-boong, Huh Yong-hak
- ESG Strategy Committee: Kwak Su-keun, Yoon Jaewon, Lee Yoon-jae, Cho Yong-byoung, Choi Jae-boong
- Subsidiary Management Committee: Cho Yong-byoung, Kwak Su-keun, Park Ansoon, Byeon Yang-ho, Sung Jae-ho

Audit Committee members were elected by the resolution of the 20th AGM, Audit Committee members are Directors Yoon Jaewon, Kwak Su-keun, Sung Jae-ho, and Lee Yoon-jae.

In addition, at the same meeting, the Board approved remuneration for the directors. Based on the Company's remuneration policy, the target level of the base pay and annual performance pay for the CEO, an executive director, was raised.

At its 4th temporary meeting (May 14, 2021), the Board approved the launch of the directors' meetings' for the free exchange of opinions among directors, independent directors in particular, on the Company's management and governance, established the operating standards for the meetings to determine the purpose, nature, discussion topic, and convening of the meetings, and laid the basis for operation as a 'board of independent directors' if necessary to ensure the independent performance and authority of independent directors.

At the 9th temporary meeting (December 16, 2021), in the matter of 'Appointment of non-director executives,' the Board approved the holding company's management and concurrent business group (business group under concurrent leadership) heads by reflecting the Group's strategic direction for 2022, the holding company's organizational reshuffle, etc.

(6) Manage and supervise conflict of interest

The Internal Code of Corporate Governance (Article 4 Paragraph 1 Subparagraph 6) provides that the Board has authority for 'supervision of conflict of interest between large shareholders/executives and the Company,' and the Board of Directors Regulation (Article 10 Paragraph 1 Subparagraph 7 Item d) provides that 'approval of transactions between director and the

Company' requires the Board's resolution.

The Company's Board includes Shinhan Bank CEO as a non-executive director. Thus, transactions between the Company and Shinhan Bank are those between director and the Company. To supervise such conflict of interest, the Company restricts the non-executive director's (Shinhan Bank CEO) voting right for such matter, and apply special resolutions requiring concurrence of at least 2/3 of the directors in office. However, in 2021, there was no transaction corresponding to a conflict of interest with Shinhan Bank.

At the 3rd temporary meeting (Mar. 4, 2020), the Board approved a 'Real estate lease agreement,' renewing the rent and contract period related to the lease of the Jukjeon data center.

(7) Establish and evaluate internal control standards

The Internal Code of Corporate Governance (Article 4 Paragraph 1 Subparagraph 7) provides that the Board has authority for 'establishment and change of the Company's internal control system', and the Board of Directors Regulation (Article 10 Paragraph 1 Subparagraph 10) designates the same as requiring the Board's resolution. Also, the Board of Directors Regulation (Article 10 Paragraph 1 Subparagraph 10 Item a) designates enactment and abolishment of the Internal Control Regulation as requiring the Board's resolution.

In 2021, there was no revision of the internal control-related regulations.

As for other important matters, at the 1st temporary meeting (February 5, 2021), the Board received reporting on the 'Results of the internal control system and operations checks in 2020', and at the 3rd temporary meeting (March 2, 2021), the Board received reporting on 'Operations of the financial reporting internal control by management in 2020', 'Result of the Audit Committee's evaluation of the financial reporting internal control in 2020', and 'Result of the anti-money laundering audit in 2020'.

Also, in quarterly Board meetings, the Company periodically reports 'quarterly customer information sharing among Group companies and the result of checking them.'

(8) Establish and evaluate risk management standards

The Internal Code of Corporate Governance (Article 4 Paragraph 1 Subparagraph 8) provides that the Board has authority for 'establishment and change of the Company's risk management standards', and the Board of Directors Regulation (Article 10 Paragraph 1 Subparagraph 11) designates the same as requiring the Board's resolution.

Also, the Board of Directors Regulation (Article 10 Paragraph 1), within the limit of applicable laws and the Articles of Incorporation, allows the Board to delegate part of the authorities to subcommittees, and Article 10 Paragraph 3 specifies the procedure of delegation wherein the Board can enact and amend subcommittee regulations (clauses on 'matters requiring resolution') to delegate relevant authorities to subcommittees.

As stated in this annual report (I. Corporate Governance – Overview - 2. Current Status of Corporate Governance - B. Characteristics of corporate governance - (2)), this is related to the subcommittee-centered Board operation. The purpose is to delegate part of the Board's authorities requiring expertise to individual subcommittees, so that agendas can be handled professionally and in depth.

On the other hand, Board of Directors Regulation (Article 10 Paragraph 1 Subparagraph 15) provides that subcommittee (except Audit Committee) resolutions deemed to require another resolution can be resolved by the Board.

The purpose is to apply the subcommittee-centered professional, independent, efficient governance in principle, but allow Board-level checks of subcommittees' wrong decisions.

Thus, the Company delegates a large part of 'establishment and change of the Company's risk management standards' requiring professional decision-making as follows, through Article 6 (Matters requiring resolution) of Risk Management Committee Regulation.

Risk Management Committee Regulation Article 6 (Matters requiring resolution)

① The Committee makes resolutions on the following.

1. Establishing basic risk management guidelines befitting management strategies
2. Decide the level of risk which the Company and each subsidiary can bear
3. Approve the limits of reasonable investment or allowable loss
4. Enact and revise Group Risk Management Regulation and Group Risk Council Regulation
5. Matters on the structure, and delegation of responsibilities, of the risk management department
6. Operate the risk management system
7. Set the limits and approve exceptions thereof
8. Decision-making related to Group Internal Ratings-Based Approach approval of the Financial Supervisory Service's non-retail and retail credit rating system
9. Matters on risk disclosure policy
10. Result of crisis analysis, and capital management plan and funding plan related thereto
11. Matters deemed necessary by the Board
12. Matters required by outside regulations (e.g., FSC regulations) and matters prescribed by other regulations, guidelines, etc.
13. Matters deemed necessary by the Committee Chairman

In particular, the 5th temporary Board meeting (Jul 21, 2016) passed 'amendment of regulations on governance' to add the aforesaid Subparagraphs 5, 6, and 7. Through such amendment of Subcommittee Regulation ("matters requiring resolution"), the Board's authorities are systematically delegated to subcommittees.

As another important matter, at its 6th temporary meeting (October 5, 2021) the Board approved the Group's self normalization plan and submitted the same to the financial supervisory authorities in accordance with the "Act on Structural Improvement of the Financial Industry" and its enforcement decree.

(9) CEO succession

The Internal Code of Corporate Governance (Article 4 Paragraph 1 Subparagraph 9) provides that the Board has authority for 'establishment and evaluation of CEO succession plan and management of CEO candidate pool,' and the Board of Directors Regulation (Article 10 Paragraph 1 Subparagraph 12) prescribes the same as requiring the Board's resolution.

For the same reason as in the aforesaid (H) "Establish and evaluate risk management standards," the Company designates 'CEO succession' as the Board's authority, but delegate a large part thereof as follows, through Article 6 (Matters requiring resolution) of the CEO Recommendation Committee Regulation.

CEO Recommendation Committee Regulation Article 6 (Matters requiring resolution) Paragraph 1 Subparagraph 2

① The Committee deliberates and resolves the following.

1. Recommendation of director (CEO candidate)
 - A. Establishment and review of CEO succession plan
 - B. Operation of CEO succession plan (e.g., select the CEO candidate pool, verify whether the candidates meet the qualifications, and evaluate)
 - C. Qualifications of CEO

D. Recommendation of director who is candidate for CEO

In the 1st CEO Recommendation Committee meeting (March 3, 2021), the members conducted evaluation of the Group CEO succession candidates for 2020, selection of the candidates for 2021, and review of development plan for the selected candidates, and reported the results at the 1st regular Board meeting held on the same date. In the review on the selection of candidates for the Group CEO succession, those with experience working as CEOs of subsidiaries with total assets of more than KRW 10 trillion, CEOs of subsidiaries who have been concurrent (double-duty) business group heads with total assets of more than KRW 10 trillion, and the concurrent (double-duty) business group heads with total assets of 10 trillion won or more for more than two years were included in the candidates for the Group CEO succession, with a total of 8 people selected as the candidates.

In the 4th CEO Recommendation Committee meeting (Aug. 12, 2021), the members checked the reasonableness of the Group CEO succession plan and reported the matter at the 3rd regular Board meeting (Aug. 13, 2021).

(10) Miscellaneous

The Board of Directors Regulation (Article 10 Paragraph 1 Subparagraphs 1 and 2) provides that the Board has authority for 'convening of general meeting of shareholders ("GM") and 'its agendas to be voted upon.'

The 1st regular Board meeting (Mar. 3, 2021) passed 'approval of convening and agendas of the 20th AGM,' with its agendas including approval of financial statements, partial amendment of Articles of Incorporation, election of directors, election of independent directors who will be Audit Committee members, election of Audit Committee members, and approval of cap on director remuneration, and decided to hold the 20th AGM on Mar. 25, 2021.

Additionally, the 2nd temporary Board meeting, held on Mar. 2, 2021, passed 'Issuance of Korean-currency redeemable contingent capital securities (Tier 1 capital)' and 'Result of issuing foreign-currency redeemable contingent capital securities (tier 2 subordinated debt)' to improve the BIS capital adequacy ratio and the double leverage ratio. In addition, as the conditions for issuing capital securities improved, the Board approved 'change in issuance of foreign-currency redeemable contingent capital securities' to expand the scope and amount of capital recognized.

At its 6th temporary meeting (October 5, 2021), the Board approved setting of limits on the issuance of Korean-currency (KRW-denominated) bonds and submission of a new shelf registration statement, for issuance of public offering bonds from the 4th quarter of 2021 to the 4th quarter of 2022.

At its 8th temporary meeting (December 9, 2021), the Board approved issuance of redeemable contingent capital securities to manage the appropriate capital ratio, and approved setting of limit on the financial support for subsidiaries in 2022 to secure liquidity limit when necessary to support subsidiaries' operating funds and capital expansion during 2022.

(11) Important reports to the Board

First, the Board of Directors Regulation (Article 10 Paragraph 2 Subparagraphs 1 and 2) requires that 'execution and results of Board resolutions' and 'matters to be deliberated and resolved by subcommittees' shall be reported to the Board. Thus, at each Board meeting, execution of Board resolutions passed by its immediately preceding meeting (result) and operation of subcommittees (result) are reported to the Board in their entirety. In particular, operation results (performance) of the Risk Management Committee and the Audit Committee must be reported directly by the risk management manager (responsible person for risk management) and the head of the audit team, so that the committees can fulfill their roles and responsibilities in a position independent from the management. In addition, the compliance officer must be present at each Board meeting to verify whether the Board's decision-making is not in violation of internal control and is legal.

Second, the Board of Directors Regulation (Article 10 Paragraph 2 Subparagraph 4) requires that 'other matters deemed necessary to be reported to the Board by the Chairman' shall be reported to the Board. In order to report the quarterly

economic environment analysis and issue check per independent directors' request (analyze the economic environment and check major issues on a quarterly basis for rational decision-making by the Board), the Board received reporting on the 'macro financial outlook' at the 2nd temporary meeting (March 2), the status of 'issues related to Korea's state credit rating, and SFG risk check' at the 2nd regular meeting (May 13), and the status of 'key macro issue check for the second half of the year' at the 3rd regular meeting (August 13th). In addition, reporting was made on the '2022 economic and financial market prospects' at the Board workshop (October 5) to support the Board in making rational decisions based on understanding changes in the macroeconomic environment.

The Board received reporting on the 'results of the status check of the internal control system and operation in 2020' at the 1st temporary meeting (February 5, 2021), the 'anti-money laundering audit results in 2020', 'audit performance in 2020' and 'performance of credit information manager and protector in 2020' at the 2nd temporary meeting (March 2), the 'status of customer investment product issues and impact check' at the 2nd regular meeting (May 13), the 'customer investment product status check and future progress plan' at the 3rd regular meeting (August 13), and the 'status of customer investment product issues' at the 7th temporary meeting (October 26), thus faithfully fulfilling the Board's compliance role by thoroughly examining the system, current status, and key issues of internal control.

The Board received reporting on the 'communication between the Board and investors' at the 2nd regular meeting (May 13, 2021) and the 'measures for communication between investors and the Board' at the 3rd regular meeting (August 13th), discussing effective communication with major shareholders and investors and the action plans.

The Board received reporting on the 'Shinhan Financial Group's DT strategy, etc.' at the 4th temporary meeting (May 14, 2021), the 'integration of the Group's asset management business lines' at the 4th temporary meeting (August 13), and the 'review of plans for the Group's entry into non-life insurance business' at the 6th temporary meeting (October 5), by which preemptive reporting on the Group's key management issues was made and an environment in which to systematically promote business through discussion at the Board was created.

Third, we periodically report to the Board concerning operation of the independent director system. The Internal Code of Corporate Governance (Article 10 Paragraph 3) requires that the Independent Director & Audit Committee Member Recommendation Committee's management of independent director candidate pool shall be reported to the Board twice a year. Thus, the same was reported to the Board at the 2nd temporary Board meeting (Mar. 2, 2021), 3rd regular meeting (Aug. 13), 4th regular meeting (Nov. 18), and 9th temporary Board meeting (Dec. 16).

2. Composition

A. Overview

The Company's Board shall consist of 3 to 15 directors. (Article 36 of Articles of Incorporation, Article 3 of the Internal Code of Corporate Governance, Article 5 of Board of Directors Regulation).

The Minimum number of directors (3) is based on the minimum number of board members mandated by the Commercial Act (Article 383, Paragraph 1). The upper limit is set at 15 so as to avoid issues such as delayed decision-making due to decreased efficiency of communication, etc., that are common with larger boards.

The Company has maintained an efficient size of the Board in compliance with the regulations. The existing size of the board is optimally set up to smoothly oversee management of the subsidiaries in various sectors of the financial industry and strengthen the professional decision-making function centered on the Board (subcommittees) as the supreme and standing decision-making body.

Reflecting its own philosophy, the Company has maintained the number of Board members between 12 and 15 since its incorporation in September 2001 depending on Company needs and strategy at the given time. There must be at least 3 independent directors, who shall account for a majority of all directors (Article 36 of Articles of Incorporation, Article 3 of the

Internal Code of Corporate Governance, Article 5 of Board of Directors Regulation). This is the same as the minimum number of independent directors and the total number of directors as required by Article 12 of the Corporate Governance Act. Since its incorporation, the Company has had at least 8 independent directors at any given time in actual practice. The Company applies the majority requirement more strictly, keeping with our philosophy that a Board that is centered on independent directors. The Board conducts a review and determines the independence of its directors on an annual basis. By Company standards, an independent director in the company is one who is (i) independent from management; (ii) does not have any business relationships with the Company and the substantial shareholders of the Company and (iii) has not served for more than nine years (no more than six years with the Company and nine years in total with the Company and its subsidiaries) on the Board.

As of the end of 2021, our Board consists of a total of 14 directors (1 CEO (executive director), 1 non-executive directors, and 12 independent directors).

The term of office for directors is set to not exceed 3 years at the general meeting of shareholders, and directors can serve consecutive terms. Independent directors' term of office may not exceed 2 years. In the case of their re-election, the term may not exceed 1 year and may not exceed 6 years in total. The total period of serving as an independent director in the Company or its subsidiaries cannot exceed 9 years (Article 38, Paragraph 1 of Articles of Incorporation, Article 26, Paragraphs 1 & 4 of the Internal Code of Corporate Governance). In reflection of Article 6, Paragraph 1, Subparagraph 7 of the Corporate Governance Act, the term of office was limited to prevent "Clubby Boards" of independent directors.

As of the end of 2021, the terms of office of directors currently in office are as follows.

Director Cho Yong-byoung (executive director) was re-elected at the 19th annual shareholders' meeting (March 2020) for a term of 3 years.

Director Jin Ok-dong (non-executive director) was re-elected at the 20th general meeting of shareholders (March 2021) for a term of 2 years.

The terms of office expired for 9 directors (Park Ansoon, Park Cheul, Byeon Yang-ho, Sung Jae-ho, Lee Yoon-jae, Choi Kyong-rok, Philippe Avril, Huh Yong-hak, and Yuki Hirakawa) at the 20th general meeting of shareholders (March 2021). Among them, 6 (Park Ansoon, Byeon Yang-ho, Sung Jae-ho, Lee Yoon-jae, Choi Kyong-rok, and Huh Yong-hak) were re-elected for a 1-year term. 3 independent directors (Park Cheul, Philippe Avril, and Yuki Hirakawa) resigned at the expiry of term in office, 4 independent directors (Kwak Su-keun, Bae Hoon, Lee Yong-guk and Choi Jae-boong) were newly elected for a 2-year term.

Directors Yoon Jaewon, and Jin Hyun-duk, independent directors whose terms do not expire in 2021, were newly elected at the 19th general meeting of shareholders (March 2020) for a 2-year term.

Directors shall meet both negative and positive qualifications, and keep meeting them during their terms of office.

First, the qualifications under the applicable laws are as follows.

The negative requirements common to all directors of the Company are governed by Article 5, Paragraph 1 and Article 6, Paragraph 1 of the Corporate Governance Act and Articles 7 and 8 of the enforcement decree of the aforementioned act, whose provisions set forth the qualifications of financial holding companies' executives.

In addition, independent directors are subject to negative requirements under Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act.

Qualifications under the internal regulations are as follows.

The CEO who is the executive director shall meet the negative requirement of age restriction under Article 7 of the CEO Recommendation Committee Regulation. He/she shall be younger than 67 years old at the time of initial election. A CEO who is 67 years of age or older and re-elected as CEO may not serve past the age of 70. Article 9, Paragraph 2 of the CEO Recommendation Committee Regulation requires that the committee recommends a candidate for CEO who possesses ethics, the ability to realize "Shinhan Value," professional expertise, and ability to run an organization, shares the Company's vision, and can endeavor to raise public interest and realize sound management.

As a requirement for non-executive directors, Article 10, Paragraph 3 of Board Steering Committee Regulation stipulates that when a company is the employer of a non-executive director candidate and is engaged in loan transactions, etc. with a subsidiary of the Company, the reasonableness of such transactions shall be verified by the loan review committee, etc. of such subsidiary. In addition, in the case of non-executive directors who do not concurrently serve as full-time employees of the Group, they are required to meet passive and active qualifications similar to those of independent directors, and their appointments are limited to the cases in which they are recommended by a person who has a significant stake (shares) due to an alliance or shareholder agreement and they undergo strict deliberation by the Board.

Article 39, Paragraph 2 of the Articles of Incorporation and Article 23, Paragraph 2 of the Internal Code of Corporate Governance set forth some of the negative requirements for independent directors. They prohibit the concurrent service of independent directors in companies other than the Group's subsidiaries. Article 39, Paragraph 1 of the Articles of Incorporation and Article 23, Paragraph 1 of the Internal Code of Corporate Governance set forth positive requirements and reflect the standards stated in the Model Corporate Governance. The relevant person is required to have expertise and sufficient practical experience or specialized knowledge in areas related to financial companies. These areas include finance, business management, economics, legal, accounting, consumer protection, and information technology. In addition to being capable enough of executing their duties, independent directors must also exercise fairness for the interest of all shareholders and financial consumers without being bound by any specific interest. They must also exercise integrity and awareness in their execution of tasks as independent directors, as well as strong work ethics to their role by applying sufficient time and effort to their duties.

Also, the 5th Independent Director Recommendation Committee meeting (Aug 23, 2019), to select independent directors who will contribute to maintaining transparent, independent governance, required that the number and expertise of independent directors shall be decided through review by the Board and that independent director candidates shall be recommended from the independent director long list in principle, and in addition to the aforesaid negative requirement, prescribed as additional review criteria, the diversity of the BOD composition (selection in comprehensive consideration of nationality, gender, age, experience, background and balance with existing directors), the compatibility with Shinhan Financial Group (those who deeply emphasize with Shinhan Financial Group's vision, growth path, and corporate culture and will succeed to and develop the same and contribute the Company's growth), and effectiveness in securing competitive edge (those with managerial, administrative experiences to implant various business-sectoral comparative edge elements in consideration of changes in the paradigm).

As of the end of 2021, the directors can be classified as follows based on their areas of expertise.

When the 14 directors are classified based on their expertise (in case of expertise in multiple areas, the main area of competency shall be applicable), there are 3 financial experts, 2 business management experts, 1 economic expert, 2 accounting expert, 3 legal affairs expert, 2 information technology expert, and 1 international business expert. From the perspective of diversity, the Board shall consist of experts across the areas of core expertise set forth in the Corporate Governance Act.

[Areas of expertise of the directors]

Chair of the Board Lee Yoon-jae: Expert in the areas of economics, finance, and business management

Independent Director Park Ansoon: Expert in the area of business management, and international business

Executive Director Cho Yong-byoung: Expert in the areas of finance and business management

Independent Director Choi Kyong-rok: Expert in the area of information technology, business management, and international business
 Independent Director Byeon Yang-ho: Expert in the areas of finance, business management, and economics
 Independent Director Sung Jae-ho: Expert in the areas of legal, and international business
 Non-Executive Director Jin Ok-dong: Expert in the areas of finance, business management, and international business
 Independent Director Huh Yong-hak: Expert in the areas of international business, finance, and business management
 Independent Director Yoon Jaewon: Expert in the areas of accounting and business management
 Independent Director Jin Hyun-duk: Expert in the area of business management, and international business
 Independent Director Kwak Su-keun: Expert in the areas of accounting and business management
 Independent Director Bae Hoon: Expert in the areas of legal, accounting, and international business
 Independent Director Lee Yong-guk: Expert in the areas of legal, finance, and international business
 Independent Director Choi Jae-boong: Expert in the area of information technology

Independent directors currently in office meet the qualifications under the Corporate Governance Act. Those elected or re-elected before enforcement of that law did meet the positive qualifications mentioned in "Model Code for Independent Directors of Banks, etc.," abolished on December 24, 2014, and "Model Corporate Governance for Financial Companies," abolished on August 1, 2016, at the time of the election or re-election.

B. Members

The current status of our board of directors during the 2021 period covered by the annual report is as follows.

(1) Director Lee Yoon-jae (Chair of the Board / Independent director)

Director Lee Yoon-jae was initially elected at the 18th AGM (Mar. 27, 2019), with term of office to be expired on the date of the 20th AGM (Mar. 2021).

Major career is as follows.

2015 - 2019	Independent director, CJ Freshway
2012 - 2016	Independent director, Busan Bank
2009 - 2014	Independent director, LG Corporation
2006 - 2011	Independent director, KT&G
2006 - 2007	Independent director, S-Oil
2000 - 2005	Independent director, Samsung Fire & Marine Insurance
2000 - 2005	Independent director, Jeil Bank/SC Jeil Bank
2001 - 2010	CEO, KorEI
1998 - 1999	Secretary to the President for Financial & Economic Affairs
1998	Secretary to the President for Policy Affairs
1996 - 1998	Head of Economic Policy Bureau, Ministry of Finance and Economy
1994 - 1996	Head of Banking & Insurance, Ministry of Finance and Economy
1994	Chief of Staff to Deputy Prime Minister, Economic Planning Board
1991 - 1994	Director General (for trade) in External Coordination Office, Economic Planning Board
1980 - 1991	Manager (Economic Planning Bureau and Budget Office), Economic Planning Board

An independent director, Director Lee Yoon-jae has been serving as the Board Chair representing the Board and independent directors since the date of the 20th AGM (Mar 25, 2021).

As for subcommittee activities, served as a member of Independent Director & Audit Committee Member Recommendation Committee (Mar. 2019 - Mar. 2020), CEO Recommendation Committee (Mar. 2020 - present), Audit Committee (Mar. 2019 -

present), and ESG Strategy Committee (Mar. 2019 – present).

In the aforesaid period, he served as Chair of the CEO Recommendation Committee (Mar. 2020 – Mar. 2021), and Chair of the ESG Strategy Committee (Mar. 2019 – Mar. 2021).

(2) Director Park Ansoon (Independent director)

Director Park Ansoon was initially elected at the 16th AGM (Mar 23, 2017), with term of office to be expired on the date of the 21th AGM (Mar. 2022).

Major career is as follows.

2018 - present	Chairman, the Korean Residents Union in Japan
2012 - 2018	Vice Chairman, Korean Residents Union in Japan Headquarters
2010 - present	Chairman, Taisei Trade Co., Ltd.
1993 - 2010	CEO, Taisei Trade Co., Ltd. (Japan)

As for subcommittee activities, served as a member of Independent Director & Audit Committee Member Recommendation Committee (Mar. 2017 – Mar. 2019), Board Steering Committee (Mar. 2018 – Mar. 2019, Mar. 2020 – Mar. 2021), and ESG Strategy Committee (Mar. 2017 – Mar. 2020), Subsidiary Management Committee (Mar. 2019 – present).

(3) Director Cho Yong-byoung (Executive director)

Executive Director Cho Yong-byoung was initially elected at the 16th AGM (Mar 23, 2017), with term of office to be expired on the date of the 22th AGM (Mar. 2023).

Major career is as follows.

2017.3 - present	CEO, Shinhan Financial Group
2015.3 - 2017.3	President and CEO, Shinhan Bank
2013.1 - 2015.3	CEO, Shinhan BNP Paribas Asset Management Co., Ltd.
2011.1 - 2013.1	Deputy President, Shinhan Bank
2009.2 - 2011.1	Senior Executive Director, Shinhan Bank
2007.1 - 2009.2	Head of New York Branch, Shinhan Bank
2006.3 - 2007.1	Head of Gangnam Comprehensive Finance Center, Shinhan Bank
2004.1 - 2006.3	Head of Planning Department, Shinhan Bank
2002.8 - 2004.1	Head of HR Department, Shinhan Bank
2000.12 - 2002.8	Head of Sejongno Branch, Shinhan Bank
1998.6 - 2000.12	Head of Migeumdong Branch, Shinhan Bank

Cho Yong-byoung, CEO manages the Company's entire affairs as executive director, while representing Shinhan Financial Group that has 16 subsidiaries as CEO. He also contributed to the Company's various subcommittees including the Independent Director & Audit Committee Member Recommendation Committee (Mar. 2017 – May 2018), CEO Recommendation Committee (Mar. 2017 – Mar. 2019), Board Steering Committee (Mar. 2017 – Mar. 2021), ESG Strategy Committee (Mar. 2017 – present), and Subsidiary Management Committee (Mar. 2017 – present).

In the aforesaid period, he served as the Chair of the Board Steering Committee (Mar. 2017 – Mar. 2021), and the Chair of the Subsidiary Management Committee (Mar. 2017 – present).

(4) Director Choi Kyong-rok (Independent director)

Director Choi Kyong-rok was initially elected at the 17th AGM (Mar 22, 2018), with term of office to be expired on the date of the 21th AGM (Mar. 2022).

Major career is as follows.

2010.6 - 2015.3	Independent director, Shinhan Life Insurance
2002.9 - present	CEO, CYS Corporation
2001.11 - 2004.3	Vice president, CYS Corporation
1999.1 - 2001.11	Research Associate, Information Technology Center at Keio University
1997.4 - 1999.1	Research Associate, Network Technology Center, Keio University (Japan)

As for subcommittee activities, served as a member of Independent Director & Audit Committee Member Recommendation Committee (Mar. 2018 - Mar. 2020, Mar. 2021 - present), CEO Recommendation Committee (Mar. 2020 - present), Risk Management Committee (Mar. 2018 - Mar. 2020), and Board Steering Committee (Mar. 2018 - Mar. 2020), and ESG Strategy Committee (Mar. 2020 - Mar. 2021).

(5) Director Byeon Yang-ho (Independent director)

Director Byeon Yang-ho was initially elected at the 18th AGM (Mar 27, 2019), with term of office to be expired on the date of the 21th AGM (Mar 2022).

Major career is as follows.

2016 - present	Advisor, VIG Partners
2011 - 2015	Non-executive director, Tongyang Life Insurance
2005 - 2016	Co-CEO, Vogo Fund
2004 - 2005	Commissioner, Korea Financial Intelligence Unit
2004	Director General, Ministry of Finance and Economy
2002 - 2004	Head of Financial Policy Bureau (Director general), Ministry of Finance and Economy
2001 - 2002	Head of Financial Policy Bureau (Deputy director general), Ministry of Finance and Economy
2001	Deputy Director General of Policy Coordination, Ministry of Finance and Economy
1999 - 2000	Deputy Director General of International Finance, International Finance Bureau Ministry of Finance and Economy
1998 - 1999	Head of International Finance Division, International Finance Bureau, Ministry of Finance and Economy
1997 - 1998	International Finance Officer, Ministry of Finance and Economy
1997	Head of Policy Coordination Division, Ministry of Finance and Economy
1995 - 1997	Head of Industrial Economy Division, Economic Policy Bureau, Ministry of Finance and Economy
1994	Head of National Savings Division, Ministry of Finance
1993 - 1994	Manager, Office of Presidential Secretary for Economy, Office of President
1990 - 1992	Senior Economist, IMF

As for subcommittee activities, served as a member of CEO Recommendation Committee (Mar. 2019 - present), Risk Management Committee (Mar. 2019 - present), Remuneration Committee (Mar. 2021 - present), Board Steering Committee (Mar. 2019 - Mar. 2020), ESG Strategy Committee (Mar. 2019 - Mar. 2021), and Subsidiary Management Committee (Mar. 2020 - present).

In the aforesaid period, served as the Chair of Risk Management Committee (Mar 2019 - present).

(6) Director Sung Jae-ho (Independent director)

Director Sung Jae-ho was initially elected at the 18th AGM (Mar. 27, 2019), with term of office to be expired on the date of the 21th AGM (Mar. 2022).

Major career is as follows.

2021 - present	Member, Public Fund Management Committee, Financial Services Commission
2016 - present	President, International Law Association (ILA) Korean Branch
2009 - present	Professor, Sungkyunkwan University Law School

2015	Chairman of Humanitarian Law Advisory Committee, Korean Red Cross
2015	President, Korea Society of International Law
2014	Bar exam advisory committee member, Ministry of Justice
2011 - 2013	Head of Planning & Coordination Division, Sungkyunkwan University
2009	Policy advisor, Ministry of Unification
2009 - 2010	President, Korean Society of International Economic Law
2009	President, Korea International Law Review
2007 - 2009	Head of Admissions Division, Sungkyunkwan University
2005 - 2007	Head of Student Affairs Division, Sungkyunkwan University
2002 - 2004	Head of Comparative Law Research Center, Sungkyunkwan University
2002 - 2009	Professor, Department of Law, Sungkyunkwan University
2002	Policy advisor, Ministry of Foreign Affairs and Trade
1997 - 2002	Associate professor, Department of Law, Sungkyunkwan University
1994 - 1997	Assistant professor, Department of Law, Sungkyunkwan University
1993	Assistant professor, Georgetown Law Center, US

As for subcommittee activities, has been serving as a member of Independent Director & Audit Committee Member Recommendation Committee (Mar. 2019 - Mar. 2021), CEO Recommendation Committee (Mar. 2019 - present), Audit Committee (Mar. 2019 - present), Remuneration Committee (Mar. 2020 - present), Board Steering Committee (Mar. 2019 - Mar. 2020), and Subsidiary Management Committee (Mar. 2021 - present).

In the aforesaid period, has been serving as the Chair of the Independent Director & Audit Committee Member Recommendation Committee (Mar. 2019 - Mar. 2021), and the Chair of the Subsidiary Management Committee (Mar. 2021 - present).

(7) Director Jin Ok-dong (Non-Executive director)

Director Jin Ok-dong was initially elected at the 18th AGM (Mar. 27, 2019), with term of office to be expired on the date of the 22th AGM (Mar. 2023).

Major career is as follows.

2019.3 - present	CEO, Shinhan Bank
2017.3 - 2018.12	Deputy president, Shinhan Financial Group
2017.1 - 2017.3	Deputy president for Management Support Group, Shinhan Bank
2015.6 - 2016.12	Head of SBJ Bank
2014.1 - 2015.5	Deputy president, SBJ Bank
2011.12 - 2013.12	President, SH Capital (Japan)
2009.12 - 2011.12	Head of Osaka Branch, SBJ Bank
2008.3 - 2009.12	Head of Osaka Branch, Shinhan Bank
2004.7 - 2008.3	Team head in Fund Department, Shinhan Bank

Director Jin Ok-dong is also serving as CEO of Shinhan Bank. For consistency of the Group's strategies and for smooth communication with the Company's Board (the Group's highest decision-making body), the Company since its establishment has been designating the CEO of Shinhan Bank (largest subsidiary, and the center of the Group's synergy business) as its non-executive director.

(8) Director Huh Yong-hak (Independent director)

Director Huh Yong-hak was initially elected at the 18th AGM (Mar. 27, 2019), with term of office to be expired on the date of the 21th AGM (Mar. 2022).

Major career is as follows.

2015 - present	CEO, Hong Kong First Bridge Strategy Ltd.
2008 - 2014	Chief Investment Officer (CIO) of Private Markets and Direct Investment, HKMA
2004 - 2008	Head of Financial Institutions Group for Asia and Head of Korea at Investment Banking Division, HSBC
2003 - 2004	Managing director, Olympus Capital Investment LLC
1985 - 2003	Head of M&A Asia, JP Morgan

As for subcommittee activities, has been serving as a member of Independent Director & Audit Committee Member Recommendation Committee (Mar. 2021 - present), CEO Recommendation Committee (Mar. 2020 - present), Remuneration Committee (Mar. 2019 - Mar. 2021), Risk Management Committee (Mar. 2019 - present), and Subsidiary Management Committee (Mar. 2019 - Mar. 2021).

In the aforesaid period, has been serving as the Chair of the Independent Director & Audit Committee Member Recommendation Committee (Mar. 2019 - present), and the Chair of the Remuneration Committee (Mar. 2019 - Mar. 2021).

(9) Director Yoon Jaewon (Independent director)

Director Yoon Jaewon was initially elected at the 19th AGM (Mar. 26, 2020), with term of office to be expired on the date of the 21th AGM (Mar. 2022).

Major career is as follows.

2021 - present	Dean, Hongik University Graduate School of Culture and Arts Management
2004 - present	Professor of Business Administration, Hongik University
2018 - present	Insurance Accounting Subcommittee Chair, Korea Accounting Association
2018 - present	Corporate Review Committee member, Korea Exchange
2018 - present	National Tax Administration Reform Commissioner, National Tax Service
2017 - present	Vice President, Korean Tax Association
2017 - present	National Accounting System Deliberation Committee member, Ministry of Strategy and Finance
2017 - present	Tax Rules & Regulations Examiner, Ministry of Strategy and Finance
2017 - present	Tax Development Deliberation Committee member, Ministry of Strategy and Finance
2016 - present	Customs Review Committee member, Korea Customs Service
2013 - 2019	Non-executive Judge, Tax Tribunal
2006 - 2009	Public Enterprise Evaluation Committee member, Ministry of Strategy and Finance
2003 - 2009	National Tax Review Committee member, National Tax Service
2000 - 2002	Senior Researcher, Korea Accounting Standards Institute
1999	US Certified Public Accountant

As for subcommittee activities, served as a member of Independent Director & Audit Committee Member Recommendation Committee (Mar. 2020 - present), Audit Committee (Mar. 2020 - present), Remuneration Committee (Mar. 2020 - Mar. 2021), and ESG Strategy Committee (Mar. 2020 - present).

In the aforesaid period, he served as Chair of the Audit Committee (Mar. 2020 - present).

(10) Director Jin Hyun-duk (Independent director)

Director Jin Hyun-duk was initially elected at the 19th AGM (Mar. 26, 2020), with term of office to be expired on the date of the 21th AGM (Mar. 2022).

Major career is as follows.

1986.4 - present	CEO of Phoedra Inc.
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2018.8 – present	Director, Mindan (Korean Residents Union in Japan) Tochigi
2017.11 – present	Councilor, Korea Education Foundation
2014.4 – present	Visiting Professor, Faculty of Business Administration, Sakushin Gakuin University
2014.4 – present	Visiting Professor, Department of Engineering, Utsunomiya University Graduate School

As for subcommittee activities, served as a member of Independent Director & Audit Committee Member Recommendation Committee (Mar. 2020 – Mar. 2021), and CEO Recommendation Committee (Mar. 2020 – present).

(11) Director Kwak Su-keun (Independent director)

Executive Director Cho Yong-byoung was initially elected at the 16th AGM (Mar 23, 2017), with term of office to be expired on the date of the 22th AGM (Mar 2023).

Major career is as follows.

2021 – present	Founding chairman, Rural Community Coexistence Forum
2019 – present	Chairman, POSCO Corporate Citizenship Advisory Committee
2019 – present	Chairman, Governance Advisory Committee, Korea Listed Companies Association
2018 – present	Honorary Professor of Accounting, Seoul National University, Business School
2017 – 2021	Independent director and Audit Committee chairman, Lotte Holdings Co., Ltd.
2012 – 2014	Chair of Financial Supervisory Advisory Committee, Financial Supervisory Service
2011 – 2012	President, Korean Academic Society of Business Administration
2007 – 2009	Dean, Seoul National University Business School and Graduate School of Business Administration
2004 – 2007	Non-standing member, Securities and Futures Committee, Financial Services Commission
1998 – 2018	Professor, Seoul National University, Business School
1994 – 1995	Visiting Professor, University of British Columbia, Canada

As for subcommittee activities, served as a member of Audit Committee (Mar. 2020 – present), ESG Strategy Committee (Mar. 2020 – present), and Subsidiary Management Committee (Mar. 2021 – present).

In the aforesaid period, he served as Chair of the ESG Strategy Committee (Mar. 2021 – present).

(12) Director Bae Hoon (Independent director)

Director Bae Hoon was initially elected at the 20th AGM (Mar. 25, 2021), with term of office to be expired on the date of the 22th AGM (Mar. 2023).

Major career is as follows.

2006 – 2012	Director, LAZAK (Lawyers Association of Zainichi Korea)
2003 – present	Representative Attorney, Orbis Legal Profession Corporation
2002 – 2006	Co-President, LAZAK (Lawyers Association of Zainichi Korea)
1985	Attorney (Japan)
1979	Assistant certified public accountant, Japan

As for subcommittee activities, served as a member of Remuneration Committee (Mar. 2021 – present).

(13) Director Lee Yong-guk (Independent director)

Director Lee Yong-guk was initially elected at the 20th AGM (Mar. 25, 2021), with term of office to be expired on the date of the 22th AGM (Mar. 2023).

Major career is as follows.

2020 - present	Clinical Professor, Seoul National University, School of Law
2015 - 2017	Member, International Committee, Korean Bar Association
2014 - 2019	Director, Foreign Law Firm Association
2012 - 2019	Representative, Cleary Gottlieb Steen & Hamilton LLP Seoul Office
1992 - 2012	Partner, Cleary Gottlieb Steen & Hamilton LLP Hong Kong Office

As for subcommittee activities, served as a member of Independent Director & Audit Committee Member Recommendation Committee (Mar. 2021 - present), Risk Management Committee (Mar. 2021 - present), and Remuneration Committee (Mar. 2021 - present).

In the aforesaid period, he served as Chair of the Remuneration Committee (Mar. 2021 - present).

(13) Director Choi Jae-boong (Independent director)

Director Choi Jae-boong was initially elected at the 20th AGM (Mar. 25, 2021), with term of office to be expired on the date of the 22th AGM (Mar. 2023).

Major career is as follows.

2019 - present	Policy Advisor, Korea Banking Institute, Finance DT Academy
2019 - present	Head, Sungkyunkwan University Service Convergence Design Project Group
2019 - 2020	Vice President, Korean Nuclear Society
2018 - 2019	Advisory Committee Member, Innovation Growth Division, Ministry of Strategy and Finance
2016 - 2018	Member, Science and Technology ICT Internationalization Project Promotion Committee, Ministry of Science, ICT and Future Planning
2014 - 2017	Creative Economy Promotion Director, Sungkyunkwan University Research & Business Foundation
2009 - present	Professor, Sung Kyun Kwan University, College of Engineering

As for subcommittee activities, served as a member of Independent Director & Audit Committee Member Recommendation Committee (Mar. 2021 - present), Risk Management Committee (Mar. 2021 - present), and ESG Strategy Committee (Mar. 2021 - present).

(15) Director Park Cheul (Chair of the Board / Independent director)

Director Park Cheul was initially elected at the 14th AGM (Mar 25, 2015), and resigned on the date of the 20th AGM at the expiry of term in office (Mar. 25, 2021).

Major career is as follows.

2014.3 - 2015.3	Independent director, Shinhan Investment Corp.
2007.7 - 2013.2	CEO, Leading Investment & Securities Co. Ltd.
2003.7 - 2005. 7	Member of the committee, National Economy Advisory Council
2000.7 - 2003.5	Senior Deputy Governor, Bank of Korea
1998.4 - 2000.7	Assistant Secretary of State Department. Governor, Bank of Korea
1995.10 - 1 98.4	Head of Fund Department, Bank of Korea
1993.10 - 1995.10	Head of London Representative Office, Bank of Korea
1968.1	Joined the Bank of Korea

An independent director, Director Park Cheul has been serving as the Board Chair representing the Board and independent directors (Mar. 24, 2016 - Mar. 25, 2021).

As for subcommittee activities, he served as a member of Independent Director & Audit Committee Member

Recommendation Committee (Mar. 2015 - Mar. 2016, Mar. 2017 - Mar. 2019, Mar. 2020 - Mar. 2021), CEO Recommendation Committee (Mar. 2016 - Mar. 2017, Mar. 2018 - Mar. 2021), Remuneration Committee (Mar. 2015 - Mar. 2017, Mar. 2018 - Mar. 2020), Risk Management Committee (Mar. 2015 - Mar. 2019, Mar. 2020 - Mar. 2021), and Board Steering Committee (Mar. 2017 - Mar. 2018, Mar. 2019 - Mar. 2021).

In the aforesaid period, he served as the Chair of the Independent Director Recommendation Committee (Mar. 2017 - Mar. 2019), Chair of the Remuneration Committee (Mar. 2016 - Mar. 2017), Chair of the Risk Management Committee (Mar. 2015 - Mar. 2017, Jan. 2019 - Mar. 2019), and Chair of the Audit Committee Member Recommendation Committee (Feb. 2017, Feb. 2018, Feb. 2019, and Feb. 2020).

(16) Director Yuki Hirakawa (Independent director)

Director Yuki Hirakawa was initially elected at the 14th AGM (Mar 25, 2015), and resigned on the date of the 20th AGM at the expiry of term in office (Mar. 25, 2021).

Major career is as follows.

2014 - present	CEO, LLC Primer Korea
1994.4 - 2012.11	CEO, Hirakawa Industry Co.,Ltd (Japan)
1985.4 - 2010.10	Founder and CEO, Primer Development Co., Ltd. (Japan)

As for subcommittee activities, served as a member of Independent Director & Audit Committee Member Recommendation Committee (Mar. 2015 - Mar. 2016, Mar. 2020 - Mar. 2021), CEO Recommendation Committee (Mar. 2016 - Mar. 2020), Board Steering Committee (Mar. 2015 - Mar. 2017, Mar. 2020 - Mar. 2021), and ESG Strategy Committee (Mar. 2015 - Mar. 2020).

(17) Director Philippe Avril (Non-executive director)

Director Philippe Avril was initially elected at the 14th AGM (Mar 25, 2015), and resigned on the date of the 20th AGM at the expiry of term in office (Mar. 25, 2021).

Major career is as follows.

2019 - 2021	Director of BNP Paribas Securities Ltd. (Japan)
2011 - 2019	CEO of BNP Paribas Securities Ltd. (Japan)
2009 - 2011	Head of Tokyo Branch, BNP Paribas Securities Ltd. (Japan)
2008 - 2009	Head of Tokyo Branch & head manager of Japan, RBS
2005 - 2008	Head at Japan subsidiary, RBS
2002 - 2004	Head of Global Securities Business Division, Commerzbank
2000 - 2002	Branch head at Japan subsidiary, Commerzbank
1998 - 2000	VP in charge of IB, Dai-ichi Kangyo Bank
1995 - 1997	Head of Tokyo Branch, Deutsche Bank
1994 - 1995	General manager of proprietary trading (Money Market Division), Deutsche Bank
1993 - 1994	Structured product sales manager, Deutsche Bank
1990 - 1993	In charge of proprietary trading and risk (Tokyo Branch), Banque Indosuez
1987 - 1990	Derivatives manager, Banque Indosuez
1985 - 1987	Derivatives dealer, Banque Indosuez

As for subcommittee activities, served as a member of Corporate Governance & CEO Recommendation Committee (Mar. 2015 - Mar. 2020), Remuneration Committee (Mar. 2017 - Mar. 2018), and Risk Management Committee (Mar. 2015 - Mar. 2020).

C. Summary

Name	Classification	Title	Career	Date of initial election	End of term	Period in office	Committee in charge
Lee Yoon-jae	Independent director	· Chair of the Board	· Head of Economic Policy Bureau, Ministry of Finance and Economy (1996 - 1998) · Secretary to the President for Financial & Economic Affairs (1998 - 1999) · CEO, KorEI (2001~2010)	March 27, 2019	General Meeting of Shareholders (March 2022)	33 months	· CEO Recommendation Committee · Audit Committee · ESG Strategy Committee
Park Ansoon	Independent director	-	· Chairman, Taisei Trade Co., Ltd. (2010 - present) · Chairman, the Korean Residents Union in Japan (2018 - present)	March 23, 2017	General Meeting of Shareholders (March 2022)	57 months	· Subsidiary Management Committee
Cho Yong-byoung	Executive director	· CEO Chair of the Subsidiary Management Committee	· Deputy President, Shinhan Bank (2011 - 2013) · CEO, Shinhan BNP Paribas Asset Management Co., Ltd. (2013 - 2015) · President and CEO, Shinhan Bank (2015 - 2017) · CEO, Shinhan Financial Group (2017 - present)	March 23, 2017	General Meeting of Shareholders (March 2023)	57 months	· ESG Strategy Committee · Subsidiary Management Committee
Choi Kyong-rok	Independent director	-	· Research Associate, Information Technology Center at Keio University (1997 - 2001) · CEO, CYS Corporation (2004 - present)	March 22, 2018	General Meeting of Shareholders (March 2022)	45 months	· Independent Director & Audit Committee Member · Recommendation Committee · CEO Recommendation Committee
Byeon Yang-ho	Independent director	· Chair of the Risk Management Committee	· Commissioner, Korea Financial Intelligence Unit (2004 - 2005) · Advisor, VIG Partners (2016 - present)	March 27, 2019	General Meeting of Shareholders (March 2022)	33 months	· CEO Recommendation Committee · Risk Management Committee · Remuneration Committee · Subsidiary Management Committee
Sung Jae-ho	Independent director	· Chair of the CEO Recommendation Committee	· Member, Public Fund Management Committee, Financial Services Commission (2021-present) · Professor, Sungkyunkwan University Law School (2009 - present)	March 27, 2019	General Meeting of Shareholders (March 2022)	33 months	· CEO Recommendation Committee · Audit Committee · Remuneration Committee · Subsidiary Management Committee
Jin Ok-dong	Non-executive director	-	· Deputy president, Shinhan Bank (2017) · Deputy president, Shinhan Financial Group (2017 - 2019) · CEO, Shinhan Bank (2019 - present)	March 27, 2019	General Meeting of Shareholders (March 2023)	33 months	-
Huh Yong-hak	Independent director	· Chair of the Independent Director & Audit Committee Member Recommendation Committee	· CIO of Private Markets and Direct Investmen, HKMA (2008 - 2014) · CEO, First Bridge Strategy Ltd. (2015 - present)	March 27, 2019	General Meeting of Shareholders (March 2022)	33 months	· Independent Director & Audit Committee Member · Recommendation Committee · CEO Recommendation Committee · Risk Management Committee
Yoon Jaewon	Independent director	· Chair of the Audit Committee	· Professor of Business Administration, Hongik University (2004 - present) · Vice president, Korean Academic Society of Taxation (2017 - present) · US Certified Public Accountant	March 26, 2020	General Meeting of Shareholders (March 2022)	21 months	· Independent Director & Audit Committee Member · Recommendation Committee · Audit Committee · ESG Strategy Committee

Name	Classification	Title	Career	Date of initial election	End of term	Period in office	Committee in charge
Jin Hyun-duk	Independent director	-	· CEO of Phoedra Inc. (1986-present) · Visiting Professor, Department of Engineering, Utsunomiya University Graduate School (2014-present) · Visiting Professor, Faculty of Business Administration, Sakushin Gakuin University(2014-present)	March 26, 2020	General Meeting of Shareholders (March 2022)	21 months	· CEO Recommendation Committee
Kwak Su-keun	Independent director	· Chair of the ESG Strategy Committee	· Chair of Financial Supervisory Advisory Committee, Financial Supervisory Service (2012-2014) · Professor, Seoul National University, Business School (1998-2018)	March 25, 2021	General Meeting of Shareholders (March 2023)	9 months	· Audit Committee · ESG Strategy Committee · Subsidiary Management Committee
Bae Hoon	Independent director	-	· Director, LAZAK (Lawyers Association of Zainichi Korea) (2002-2006) · Representative Attorney, Orbis Legal Profession Corporation (2003-current)	March 25, 2021	General Meeting of Shareholders (March 2023)	9 months	· Remuneration Committee
Lee Yong-guk	Independent director	· Chair of the Compensation Committee	· Attorney, Cleary Gottlieb Steen & Hamilton LLP. (2012-2019) · Clinical Professor, Seoul National University, School of Law (2020-current)	March 25, 2021	General Meeting of Shareholders (March 2023)	9 months	· Independent Director & Audit Committee Member · Recommendation Committee · Risk Management Committee · Remuneration Committee
Choi Jae-boong	Independent director	-	· Policy Advisor, Korea Banking Institute, Finance DT Academy (2009-current) · Professor, Sung Kyun Kwan University, College of Engineering (2009-current)	March 25, 2021	General Meeting of Shareholders (March 2023)	9 months	· Independent Director & Audit Committee Member · Recommendation Committee · Risk Management Committee · ESG Strategy Committee
Park Cheul	Independent director	-	· Assistant Senior Deputy Governor, Bank of Korea (1998 - 2000) · Senior Deputy Governor, Bank of Korea (2000 - 2003) · CEO, Leading Investment & Securities Co., Ltd. (2007 - 2013)	March 25, 2015	March 25, 2021	72 months	-
Yuki Hirakawa	Independent director	-	· CEO, Hirakawa Industry Co.,Ltd (Japan) (1994-2012) · CEO, LLC Primer Korea (2014 - current)	March 25, 2015	March 25, 2021	72 months	-
Philippe Avril	Non-executive director	-	· CEO, BNP Paribas Securities (Japan) Ltd. (2011 - 2019) · Director, BNP Paribas Securities (Japan) Ltd. (2019 - current)	March 25, 2015	March 25, 2021	72 months	-

3. Activities

A. Overview

In 2021, a total of 13 meetings of the Board (4 regular meetings, once per quarter, and 9 temporary meetings) were held, and the directors' average participation rate was 100%.

B. Meetings held

(1) 1st temporary meeting of the Board in 2021: February 5, 2021 (Fri)

[Date of notice: January 29, 2021 (Fri)]

Items	Activities of directors														Whether or not approved
	Park Cheul	Yuki Hirakawa	Park Ansoon	Choi Kyong-rok	Lee Yoon-jae	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Cho Yong-byoung	Jin Ok-dong	Philippe Avril		
1. Name of director															
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters															
A. Results of the Group's management plan (annual business plan) in 2020	No particular comments														
B. Report on conversion of partial subsidiaries to full subsidiaries	No particular comments														
C. Result of inspection of internal control system and operation (2020)	No particular comments														
D. Report on the Board's activities	No particular comments														
E. Report on Audit Committee's activities	No particular comments														
F. Report on Risk Management Committee's activities	No particular comments														
G. Report on Board Steering Committee's activities	No particular comments														
H. Customer data sharing among the Subsidiary Group companies (subsidiaries) and the result of inspection (2020 4Q)	No particular comments														
4. Resolutions															
A. Approval of settlement of accounts for the 19th fiscal year (January 1, 2020 to December 31, 2020)	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Attended	Attended	Concur	Approved
B. Revision of Executive Compensation Regulations	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Attended	Attended	Concur	Approved
C. Reorganization of remuneration system for independent directors	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Attended	Attended	Concur	Approved
D. Composition of the 2021 Board	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Attended	Attended	Concur	Approved
E. Revision and repeal of Board regulations	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Attended	Attended	Concur	Approved

Resolution - A. Approval of settlement of accounts for the 20th fiscal year (January 1, 2020 to December 31, 2020): As for the key part of the '2020 financial statements,' first, in terms of profit and loss, the net income was KRW 2,095.3 billion for banking subsidiaries and KRW 1,501.9 billion for non-banking subsidiaries, and the Group's net income on a consolidated basis, taking into account simple equity gains/losses and consolidated adjustment, was KRW 3,414.6 billion. This is an increase of KRW 11.1 billion from the previous year, mainly due to an increase in the volume of interest-bearing assets and an increase in fee revenue. In terms of top-line, the increase in securities and loans (lendings) led to KRW 605.3 trillion, showing an increase of KRW 52.9 trillion.

Resolution B. Revision of executive compensation regulations: Enhanced the competitiveness and equity of the director remuneration system by applying, to 'director executives,' the same level of severance compensation payment standards as 'non-director executives,' and strengthened the operation of a sound severance pay system and responsible management during the tenure through reorganization of the Company's regulations.

Resolution C. Reorganization of remuneration system for independent directors: Strengthened a competitive remuneration system based on independent directors' activities, and at the same time improved transparency in the management of remuneration.

Resolution - D. Composition of the 2021 Board: Decided the total number of Board members and the percentages of executive/independent/non-executive directors after the annual shareholders' meeting of March 2021.

Resolution E. Revision and repeal of Board regulations: Revised and repealed relevant regulations to improve operational efficiency of the subcommittees. Key items include integration of the Independent Director Recommendation Committee and the Audit Committee Member Recommendation Committee, abolishment of the Board Steering Committee, incorporation of the Subsidiary Management Committee into a subcommittee, and adjustment in the names and roles of the CEO Recommendation Committee and the ESG Strategy Committee

Reporting - A. Results of the Group's management plan (annual business plan) in 2020: Each half-year, the Board receives reporting of 'Group management plan/annual business plan: Performance results' and review the management plan's progress. Through semi-annual reporting of the results, progress is checked, by which CEO strategic tasks reflected in each Subsidiary company's business plans is evaluated and linked with remuneration system, leading to enhanced Subsidiary company-level execution. As for results business plan for 1st half of 2021), please refer to the relevant part.

Reporting B. Conversion of partial subsidiaries to full subsidiaries: Reported on the progress of converting Shinhan Venture Investment and Shinhan Asset Management to full subsidiaries.

Reporting - C. Result of inspection of internal control system and operation (2020): Each fiscal year, under the Financial Company governance Supervision Regulation and its Group Internal Control Regulation, the Company checks the internal control system and operation and reports the results to the Board.

Reporting - D-G. Operation of the Board and its subcommittees: The Company has a procedure in place by which operation of a subcommittee is reported to the Board on the day of subcommittee meeting. It began with former Board Chair Namgung Hun's direction that Board members who are not member of a specific subcommittee shall be able to timely access operation of such subcommittee. (May 17, 2011)

That is, at each Board meeting, operation of the immediately preceding Board meeting and the operation of subcommittees (including Subsidiary Management Committee) thereafter and up to the present Board meeting are reported to the Board in their entirety.

In the independent directors' conference held on Dec 11, 2014 to further upgrade the foregoing, discussions on the method of operating the Board began, leading to change in the method as agreed in the independent directors' conference on Dec 29, 2014. Instead of the previous method wherein a single department head reported the 'Board/subcommittee operations' in the entirety, a new method wherein the subcommittee chairman or the relevant executive (including the head of relevant department) reports to the Board on the operation of the subcommittee began to apply at the 1st temporary Board meeting (Feb 3, 2015). In particular, operation result (performance) of the Risk Management Committee and the Audit Committee must be reported directly by the risk management manager (responsible person for risk management) and the head of the audit team, so that the committees can fulfill their roles and responsibilities in a position independent from the management.

((Before) 'Reporting 1. Report on operation of Board/subcommittee' → (After) 'Reporting 1. Report on the Board's activities ',

'Reporting 2. Report on Audit Committee's activities', 'Reporting 3. Report on Risk Management Committee's activities' ...)
For reporting on operation of the Board and subcommittees for 2021, please refer to the relevant part.

Reporting - G. Customer data sharing among the Subsidiary Group companies (subsidiaries) and the result of inspection (2020 4Q): Under its guideline on sharing and use of customer information, each quarter the Company is obligated to report to the Board on customer information sharing among the subsidiaries and the result of inspection thereof. Key items include 1. use of information through written request for information/notice of sharing, 2. use of information through joint Group DB, and 3. use of information through real-time sharing system. For customer information sharing among the subsidiaries and the result of inspection thereof (each quarter, 2021), please refer to the relevant part.

(2) 2nd temporary meeting of the Board in 2021: March 2, 2021 (Tue)

[Date of notice: February 23, 2021(Tue)]

Items	Activities of directors														Whether or not approved
	Park Cheul	Yuki Hirakawa	Park Ansoon	Choi Kyong-rok	Lee Yoon-jae	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Cho Yong-byoung	Jin Ok-dong	Philippe Avril		
1. Name of director															
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters															
A. Report on the Board's activities	No particular comments														
B. Macro environment analysis and prospects	Prepare a preemptive and differentiated risk management policy														
C. Reporting of operations (operation status) of the financial reporting internal control by the management in 2020	No particular comments														
D. Report of operation status of internal control of finance report for Audit Committee in 2020	No particular comments														
E. Report on audit of anti-money laundering audit in 2020	No particular comments														
F. Report on results of audit in 2020	No particular comments														
G. Report on Audit Committee's activities	No particular comments														
H. Report on activities of credit information manager (2020)	No particular comments														
I. Report on Independent Director Recommendation Committee's activities	No particular comments														
J. Report on Board Steering Committee's activities	No particular comments														
4. Resolutions															
A. Issuance of Korean-currency redeemable contingent capital securities	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
B. Change in issuance of foreign-currency redeemable contingent capital securities	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
C. Revision of the statement of appropriation of retained earnings for the 20th Term (Jan 1, 2020 - Dec 31, 2020)	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
D. Partial revision of the Articles of Incorporation	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved

Resolution A. Issuance of Korean-currency redeemable contingent capital securities: Decided to issue Korean-currency redeemable contingent capital securities to manage the BIS equity ratio and double leverage ratio.

Resolution B. Change in issuance of foreign-currency redeemable contingent capital securities: Changed the bond type of the previously approved contingent capital securities issuance from subordinated bonds to hybrid capital securities, as the issuance conditions have been improved with increased demand on account of increased global liquidity, low interest rates, etc.

Resolution C. Revision of the statement of appropriation of retained earnings for the 20th Term (Jan 1, 2020 – Dec 31, 2020): Revised the statement of appropriation of retained earnings by reflecting the dividends (proposed) for FY2020, and decided to pay dividends of KRW 1,500 per common stock and KRW 1,716 per preferred stock, which results in a total of KRW 773.8 billion in common stock dividends and KRW 30 billion in preferred stock dividends

Resolution D. Partial revision of the Articles of Incorporation: Inserted a clause enabling quarterly dividends, reflected amendments to the Commercial Act and the Act on Electronic Registration of Stocks and Bonds, and decided to submit to the annual shareholders' meeting a proposed partial amendment to the Company's Articles of Incorporation that adjusts the issuance limit of convertible stock and bonds and reflects the changes in the subcommittee names

Reporting - B. Macro environment analysis and prospects: Quarterly economic environment analysis and issue review were reported (reporting was made on) as per independent directors' request that the Board be provided with an analysis of economic environment on a quarterly basis and review of key issues for the Board's rational decision-making. Please refer to the following for the quarterly macro environment analysis/prospect report for 2021.

Reporting - C. Reporting of operations (operation status) of the financial reporting internal control by the management in 2020: The internal accounting manager's reporting on the operations of the internal accounting management system. Checking of the financial reporting internal control by the Company and its 10 subsidiaries in fiscal year 2020 showed ten defect, and a plan for improvement was established and reported to the Board. The matter was reviewed again by the Audit Committee, whose resolution was also reported to the Board (Reporting - D).

Reporting - E. Report on audit of anti-money laundering audit in 2020: Each fiscal year, under the Audit Committee Regulation (Article 15 Paragraph 4), the Company reports to the Board the results of review and evaluation of anti-money laundering in terms of appropriateness and effectiveness.

Reporting - F. Report on results of audit in 2020: Reported on the results of audit in 2018 under the Audit Committee Regulation (Article 15 Paragraph 1). The results of audit of the Company and subsidiaries are reported to the Board at least once a year, so that soundness of management activities can be checked.

Reporting - H. Report on activities of credit information manager (2020): Each fiscal year, under the Credit Information Protection Act, the Company reports to the Board the results of activities by credit information manager/protector, thereby checking the Group's compliance with management and protection of personal credit information.

(3) 1st regular meeting of the Board in 2021: March 3, 2021 (Wed)

[Date of notice: February 3, 2021 (Tue)]

Items	Activities of directors														Whether or not approved
	Park Cheul	Yuki Hirakawa	Park Ansoon	Choi Kyong-rok	Lee Yoon-jae	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Cho Yong-byoung	Jin Ok-dong	Philippe Avril		
1. Name of director															
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended		
3. Comments on reported matters															
A. Report on the Board's activities	No particular comments														
B. Report on Remuneration Committee's activities	No particular comments														
C. Report on Subsidiary Management Committee's activities	No particular comments														
D. Report on Corporate Governance & CEO Recommendation Committee's activities	No particular comments														
E. Report on Independent Director Recommendation Committee's activities	No particular comments														
F. Report on Audit Committee Member Recommendation Committee's activities	No particular comments														
G. Report on Audit Committee's activities	No particular comments														
4. Resolutions															
A. Deliberation on adequacy of director candidates															
(1) Jin Ok-dong, candidate for non-executive director	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Voting restricted	Concur	Approved
(2) Kwak Su-keun, candidate for independent director	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
(3) Park Ansoon, candidate for independent director	Concur	Concur	Voting restricted	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
(4) Bae Hoon, candidate for independent director	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
(5) Byeon Yang-ho, candidate for independent director	Concur	Concur	Concur	Concur	Concur	Voting restricted	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
(6) Sung Jae-ho, candidate for independent director	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Voting restricted	Concur	Concur	Concur	Concur	Concur	Concur	Approved
(7) Lee Yong-guk, candidate for independent director	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
(8) Lee Yoon-jae, candidate for independent director	Concur	Concur	Concur	Concur	Voting restricted	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
(9) Choi Kyong-rok, candidate for independent director	Concur	Concur	Concur	Voting restricted	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
(10) Choi Jae-boong, candidate for independent director	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
(11) Huh Yong-hak, candidate for independent director	Concur	Concur	Concur	Concur	Concur	Concur	Voting restricted	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
B. Approval of cap on remuneration for directors	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
C. Approval of 20th GMS convening and agenda	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved

Resolution - A. Deliberation on adequacy of director candidates: The Board reviewed suitability of all director candidates recommended by the Independent Director Recommendation Committee and the Board Steering Committee.

Resolution - B. Approval of cap on remuneration for directors: The Board passed a resolution to submit to AGM the cap on remuneration for directors for 2021 in the amount of KRW 3.5 billion, same as the previous year.

Resolution - C. Approval of 20th GMS convening and agenda: The Board decided to submit to the 19th AGM the agendas of approval of financial statements, partial amendment of Articles of Incorporation, election of directors, election of independent directors who will be Audit Committee members, election of Audit Committee members, and approval of cap on director remuneration, and decided to hold the 20th AGM on March 25, 2021.

(4) 3rd temporary meeting of the Board in 2021: March 25, 2021 (Thu)

[Date of notice: March 18, 2021 (Thu)]

Items	Activities of directors															Whether or not approved
	Lee Yoon-jae	Park Ansoon	Choi Kyong-rok	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Bae Hoon	Kwak Su-keun	Lee Yong-guk	Choi Jae-boong	Cho Yong-byoung	Jin Ok-dong		
1. Name of director																
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters																
A. Report on the Board's activities	No particular comments															
B. Report on Remuneration Committee's activities	No particular comments															
C. Report on Audit Committee's activities	No particular comments															
D. Report on operation of the independent director system	No particular comments															
4. Resolutions																
A. Appointment of chair of the Board	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
B. Appointment of Committee of the Board of Director members	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
C. Approval of director remuneration	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved

Resolution A. Election of chair of the Board: Given the social expectations and roles of financial holding companies, the role of the Board for growth and development of the Group and protection of financial consumers at a time of increased management uncertainty is enormous, and since the chair of the Board, who must lead the Board's efficient operation and reasonable judgment based on the members' collective wisdom, has a much tougher job than other independent directors, independent director Yoon-jae Lee was elected as the chairman of the Board at the directors' unanimous opinion that independent director Yoon-jae Lee, having excellent knowledge and understanding of the overall financial industry and the ability to collect information through a wide network encompassing public and private sectors to present balanced opinions at the Board meetings, would be desirable as the chairman of the Board.

Resolution - B. Appointment of Committee of the Board of Director members: Members of the subcommittees are as follows.

- Independent Director & Audit Committee Member Recommendation Committee: Huh Yong-hak, Yoon Jaewon, Lee Yong-guk, Choi Kyong-rok, Choi Jae-boong
- CEO Recommendation Committee: Sung Jae-ho, Byeon Yang-ho, Lee Yoon-jae, Choi Kyong-rok, Huh Yong-hak

- Remuneration Committee: Lee Yong-guk, Bae Hoon, Byeon Yang-ho, Sung Jae-ho
- Risk Management Committee: Byeon Yang-ho, Lee Yong-guk, Choi Jae-boong, Huh Yong-hak
- ESG Strategy Committee: Kwak Su-keun, Yoon Jaewon, Lee Yoon-jae, Choi Jae-boong, Cho Yong-byoung
- Subsidiary Management Committee: Cho Yong-byoung, Kwak Su-keun, Park Ansoon, Byeon Yang-ho, Sung Jae-ho

Members of the Audit Committee, Directors Yoon Jaewon, Kwak Su-keun, Sung Jae-ho, and Lee Yoon-jae, were elected by resolution of the 20th annual shareholders' meeting held earlier on the same date.

Resolution C. Approval of director remuneration: Based on the Company's remuneration policy, the target level of the base pay and annual performance pay for the CEO, an executive director, was raised.

Reporting - D. Report on operation of the independent director system: Internal Code of Corporate Governance (Article 29 Paragraph 7) requires that contributions made in relation to independent directors shall be reported to the Board. Thus, checked the contributions made to independent director-related non-profit corporations and reported the same to the Board.

(5) 2nd regular meeting of the Board in 2021: May 13, 2021 (Thu)

[Date of notice: May 6, 2021 (Thu)]

Items	Activities of directors														Whether or not approved
	Lee Yoon-jae	Park Ansoon	Choi Kyong-rok	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Bae Hoon	Kwak Su-keun	Lee Yong-guk	Choi Jae-boong	Cho Yong-byoung	Jin Ok-dong	
1. Name of director															
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters															
A. Issues related to Korea's state credit rating, and SFG risk check	No particular comments														
B. Report on the results of 2021 1Q	Requested a digital strategy and detailed execution plan from a macro perspective rather than profit competition with other financial groups														
C. Report on dividends from the Subsidiary Group companies (FY2020)	No particular comments														
D. Plan to expand communication with shareholders	Directed the Company to review how to communicate Board activities to the voting advisory agency and investors														
E. Current status of bank hiring-related lawsuits and Board response	Directed the Company to review the process and contents of the Board discussion and deliver the result to the voting advisory agency and investors														
F. Checking the status and impact of customer investment product issues	Directed the Company to consider whether to write a white paper to prevent recurrence of similar problems in the future														
G. Report on the Board's activities	No particular comments														
H. Report on Subsidiary Management Committee's activities	No particular comments														
I. Report on Audit Committee's activities	No particular comments														
J. Report on Risk Management Committee's activities	No particular comments														

Reporting - A. Report on the results of 2021 1Q: The Company reviews its financial performance each quarter. For quarterly financial performance of 2021, please refer to the relevant part.

Reporting - C. Report on dividends from the Subsidiary Group companies (FY2020): Right after dividends by the subsidiaries each year, the Company reports to the Board on such dividends. The amount of dividends received from subsidiaries in FY2020 is KRW 1,369.4 billion.

Reporting D. Plan to expand communication with shareholders: Analyzed the status and results of voting recommendations at the 20th annual general meeting of shareholders, and discussed corporate governance improvement that investors demand.

Reporting E. Current status of bank hiring-related lawsuits and Board response: Reviewed the progress of bank hiring-related lawsuits and, from the viewpoint of stable operation of the Group's governance, checked the Board's response including CEO succession process.

Reporting F. Checking the status and impact of customer investment product issues: Reviewed the status and the Board response in relation to customer investment product issues, and checked the impact on the Group.

(6) 4th temporary meeting of the Board in 2021: May 14, 2021 (Fri)

[Date of notice: May 6, 2021 (Thu)]

Items	Activities of directors															Whether or not approved	
	Lee Yoon-jae	Park Ansoon	Choi Kyong-rok	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Bae Hoon	Kwak Su-keun	Lee Yong-guk	Choi Jae-boong	Cho Yong-byoung	Jin Ok-dong			
1. Name of director																	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters																	
A. Report on the Board's activities	No particular comments																
B. Report on Shinhan Financial Group DT Strategy	Requested the Company to consider plans to build a digital ecosystem that creates synergy among all Group companies.																
C. Report on CEO Recommendation Committee's activities	No particular comments																
D. Report on ESG Strategy Committee's activities	No particular comments																
E. Customer data sharing among the Subsidiary Group companies (subsidiaries) and the result of inspection (2021 4Q)	No particular comments																
4. Resolutions																	
A. Excluding Orange Life Insurance Co., Ltd. from subsidiaries	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
B. Meeting of directors	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Approved to revised proposal

Resolution A. Excluding Orange Life Insurance Co., Ltd. from subsidiaries: Following the merger between Shinhan Life Insurance and Orange Life Insurance, decided to exclude the latter from subsidiaries.

Resolution B. Meeting of directors: To promote free discussion among directors, established detailed operating standards for 'meeting of directors' (separate from the official Board) as an autonomous meeting body centered on independent directors, and laid the foundation for operating it as a meeting body only for independent directors, if necessary.

Reporting B. Shinhan Financial Group DT Strategy: Reported on the Group's Digital Transformation strategy and various projects.

(7) 5th temporary meeting of the Board in 2021: August 12, 2021 (Thu)

[Date of notice: August 5, 2021 (Thu)]

Items	Activities of directors															Whether or not approved
	Lee Yoon-jae	Park Ansoon	Choi Kyong-rok	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Bae Hoon	Kwak Su-keun	Lee Yong-guk	Choi Jae-boong	Cho Yong-byoung	Jin Ok-dong		
1. Name of director																
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters																
A. Report on current issues in the duties of the CEO succession candidates	No particular comments															
B. Report on the current status of bank hiring-related lawsuits	No particular comments															
C. Report on the Board's activities	No particular comments															
D. Customer data sharing among the Subsidiary Group companies (subsidiaries) and the result of inspection (2021 2Q)	No particular comments															

Reporting A. Current issues in the duties of the CEO succession candidates: In order for the Board to have an in-depth understanding of the major issues of the Group and the group of candidates (long list) for CEO succession, each candidate directly reported on current issues related to their duties.

Reporting B. Current status of bank hiring-related lawsuits: Reported on the current status of bank hiring-related lawsuits

(8) 3rd regular meeting of the Board in 2021: August 13, 2021 (Fri)

[Date of notice: August 5, 2021 (Thu)]

Items	Activities of directors															Whether or not approved
	Lee Yoon-jae	Park Ansoon	Choi Kyong-rok	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Bae Hoon	Kwak Su-keun	Lee Yong-guk	Choi Jae-boong	Cho Yong-byoung	Jin Ok-dong		
1. Name of director																
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters																
A. Report on macro environment analysis and prospects	No particular comments															
B. Report on the results of 2021 1H	No particular comments															
C. Results of the Group's management plan (first half year business plan) in 2021	Requested the Company to intensively check the development issues of the Group's integrated financial transaction app and re-examine the Group's DT strategy as led by Director Choi Jae-boong															
D. Report on result of issuing redeemable contingent capital securities	No particular comments															
E. Report on customer investment product status check and future progress plan	As the holding company's Board, recommended that subsidiaries strengthen consumer protection measures															
F. Report on communication between the Board and investors	Requested the Company to send a letter of the Board to investors and voting advisory agencies															

Items	Activities of directors	Whether or not approved
G. Report on integration of the Group's asset management business lines	No particular comments	
H. Report on details of incorporation and exclusion of subsidiaries, etc. in the first half of 2021	No particular comments	
I. Report on the Board's activities	No particular comments	
J. Report on CEO Recommendation Committee's activities	No particular comments	
K. Report on ESG Strategy Committee's activities	No particular comments	
L. Report on Audit Committee's activities	Requested the Company to share the comprehensive audit plan for Shinhan Investment Corp. after recruiting internal and external personnel with expertise and independence in the second half of the year	
M. Report on Risk Management Committee's activities	No particular comments	
N. Report on Independent Director & Audit Committee Member Recommendation Committee's activities	No particular comments	

4. Resolutions

A. Quarterly dividend	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
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Resolution A. Quarterly dividend: Decided to implement a quarterly dividend to enhance shareholder value through shareholder dividend.

Reporting D. Result of issuing redeemable contingent capital securities: We reported the results of issuing Korean/foreign-currency hybrid capital securities approved at the 2nd temporary Board meeting.

Reporting E. Customer investment product status check and future progress plan: Checked the current status of customer investment products, and reported recurrence prevention measures and future operation directions in terms of consumer protection.

Reporting F. Communication between the Board and investors: Reported a plan to expand investor communication in relation to reports, to the Board, on the Group's key issues (lawsuits related to bank hiring, investment product issues, etc.).

Reporting G. Integration of the Group's asset management business lines: Reported a plan of integration between Shinhan Asset Management and Shinhan Alternative Investment Management (Group's asset management business lines) and the direction of the Group's portfolio reorganization.

Reporting - H. Inclusion and exclusion as subsidiaries: Reported to the Board inclusion and exclusion as subsidiaries occurring in 2021 1H and falling under the Board of Directors Regulation (exception to Article 10 Paragraph 1 Subparagraph 5 (subsidiaries' investment in sub-subsidiaries is 1/100 or lower of the holding company's equity)) as of inclusion and exclusion as sub-subsidiaries.

(9) 6th temporary meeting of the Board in 2021: October 5, 2021 (Tue)

[Date of notice: September 27, 2021 (Mon)]

Items	Activities of directors															Whether or not approved
	Lee Yoon-jae	Park Ansoon	Choi Kyong-rok	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Bae Hoon	Kwak Su-keun	Lee Yong-guk	Choi Jae-boong	Cho Yong-byoung	Jin Ok-dong		
1. Name of director																
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters																
A. Review of plans for the Group's entry into non-life insurance business	Requested the Company to elaborate on the Group's entry into non-life insurance business and the appointment of executives thereof															
B. Report on the Board's activities	No particular comments															
C. Report on Risk Management Committee's activities	No particular comments															
D. Report on current issues in the duties of the CEO succession candidates	No particular comments															
4. Resolutions																
A. Approval of the Group's self normalization plan	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
B. Setting of limit on the issuance of Korean-currency bonds and submission of a new shelf registration statement	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved

Resolution A. Approval of the Group's self normalization plan: Established the Group's self normalization plan and obtained the Board's approval thereof, in accordance with the Act on Structural Improvement of the Financial Industry and its enforcement decree.

Resolution B. Setting of limit on the issuance of Korean-currency bonds and submission of a new shelf registration statement: The limit on the issuance of Korean-currency bonds has been set from the 4th quarter of 2021 to the 4th quarter of 2022, and obtained the Board's approval of submission of a shelf registration statement related to issuing the Korean-currency bonds.

Reporting A. Review of plans for the Group's entry into non-life insurance business: Reported on the review of plans for the Group's entry into non-life insurance business and the progress made.

Reporting D. Current issues in the duties of the CEO succession candidates: In order for the Board to have an in-depth understanding of the major issues of the Group and the group of candidates (long list) for CEO succession, each candidate directly reported on current issues related to his/her duties.

(10) 7th temporary meeting of the Board in 2021: October 26, 2021 (Tue)

[Date of notice: October 19, 2021 (Tue)]

Items	Activities of directors														Whether or not approved
	Lee Yoon-jae	Park Ansoon	Choi Kyong-rok	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Bae Hoon	Kwak Su-keun	Lee Yong-guk	Choi Jae-boong	Cho Yong-byoung	Jin Ok-dong	
1. Name of director															
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters															
A. Report on the Board's activities	No particular comments														
B. Report on Risk Management Committee's activities	No particular comments														
C. Report on current status of bank hiring-related lawsuits	No particular comments														
D. Report on status of customer investment product issues	No particular comments														
4. Resolutions															
A. Quarterly dividend	Objection	Concur	Concur	Objection	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
B. Acquisition of shares in BNP Paribas Cardif Insurance Co., Ltd	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved

Resolution A. Quarterly dividend: We decided to implement a quarterly dividend to enhance shareholder value through shareholder dividends. Directors Yoon-jae Lee and Yang-ho Byun were in favor of the quarterly dividend itself, but opposed the size of the dividends. All directors requested that regular and consistent dividends be implemented by announcing a clear dividend policy in the future.

Resolution B. Acquisition of shares in BNP Paribas Cardif Insurance Co., Ltd.: Obtained approval for the acquisition of shares in BNP Paribas Cardif Insurance Co., Ltd. and its inclusion as a subsidiary to create the Group's synergies and secure customers by entering the non-life insurance business (business portfolio not owned by the Group).

Reporting C. Current status of bank hiring-related lawsuits: Reported on the Status of lawsuits related to bank hiring.

Reporting D. Status of customer investment product issues: Reported on the status of issues related to customer investment products.

(11) 4th regular meeting of the Board in 2021: November 18, 2021 (Thu)

[Date of notice: November 10, 2021 (Wed)]

Items	Activities of directors														Whether or not approved
	Lee Yoon-jae	Park Ansoon	Choi Kyong-rok	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Bae Hoon	Kwak Su-keun	Lee Yong-guk	Choi Jae-boong	Cho Yong-byoung	Jin Ok-dong	
1. Name of director															
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters															
A. Report on the results of 2021 3Q	No particular comments														
B. Report on current status of bank hiring-related lawsuits	Planning additional discussions for the stability of governance according to the decision of the appellate court														
C. Report on the Board's activities	No particular comments														

Items	Activities of directors	Whether or not approved
D. Report on Subsidiary Management Committee's activities	No particular comments	
E. Report on ESG Strategy Committee's activities	No particular comments	
F. Report on Audit Committee's activities	No particular comments	
G. Report on Risk Management Committee's activities	No particular comments	
H. Report on Independent Director & Audit Committee Member Recommendation Committee's activities	No particular comments	
I. Customer data sharing among the Subsidiary Group companies (subsidiaries) and the result of inspection (2021 3Q)	No particular comments	

Reporting B. Current status of bank hiring-related lawsuits: Reported on the status of the bank hiring-related lawsuits, and checked the emergency CEO succession plan from the viewpoint of stability in the Group's governance.

(12) 8th temporary meeting of the Board in 2021: December 9, 2021 (Fri)

[Date of notice: December 2, 2021 (Fri)]

Items	Activities of directors															Whether or not approved
	Lee Yoon-jae	Park Ansoon	Choi Kyong-rok	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Bae Hoon	Kwak Su-keun	Lee Yong-guk	Choi Jae-boong	Cho Yong-byoung	Jin Ok-dong		
1. Name of director																
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters																
A. Report on the Board's activities	No particular comments															
B. Report on Audit Committee's activities	No particular comments															
C. Report on Risk Management Committee's activities	No particular comments															
4. Resolutions																
A. Approval of the Group's management plan and budget for 2022	Concur	Concur	Concur	Objection	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
B. Issuance of redeemable contingent capital securities	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
C. Setting of limit on the financial support for subsidiaries in 2022	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved
D. Exclusion of Shinhan Alternative Investment Management as a subsidiary	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved

Resolution - A. Approval of the Group's management plan and budget for 2022: Established a plan of key businesses to be pursued in 2022 and a plan of budget required for the businesses.

① 2022 business plan

The future based on thorough crisis response and efficiency, while maintaining continuity with the group's medium-term strategy 'FRESH' (Fundamental, Resilience, Eco-system, Sustainability, Human-talent) 2020s while taking into account the risk factors of the business environment and a wide paradigm shift. From the perspective of pursuing changes for response, the core tasks of the mid-term strategy were upgraded to establish a management slogan and detail the tasks of "First-class Shinhan", a solid foundation and quick change." ('F.R.E.S.H'(Fundamental, Resilience, Eco-system, Sustainability, Human-talent)

Through the consistent implementation of the 'F.R.E.S.H' (Fundamental, Resilience, Eco-system, Sustainability, Human-talent) 2020s mid-term strategy, the Company seeks to overcome macroeconomic uncertainty and respond to changes in the business environment. In particular, in order to achieve breakthrough growth, the Company set the management slogan 'Breakthrough 2022, RE:BOOT Shinhan!' and established detailed tasks.

The strategic tasks for 2022 are as follows.

First is the innovative/open digital transformation. Specific tasks include strengthening of digital platform competitiveness, creation of DT innovation values, refinement of digital driving systems, and promotion of capacity building.

Second is the expansion of the foundation for future growth. Specific tasks include strengthening of basic strength of the existing business lines, discovery of new growth engines, and expansion of investment.

Third is the promotion of differentiated global growth. Specific tasks include advancement of global growth strategy and strengthening of international business through connection and expansion.

Fourth is the creation of sustainable performance. Specific tasks include enhancement of fundamental competitiveness for ESG, strengthening of positioning as the ESG leading company, and promotion of ESG internalization.

Fifth is the preemptive risk management. Specific tasks include advancement of resilience capabilities to respond to changes, expansion of risk management areas based on capacity building, and advancement of the Conduct Risk management system from the customer's perspective.

Sixth is the building of a dynamic organizational system. Specific tasks include strengthening of organizational competitiveness from the Group's perspective and building of a dynamic organizational system.

There is the innovation-leading talent/culture as a base task for strategic tasks. Specific tasks include reinforced securing and nurturing of future talent and promotion of the Shinhan Culture RE:Boot.

In addition, taking into account consistency between the aforesaid strategic tasks and mid-term strategic goals, the characteristics and environment of each business sector, each of the 15 subsidiaries (including Shinhan Bank) and 5 concurrent business groups prepared its business plan, which has been approved by the Board and each company's board of directors to secure a consistent strategic direction for the entire Group.

② 2022 budget plan

Total budget for 2022 is KRW 160.6 billion (decrease of KRW 0.5 billion over the previous year) and, in details, increase of KRW 14.2 billion in expense budget and decrease of KRW 14.7 billion in capital budget. Expense budget is KRW 152.2 billion, with cost of labor for KRW 42.9 billion, other expenses for KRW 105.3 billion, and reserves for KRW 4 billion.

Resolution B. Issuance of redeemable contingent capital securities: Approved the issuance of redeemable contingent capital securities to manage the appropriate capital ratio.

Resolution C. Setting of limit on the financial support for subsidiaries in 2022: Approved annual limit of fund support per subsidiary to support subsidiaries' operational expense, secure liquidity limit if necessary, and expand capital. It concerned transactions with affiliates (related parties), and underwent the Board's resolution required for management and supervision of conflict of interest.

Resolution D. Exclusion of Shinhan Alternative Investment Management as a subsidiary: Approved the exclusion of Shinhan Alternative Investment Management Co., Ltd. as a subsidiary following its merger with Shinhan Asset Management.

(13) 9th temporary meeting of the Board in 2021: December 16, 2021 (Thu)

[Date of notice: December 8, 2020 (Wed)]

Items	Activities of directors														Whether or not approved
	Lee Yoon-jae	Park Ansoon	Choi Kyong-rok	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Bae Hoon	Kwak Su-keun	Lee Yong-guk	Choi Jae-boong	Cho Yong-byoung	Jin Ok-dong	
1. Name of director															
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters															
A. Report on the direction of the Company's organizational reshuffle for 2022	Requested the Company for additional explanations about the size, execution system, and internal decision-making process of the SI fund.														
B. Report on Subsidiary Management Committee's activities	No particular comments														
C. Report on the Board's activities	No particular comments														
D. Report on Independent Director & Audit Committee Member Recommendation Committee's activities	No particular comments														
4. Resolutions															
A. Appointment of non-director executives	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved

Reporting A. Direction of the Company's organizational reshuffle for 2022: Reported the main contents of the Company's reorganization for 2022 to strengthen key elements of Breakthrough (digital, capital market, and cultural RE:BOOT drive), in line with the Group's 2022 strategic direction.

Resolution A. Appointment of non-director executives: We decided on the appointment of the holding company's executives and concurrent (double-duty) business group heads by reflecting the details of the holding company's organizational reshuffle.

4. Evaluation of the Board and Directors

A. Evaluation of the Board

Under Article 8 (Evaluation of the Board's performance, etc.) of the Company's Internal Code of Corporate Governance, the

Board evaluates reasonableness of the agenda for resolutions and reports, degree of managerial information provided, role of the Board, etc. once a year in connection with its operations. It then refers to the evaluation results in its operations.

Since the details of the evaluation shall be determined by the Board, the Company has conducted and completed the evaluation in January of 2022 based on the resolution, its content shown below, of the 8th temporary meeting of the Board on December 28, 2016. The evaluation was conducted and completed in January 2022 based on the following matters supplemented at the 11th temporary Board meeting (December 17, 2020). The Company currently refers to the evaluation results in supporting the Board's operations.

(1) Purpose of evaluation: For use as reference in supporting the Board's operations

(2) Evaluator: Evaluation by all directors

(3) Criteria for evaluation:

- ① Operation evaluation: Reasonableness of Board meeting hours, reasonableness of agenda, reasonableness of frequency of Board meetings, and whether the Company has provided sufficient information
- ② Role evaluation: Reasonableness of the Board's performance related to the Board's authorities specified in the Internal Code of Corporate Governance

(4) Method (procedure) of evaluation: Questionnaire survey with 5-point scale and evaluation by third-party evaluating firm for fairness of evaluation and anonymity of evaluator

Evaluation of the Board (2021) showed that the Board's operation and role execution were at an appropriate level.

As for request for further improvement, there was an opinion that there have to be opportunities to check the business environment of subsidiaries through Board meetings overseas after the end of COVID-19 and an opinion that it is necessary to review the need for more Board meetings for sufficient opinions and discussions when there are many additional agenda items given that information is provided through written materials mainly. In addition, there was a request for concise explanations and Board operation focusing the core agenda rather than reported matters, and these requests were reflected in the Board secretariat's detailed tasks in setting its performance goals for 2022.

For the result of evaluating other subcommittees, please refer to the part on evaluation of such subcommittees.

B. Criteria for director evaluation

To reinforce directors' responsibilities and verify their abilities as directors at the time of recommendation for re-election, the Company conducts evaluations of independent directors under Article 30 of the Internal Code of Corporate Governance. The Company also carries out evaluations of the management under Article 50 of the same.

For the criteria used in independent director evaluations, please see "VI. Activities and Remuneration of Independent directors – 5. Evaluation of Independent directors."

Evaluation of the management uses both quantitative and qualitative methods, and is deliberated and resolved by Remuneration Committee in link with organization-level (e.g., a company) job performance. Evaluation criteria for non-executive directors (excluding those concurrently serving as non-executive directors) apply, mutatis mutandis, to those for independent directors.

2021 Annual Report on Corporate Governance & Remuneration System

III. CEO Recommendation Committee

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III. CEO Recommendation Committee (Formerly Corporate Governance & CEO Recommendation Committee)

1. Roles

The CEO Recommendation Committee, a subcommittee consisting of 5 to 7 independent directors, is run for the purpose of electing, as CEO, a person who possesses integrity, the ability to realize "Shinhan Value," expertise for the job and the ability to run an organization, sharing the Company's vision, and a drive for public interest and sound management. The committee performs the steps such as setting qualifications of the CEO candidate group, creating a candidate pool, managing the pool, verifying qualifications of and recommending the final succession candidate, and reports these steps to the Board.

2. Composition

The CEO Recommendation Committee is a permanent subcommittee which is operated with a total of 6 members including the chairman. To ensure the independent operation of the committee, all its members are independent directors, with one of them being elected as the chairman. Relevant regulations revised in March 2021 require all independent directors to attend the final meeting to select the CEO candidate, thus improving objectivity and fairness of the Group CEO succession process.

<Before General Meeting of Shareholders in March of 2021>

Name	Executive/Non-Executive/ Independent	Title	Date of election	End of term
Lee Yoon-jae	Independent director	Chairman	March 26, 2020	March 25, 2021
Park Cheul	Independent director	Member	March 26, 2020	March 25, 2021
Byeon Yang-ho	Independent director	Member	March 26, 2020	March 25, 2021
Sung Jae-ho	Independent director	Member	March 26, 2020	March 25, 2021
Huh Yong-hak	Independent director	Member	March 26, 2020	March 25, 2021
Jin Hyun-duk	Independent director	Member	March 26, 2020	March 25, 2021
Choi Kyong-rok	Independent director	Member	March 26, 2020	March 25, 2021

<After General Meeting of Shareholders in March of 2021>

Name	Executive/Non-Executive/ Independent	Title	Date of election	End of term
Sung Jae-ho	Independent director	Chairman	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Lee Yoon-jae	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Byeon Yang-ho	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Huh Yong-hak	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Jin Hyun-duk	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Choi Kyong-rok	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022

3. Criteria of selection

A. Qualifications of candidates

Refer to this annual report at "VII. Succession of CEO - 2. Recommendation of the candidate for CEO and CEO succession process - A. Overview - (1) Qualifications of CEO (pages 162 - 163)".

B. Procedure of recommending candidates

Refer to this annual report at "VII. Succession of CEO - 2. Recommendation of the candidate for CEO and CEO succession process - A. Overview - (2) Selecting a pool of CEO candidates and how to manage the pool including qualification check (page 163), (3) Reasons and timing for commencement of CEO succession process (page 163), (4) Procedure of final candidate recommendation (page 163), (5) CEO succession process (page 163)".

C. Method of evaluating execution of duties as an independent director

The Company evaluates "Group KPIs" and "strategic task performance" in certain proportions, so that its financial performance and non-financial evaluation elements can be reflected in the evaluation of CEO.

Financial performance indicators are Group KPI items: mid- to long-term growth-based indicators (total shareholder return, Group customer base), profitability indicators (ROE, ROA), soundness indicator (non-performing loan coverage ratio), risk-related indicator (RAROC), efficiency indicator (cost income ratio), etc. As for non-financial performance indicators, performance of key strategic tasks arising from the Group's strategic direction are evaluated.

In accordance with the Remuneration Committee Regulation (Article 6), the Remuneration Committee decides CEO evaluation system and deliberates on the result of the evaluation.

4. Activities & Evaluations

A. Overview

In 2021, CEO Recommendation Committee meetings were held 4 times, and all 4 agenda items submitted for Committee resolutions were passed.

B. Meetings held

(1) 1st meeting of the CEO Recommendation Committee in 2021: March 3, 2021 (Wed)

Items	Activities of directors							Whether or not approved	
	Lee Yoon-jae	Park Cheul	Byeon Yang-ho	Sung Jae-ho	Huh Yong-hak	Jin Hyun-duk	Choi Kyong-rok		
1. Name of director	Lee Yoon-jae	Park Cheul	Byeon Yang-ho	Sung Jae-ho	Huh Yong-hak	Jin Hyun-duk	Choi Kyong-rok		
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended		
3. Comments on reported matters	(No agenda to report)							Not applicable	
4. Resolutions									
A. Agenda #1 (Evaluation of candidates under the Group CEO succession plan for 2020, deliberated)	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved	
B. Agenda #2 (Selection of candidates under the Group CEO succession plan for 2021)	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Agree to the revised proposal	Approved to revised proposal	

At the 1st CEO Recommendation Committee meeting of 2021, quorum was present with 7 members, out of 7 in total, attending. The committee deliberated and decided Agenda #1 "Evaluation of candidates under the Group CEO succession plan for 2020, deliberated" Agenda #2 "Selection of candidates under the Group CEO succession plan for 2021," selecting a total of 8 Group CEO succession candidates under the plan.

(2) 2nd meeting of the CEO Recommendation Committee in 2021: March 25, 2021 (Thu)

Items	Activities of directors						Whether or not approved
	Sung Jae-ho	Byeon Yang-ho	Lee Yoon-jae	Huh Yong-hak	Jin Hyun-duk	Choi Kyong-rok	
1. Name of director	Sung Jae-ho	Byeon Yang-ho	Lee Yoon-jae	Huh Yong-hak	Jin Hyun-duk	Choi Kyong-rok	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters	(No agenda to report)						Not applicable
4. Resolutions	A. Agenda #1 (election of the Chair of the CEO Recommendation Committee)						Approved
	Concur	Concur	Concur	Concur	Concur	Concur	

In the 1st CEO Recommendation Committee meeting of 2021, quorum was present with all 6 members in office attending. Agenda item #1 "election of the Chair of the CEO Recommendation Committee" was submitted, and Committee member Sung Jae-ho was recommended as the chairman.

(3) 3rd meeting of the CEO Recommendation Committee in 2021: May 14, 2021 (Fri)

Items	Activities of directors						Whether or not approved
	Sung Jae-ho	Byeon Yang-ho	Lee Yoon-jae	Huh Yong-hak	Jin Hyun-duk	Choi Kyong-rok	
1. Name of director	Sung Jae-ho	Byeon Yang-ho	Lee Yoon-jae	Huh Yong-hak	Jin Hyun-duk	Choi Kyong-rok	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters	A. Deliberation of Development plan for the candidates selected in 2021						No particular comments
4. Resolutions	No resolutions						Not applicable

In the 3rd CEO Recommendation Committee meeting of 2021, quorum was present with all 6 members in office attending. The development activity plan for candidates of the Group CEO succession for 2021 was reported to the committee.

(4) 4th meeting of the CEO Recommendation Committee in 2021: August 13, 2021 (Thu)

Items	Activities of directors						Whether or not approved
	Sung Jae-ho	Byeon Yang-ho	Lee Yoon-jae	Huh Yong-hak	Jin Hyun-duk	Choi Kyong-rok	
1. Name of director	Sung Jae-ho	Byeon Yang-ho	Lee Yoon-jae	Huh Yong-hak	Jin Hyun-duk	Choi Kyong-rok	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters	(No agenda to report)						Not applicable
4. Resolutions	A. Agenda #1 (checking and reporting of reasonableness of Group CEO succession plan)						Approved
	Concur	Concur	Concur	Concur	Concur	Concur	

In the 4th CEO Recommendation Committee meeting of 2021, a quorum was present with 6 members, out of 6 in total, attending. Agenda item #1 "checking and reporting of reasonableness of Group CEO succession plan" was submitted. The committee checked whether the Group CEO succession plan faithfully reflects internal and external laws and regulations (e.g., Act on Corporate Governance of Financial Companies, Supervisory Regulation on Corporate Governance of Financial Companies, and the Company's Internal Code of Corporate Governance reflecting the foregoing), and whether the procedures set forth in the aforesaid plan are properly being run year-round. Also, the committee checked whether the Group CEO succession candidates meet the qualifications set forth in the aforesaid plan. Based on the results of investigation, the committee concluded that the Group CEO succession plan is appropriately established in accordance with the goal of management continuity through stable CEO succession and sustainable development of the Group, and reported the same to the Board.

C. Evaluation

Under Article 8 (Evaluation of the Board's performance, etc.) of the Company's Internal Code of Corporate Governance, the CEO Recommendation Committee evaluates reasonableness of the agenda for resolutions and reports, degree of managerial information provided, role of the Committee, etc. once a year in connection with its operations. It then refers to the evaluation results in its operations.

For the purpose, subject (evaluator), criteria, and method of evaluation, refer to this annual report at "II. Board of Directors – 4. Evaluation of the Board and Directors – A. Evaluation of the Board".

Evaluation of the CEO Recommendation Committee for 2021 shows that the Committee's level of operation and role execution was excellent.

5. Information on recommendation of the candidate for CEO: Not applicable

A. Candidate's name

B. Candidate's profile

C. Recommendation under

D. Reasons for recommending the candidate

E. Review and resolution by the CEO Recommendation Committee

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IV. Audit Committee Member Recommendation Committee

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IV. Audit Committee Member Recommendation Committee

(Merged into the Independent Director & Audit Committee Member Recommendation Committee on March 25, 2021)

1. Roles

The Audit Committee Member Recommendation Committee recommends candidates as Audit Committee members to the general meeting of shareholders by deliberating and resolving matters delegated by the Board.

2. Composition

The Audit Committee Member Recommendation Committee consists of all independent directors.

<Before General Meeting of Shareholders in March of 2021>

Name	Executive/Non-Executive/Independent	Title	Date of election	End of term
Park Cheul	Independent director	Chairman	March 26, 2020	March 25, 2021
Park Ansoon	Independent director	Member	March 26, 2020	March 25, 2021
Byeon Yang-ho	Independent director	Member	March 26, 2020	March 25, 2021
Sung Jae-ho	Independent director	Member	March 26, 2020	March 25, 2021
Yoon Jaewon	Independent director	Member	March 26, 2020	March 25, 2021
Lee Yoon-jae	Independent director	Member	March 26, 2020	March 25, 2021
Jin Hyun-duk	Independent director	Member	March 26, 2020	March 25, 2021
Choi Kyong-rok	Independent director	Member	March 26, 2020	March 25, 2021
Huh Yong-hak	Independent director	Member	March 26, 2020	March 25, 2021
Yuki Hirakawa	Independent director	Member	March 26, 2020	March 25, 2021

<After General Meeting of Shareholders in March of 2021>

Name	Executive/Non-Executive/Independent	Title	Date of election	End of term
Huh Yong-hak	Independent director	Chairman	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Yoon Jaewon	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Lee Yong-guk	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Choi Kyong-rok	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Choi Jae-boong	Independent director	Member	March 26, 2020	Date of General Meeting of Shareholders in March 2022

Note) However, when the final recommendation process for independent director candidates and the recommendation process for Audit Committee member candidates commence, all independent directors will be included.

3. Criteria of selection of audit committee member

A. Qualifications of candidates

Under the Articles of Incorporation and the Audit Committee Regulation, the Audit Committee is comprised of 3 to 5 directors, with 2/3 or more of the total members being independent directors, and at least 1 member shall be an expert in accounting or finance under applicable laws. In addition, for stronger compliance monitoring by the committee, at least 1

member shall be a legal expert.

B. Procedure of recommending candidates

The Audit Committee Member Recommendation Committee recommends the candidates for the audit committee member by considering the expertise and others of the affairs for the Audit Committee with respect to the director candidates that satisfy the requirements of qualification and it resolves the matters on nominating the candidates for audit members and matters pertinent to the recommendation for the candidates of the independent directors with the consent of 2/3 or more of the total committee members.

C. Method of evaluating execution of duties as an independent director

The Audit Committee Member Recommendation Committee is comprised entirely of independent directors and evaluation of the work performance of the audit committee members is processed by being included in the evaluation of the independent directors. The evaluation on the work performance of the audit committee members may be referred to "5. independent director evaluation of this Annual Report on VI. Activities and Remuneration of Independent directors."

4. Activities & Evaluations

A. Overview

In 2021, the Audit Committee Member Recommendation Committee held a total of 2 meetings, with all members attending, and recommended, separately, two candidates for Audit Committee members and one candidate for independent director also serving as Audit Committee member, to the shareholders' meeting.

The first Audit Committee Member Recommendation Committee on March 3, 2021, resolved the matters related to the qualification of the candidates for the audit committee member, report on nominating process and the head of the Audit Committee Member Recommendation Committee and all 10 candidates for members of the Audit Committee were in attendance.

At its 2nd meeting (March 3, 2021), the Audit Committee Member Recommendation Committee newly recommended, separately, Director Kwak Soo-geun, an accounting and finance expert, as a candidate for "independent director also serving as Audit Committee member" for a term of two years. By holding a joint meeting with the Independent Director Recommendation Committee, the committee recommended, for re-election, Director (candidate) Yoon-jae Lee, possessing expertise in economics, business management and finance, and Director (candidate) Sung Jae-ho, possessing expertise in international law, respectively as Audit Committee members.

Director (candidate) Yoon Jaewon, with expertise in accounting and management expert, was elected as Audit Committee member at the 19th annual shareholders' meeting (March 26, 2020) for two years in office.

B. Meetings held

(1) 1st meeting of the Audit Committee Member Recommendation Committee in 2021: March 2, 2021 (Tue)

[Date of notice: February 23, 2021 (Tue)]

Items	Activities of directors										Whether or not approved
	Park Cheul	Yuki Hirakawa	Park Ansoon	Choi Kyong-rok	Lee Yoon-jae	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	
1. Name of director											
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters											
A. Audit Committee member qualifications and the member recommendation process for 2021	Request made for sufficient term of office for subcommittee members, for job expertise and continuity										
4. Resolutions											
A. Election, by mutual voting, of the chair of the Audit Committee Member Recommendation Committee	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Concur	Approved

Resolution - A. Election, by mutual voting, of the chair of the Audit Committee Member Recommendation Committee: Elected the chair of the Board, Cheul Park, who represents independent directors, as the chair of the Audit Committee Member Recommendation Committee.

Reporting - A. Audit Committee member qualifications and the member recommendation process for 2021: Reported the composition (formation) of the Audit Committee, and the method, schedule and considerations of electing the Audit Committee members.

(2) 2nd meeting of the Audit Committee Member Recommendation Committee in 2021: March 3, 2021 (Wed)

[Date of notice: March 2, 2021 (Tue)]

Items	Activities of directors										Whether or not approved
	Park Cheul	Yuki Hirakawa	Park Ansoon	Choi Kyong-rok	Lee Yoon-jae	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	
1. Name of director											
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters											
(No agenda to report)	No particular comments										
4. Resolutions											
A. Matters of recommendation of audit committee member candidate	Concur	Concur	Concur	Concur	Concur (Restricting the voting right of applicable person)	Concur	Concur	Concur (Restricting the voting right of applicable person)	Concur	Concur	Approved

Resolution - A. Matters of recommendation of audit committee member candidate: Recommended Director Lee Yoon-jae and Sung Jae-ho having demonstrated sufficient expertise and competence as Audit Committee member for the past year, as a candidate for Audit Committee member for one year in office, and Director Kwak Su-keun, possessing expertise in accounting (professor of accounting) to meet the qualifications of Audit Committee member, as a candidate for the same for two years in office.

C. Evaluation

Under Article 9 (Subcommittee) Paragraph 4 of the Company's Internal Code of Corporate Governance, the Audit Committee Member Recommendation Committee evaluates reasonableness of the agenda for resolutions and reports, degree of managerial information provided, role of the Committee, etc. once a year in connection with its operations. It then refers to the evaluation results in its operations. For more efficient operation of the subcommittees, however, the committee's functions were transferred to the Independent Director Recommendation Committee in March 2021, and it was merged into the Independent Director & Audit Committee Member Recommendation Committee. Accordingly, the 2021 evaluation of the committee was not conducted.

5. Matters related to the recommendation of audit committee member candidates

(1) Overview

At its 2nd meeting (March 3, 2021), the Audit Committee Member Recommendation Committee newly recommended Director (candidate) Kwak Soo-geun, an accounting and finance expert, as a candidate for Audit Committee member for a term of two years.

Director (candidate) Seong Jae-ho, an expert in international law, was first elected as an independent director also serving as Audit Committee member at the 18th annual general meeting of shareholders (March 27, 2019) and was given a term of two years. In view of his compliance field expertise required of the Audit Committee members and the continuity of work, he was recommended for re-election as Audit Committee member for a term of one year. Director (candidate) Yoon-jae Lee, an expert in economics, management and finance, was also newly elected as an independent director in March 2019 and was recognized for faithfully performing his duties as Audit Committee member in the past two years. Accordingly, he was recommended for re-election as Audit Committee member for a term of one year.

● Kwak Su-keun

1. Candidate's profile

(1) Year of birth: 1953
 (2) Education: Boseong High School - Department of Business Administration, Seoul National University - Doctor of Business Administration, University of North Carolina, USA

2. Career

- Current) Honorary Professor of Accounting, Seoul National University, Business School
- Current) Chairman, POSCO Corporate Citizenship Advisory Committee
- Current) Founding chairman, Rural Community Coexistence Forum
- Current) Chairman, Governance Advisory Committee, Korea Listed Companies Association
- Former) Professor, Seoul National University Business School / Dean, Business School / Dean, Graduate School of Business
- Former) Independent director and Audit Committee chairman, Lotte Holdings Co., Ltd.
- Former) Chair of Financial Supervisory Advisory Committee, Financial Supervisory Service
- Former) President, Korean Academic Society of Business Administration
- Former) Non-standing member, Securities and Futures Committee, Financial Services Commission

3. Experience as an audit committee member of the Company

Not applicable

4. Candidate proposing person: Sung Jae-ho (Member of the Audit Committee Member Recommendation Committee)

(1) Candidate's profile	Current Professor at the Graduate School of Law, Sunggyungwan University
(2) Relationship with the candidate ¹⁾	Not applicable
(3) Reason for recommendation	The candidate has served as a professor of accounting for a long time and has experience as an advisor to various academic societies and public institutions. Based on these facts, it has been confirmed that he has sufficient experience and knowledge in related fields. He is an accountant who actively suggested strengthening the fairness of corporate management and emphasized the revitalization of various systems to ensure accounting transparency. Based on his high social reputation and abundant experience as an independent director, he is expected to faithfully fulfill his duties as a member of the Audit Committee. Thus, he is expected to contribute to the protection of financial consumers in the future and contribute to the development of the group. Accordingly, the Audit Committee Member Recommendation Committee gathers consensus and recommends him as a candidate.

5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

(1) Pursuant to Article 19 of the Act on Corporate Governance of Financial Companies, 2/3 or more of the audit committee members has to be composed with independent directors that he meets the qualification as an independent director.
(2) As a professor of accounting at Seoul National University Business School, he meets the requirements of an accounting or finance expert required by Article 19 of the Corporate Governance Act and Article 16 of its Enforcement Decree.

7. Personal clarification of audit committee member candidate

(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Requirement satisfied (submission of resume, certificate of employment, etc.)
(3) Current concurrent position	No concurrent position

8. Result of resolution of the Audit Committee Member Recommendation Committee

Approval with the consent of 10 members out of 10 registered members
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Note1) Relative relationship under the Civil Act and relationship at high school or higher schools (same major for college or higher), same company group with full-time work relationship, hereinafter the same.

• **Lee Yoon-jae**

1. Candidate's profile

(1) Year of birth: 1950
(2) Education: Gyeonggi High School - LLB from Seoul National University - MBA from Stanford University (USA)

2. Career

<ul style="list-style-type: none"> - Former director of SC KFB/ Samsung Fire/ S-Oil/ KT&G/ LG Co., Ltd./ Busan Bank/ CJ Fresh Way - Former president of KorEi - Former advisor for Law Firm of Kim & Chang - Former Presidential Secretary in Finance and Economy (Managing Officer) - Former Presidential Secretary in Policy 1 - Former General Director of Economic Policy Bureau, Ministry of Finance and Economy - Former General Director of Banking and Insurance, Ministry of Finance and Economy - Former Secretary General to Deputy Prime Minister and Ministry of Economic Planning - Former Director General of the Office of External Control (in charge of trade), Ministry of Economic Planning - Former Director (Bureau of Economic Planning and Office of Budget), Ministry of Economic Planning - Passed the 11th National Examination for Public Administration

3. Experience as an audit committee member of the Company

- (1) Work period: Mar 27, 2019 ~ As of the end of 2020
- (2) Attendance record during the work period
- Attended 24 times from a total of 24 Audit Committee meetings (Attendance rate: 100%)

4. Candidate proposing person: Yoon Jaewon (Member of the Audit Committee Member Recommendation Committee)

(1) Candidate's profile	Current Professor of Business Administration, Hongik University
(2) Relationship with the candidate	Not applicable
(3) Reason for recommendation	This candidate is an expert in the areas of economics/finance who served as General Director of Economic Policy Bureau and General Director of Banking and Insurance in the Ministry of Finance and Economy and then served in budget related positions in the Ministry of Economic Planning for a substantial period. In addition to serving as CEO of KorEI (corporate strategic consulting firm), with rich experience as independent director in Korea's leading companies, he is recognized to possess sufficient expertise to perform the duties of the Audit Committee. As his competency for the Audit Committee to monitor, supervise, and check the management has been proven and accumulated (actually he faithfully performed the duties of Audit Committee member for the past year), for purpose of job expertise and continuity for the Audit Committee, he is thus recommended as an Audit Committee member.

5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

- (1) Pursuant to Article 19 of the Act on Corporate Governance of Financial Companies, 2/3 or more of the audit committee members has to be composed with independent directors that he meets the qualification as an independent director.
- (2) This candidate served as General Director of Banking and Insurance Bureau for the Ministry of Finance and Economy and then served in the budget related works in the Ministry of Economic Planning as an expert in the areas of economics/finance that he meets the requirements as an expert in accounting or finance as required under Article 19 of the Act on Corporate Governance of Financial Companies and Article 16 of the Enforcement Decree of the same Act

7. Personal clarification of audit committee member candidate

(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Requirement satisfied (submission of resume, certificate of employment, etc.)
(3) Current concurrent position	Not applicable

8. Result of resolution of the Audit Committee Member Recommendation Committee

Approval with the consent of 10 members out of 10 registered members

• **Sung Jae-ho**

1. Candidate's profile

- (1) Year of birth: 1960
- (2) Education: Chungju High School - Bachelor of law / Master of law / Doctor of law (Sungkyunkwan University) - SJD, Georgetown Law Center

2. Career

- Current Professor, Sungkyunkwan University Law School
- Current Member, Public Fund Management Committee, Financial Services Commission
- Former President, International Law Association (ILA) Korean Branch
- Former Head of Planning & Coordination Division, Sungkyunkwan University
- Former Head of Comparative Law Research Center, Sungkyunkwan University
- Former Professor, Department of Law, Sungkyunkwan University
- Former Chairman of Humanitarian Law Advisory Committee, Korean Red Cross
- Former President, Korea Society of International Law
- Former President, Korean Society of International Economic Law
- Former President, Korea International Law Review
- Former Policy advisor, Ministry of Unification
- Former Policy advisor, Ministry of Foreign Affairs and Trade

3. Experience as an audit committee member of the Company

- (1) Work period: Mar 27, 2019 ~ As of the end of 2020
- (2) Attendance record during the work period
 - Attended 24 times from a total of 24 Audit Committee meetings (Attendance rate: 100%)

4. Candidate proposing person: Yoon Jaewon (Member of the Audit Committee Member Recommendation Committee)

(1) Candidate's profile	Current Professor of Management, Korea University
(2) Relationship with the candidate	Not applicable
(3) Reason for recommendation	The task of compliance, the most important part of the Audit Committee's job along with audits, requires legal expertise. The candidate in particular has expertise in international law, and it is judged that his expertise will be recognized by ISS (voting advisory agency), etc. Over the past two years, he has been faithfully performing his duties as a member of the Audit Committee, and his competence as a committee member in monitoring, supervising, and checking executives' conduct of work has been proven and accumulated. Thus, in order to maintain the professionalism and continuity of the Audit Committee's work, he is recommended as a member of the Audit Committee.

5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

Pursuant to Article 19 of the Act on Corporate Governance of Financial Companies, 2/3 or more of the audit committee members has to be composed with independent directors that he meets the qualification as an independent director.

7. Personal clarification of audit committee member candidate

(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Requirement satisfied (submission of resume, certificate of employment, etc.)
(3) Current concurrent position	No concurrent service other than Sunggyungwan University

8. Result of resolution of the Audit Committee Member Recommendation Committee

Approval with the consent of 10 members out of 10 registered members

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V. Independent Director & Audit Committee Member Recommendation Committee

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V. Independent Director & Audit Committee Member Recommendation Committee

(Integrated with the Audit Committee Member Recommendation Committee through revision of the Articles of Incorporation and related regulations on March 25, 2021)

1. Roles

The Independent Director & Audit Committee Member Recommendation Committee deliberates and resolves matters delegated by the Board, and has the role of making the recommendation of the Company's independent director candidates transparent and sound. (Article 2 of the Independent Director & Audit Committee Member Recommendation Committee Regulation)

The committee has the authority to establish, review, and supplement the principles of the independent director and audit committee member election, recommend candidates for the independent directors and audit committee member to be elected at the general meeting of shareholders, manage the independent director candidate pool at all times, and verify the qualifications of the candidates. (Article 6, Paragraph 1 of the Independent Director & Audit Committee Member Recommendation Committee Regulation, Article 13, Paragraph 2 of the Internal Code of Corporate Governance)

It is also responsible for recommending independent director candidates befitting the interests of the Company, shareholders, etc. using a fair, transparent procedure, and for verifying in a fair manner whether preliminary independent director candidates meet qualifications under the applicable laws and Internal Code of Corporate Governance, before making the aforementioned recommendation (Article 10, Paragraphs 1 and 2 of the Independent Director & Audit Committee Member Recommendation Committee Regulation, Article 24, Paragraphs 1 and 2 of the Internal Code of Corporate Governance)

Under the principle of diversity of the Board specified in Article 3 of the Internal Code of Corporate Governance, the committee recommends independent director candidates who meet positive and negative qualifications under applicable laws or the Company's internal regulations. These candidates shall be independent and possess expertise and insight befitting the Company in consideration of the characteristics of the Group's growth history and organizational culture. At all times, the committee searches for and manages independent director candidates. (Article 6, Paragraph 1, Subparagraph 3 of the Independent Director & Audit Committee Member Recommendation Committee Regulation, Article 13, Paragraph 2, Subparagraph 3 of the Internal Code of Corporate Governance)

The committee manages the candidate pool by areas of expertise (finance, economics, business management, accounting, legal, information technology, international business, and consumer protection) in principle, and checks the candidates' expertise, fair judgment, integrity, strong work ethics, and negative qualifications, through monitoring of publicly available information that can be obtained in compliance with personal information protection laws and through reference check by third party advisors.

As set forth in Article 3 of the Internal Code of Corporate Governance, the committee uses various recommendation channels (e.g., Independent Director & Audit Committee Member Recommendation Committee, independent directors, shareholders, third party advisors) in principle so that specific backgrounds or skill sets will not be overrepresented in the Board in terms of expertise. (Article 10, Paragraph 6 of the Independent Director & Audit Committee Member Recommendation Committee Regulation, Article 24, Paragraph 3 of the Internal Code of Corporate Governance)

The committee is also obligated to check whether independent director candidates' negative and positive qualifications required by the applicable laws and the Model Corporate Governance are met. (Article 10, Paragraph 2 of the Independent Director & Audit Committee Member Recommendation Committee Regulation, Article 24, Paragraph 2 of the Internal Code of Corporate Governance)

In order to periodically check the reasonableness of the independent director candidate pool management, the Independent Director & Audit Committee Member Recommendation Committee is obligated to report to the Board about its management of the independent director candidate pool at least twice a year. (Article 6, Paragraph 3 of the Independent Director & Audit

Committee Member Recommendation Committee Regulation, Article 13, Paragraph 3 of the Internal Code of Corporate Governance)

In addition, the verification results for the independent director candidates recommended by the Independent Director & Audit Committee Member Recommendation Committee and reasonableness of the recommendation have to be deliberated and resolved again by the Board. This encourages the Board to more closely examine the independent director candidates recommended by the Independent Director & Audit Committee Member Recommendation Committee, who will be voted on by the general meeting of shareholders. This results in enhanced transparency in the election of independent directors. (Article 10, Paragraph 5 of the Independent Director & Audit Committee Member Recommendation Committee Regulation)

2. Composition

Under the Company's internal regulations, the Independent Director & Audit Committee Member Recommendation Committee shall consist of between 3 and 5 directors, and independent directors shall account for a majority of the members (Article 3, Paragraph 1 of the Independent Director & Audit Committee Member Recommendation Committee Regulation, Article 13, Paragraph 1 of the Internal Code of Corporate Governance) The foregoing reflects the purpose of "independent director" system by ensuring that the committee shall be independent director-centered and that independent directors are elected by a fair, transparent process. In actual practice, all its five members are organized with independent directors. (However, when the final recommendation process for independent director candidates and the recommendation process for Audit Committee member candidates begin, all independent directors will be included.)

Also, for the "independence" of the members, independent directors allowed for re-election are excluded to the greatest extent possible from the Independent Director & Audit Committee Member Recommendation Committee. That is, independent directors with an unexpired term, those having expressed intent to resign as an independent director, and those having served as independent director for 6 years for the Company and 9 years for the Group as a whole, thus making them ineligible for re-election, are given priority consideration. In March 2021, Directors Lee Yong-guk and Choi Jae-boong, new independent directors, and Director Choi Kyong-rok, whose term is due to expire in March 2022, were elected as members of the committee.

If it is unavoidable to include an independent director standing for re-election, in consideration of the committee's expertise and representativeness, such director is strictly restricted from voting in resolutions recommending him/her as an independent director candidate (Article 7, Paragraph 2 of the Independent Director & Audit Committee Member Recommendation Committee Regulation, Article 13, Paragraph 4 of the Internal Code of Corporate Governance)

In addition, so that diversity of the committee is achieved, in March 2020, Director Yoon Jae-won (accounting/management expert) was elected as committee member, and in March 2021, Director Huh Hak (global/finance/management expert), Director Lee Yong-guk (legal/financial expert) and Directors Choi Kyung-rok and Choi Jae-bung (IT experts) were elected as members to complete composition of the committee.

<Before General Meeting of Shareholders in March of 2021>

Name	Executive/Non-Executive/ Independent	Title	Date of election	End of term
Sung Jae-ho	Independent director	Chairman	March 26, 2020	March 25, 2021
Park Cheul	Independent director	Member	March 26, 2020	March 25, 2021
Yoon Jaewon	Independent director	Member	March 26, 2020	March 25, 2021
Jin Hyun-duk	Independent director	Member	March 26, 2020	March 25, 2021
Yuki Hirakawa	Independent director	Member	March 26, 2020	March 25, 2021

<After General Meeting of Shareholders in March of 2021>

Name	Executive/Non-Executive/ Independent	Title	Date of election	End of term
Huh Yong-hak	Independent director	Chairman	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Yoon Jaewon	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Lee Yong-guk	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Choi Kyong-rok	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Choi Jae-boong	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022

3. Criteria of selection

A. Qualifications of candidates

Common qualifications applicable to the selection of candidates are as follows.

In regard to disqualifications, the following laws and internal/external regulations are strictly reviewed. Article 382, Paragraph 3 (Qualifications of corporation's independent directors) and Article 542-8, Paragraph 2 (Qualifications of listed company's independent directors) of the Commercial Act, Article 5, Paragraph 1 (Qualifications of executives) of the Act on Corporate Governance of Financial Companies, Article 6, Paragraphs 1 and 3 (Qualifications of independent directors) of the same, Article 23, Paragraph 2 (Concurrent service as independent director of other companies) of the Internal Code of Corporate Governance, and Article 26, Paragraph 4 (Term limit for independent directors) of the Internal Code of Corporate Governance.

In regard to independent directors' positive qualifications, the Company's Articles of Incorporation and Internal Code of Corporate Governance require whether the relevant person has sufficient practical experience and knowledge in related areas such as finance, economics, business management, accounting, legal, consumer protection, and information technology, fair judgment, integrity, and strong work ethics.

Also, the Internal Code of Corporate Governance requires that the Board shall include those who possess the right experience or knowledge for a director's job as acquired from various areas and are capable of carrying on and renewing the Group's founding spirit. Efforts shall be made so that specific backgrounds or skill sets will not be over-represented in the Board in terms of expertise.

In addition to such an internal regulation, at the 1st Independent Director Recommendation Committee meeting (January 15, 2018), the committee established detailed principles to elect independent director candidates to maintain transparent and sound corporate governance, and at the 5th meeting (August 23, 2019), supplemented the aforesaid principles and the criteria of managing the candidate pool (long list). At the 6th meeting (November 13, 2020), the committee supplemented the independent director long list in further detail (e.g., newly including experts in the fields of HR (rich in organizational management experience) and technology strategy, in addition to the aforesaid 7 fields, into the long list).

In addition, on November 18, 2021, female independent director candidates with expertise in various fields were added to the multiple candidate groups in order to secure 'diversity of the composition of the Board,' and at the 7th meeting (December 16, 2021), the Independent Director & Audit Committee Member Recommendation Committee organized the candidate monitoring criteria in the independent director candidate management criteria, supplementing the criteria of candidate exclusion and separate candidate group management.

At first, if the BOD determines the number of new independent directors to be elected, specialized field and others through the resolution of the BOD (proposed), the Independent Director Recommendation Committee regulates the general overview to recommend the independent director candidates by selecting the persons that meet the qualification and deliberation criteria as well as the contents of the BOD resolution from the candidate group (long list) that is constantly managed.

Next, as for the positive qualifications of an independent director, the existing expertise, fair judgment, integrity and strong work ethics are applied, and in addition, three criteria of deliberation have been established for diversity (an independent director is elected with comprehensive consideration of nationality, gender, age, experience, background recommendation channel, and harmony with current directors) of the BOD composition, reasonableness (elect persons who will contribute to the growth of the Company by profoundly sharing the vision of Shinhan Financial, growth process and corporate culture as well as succeeding and advancing such aspects) with Shinhan Financial Group, and efficacy (elect the person with experience in management for balance in order to link the comparatively advantageous elements for each business type in consideration of paradigm change of business) of management advisory.

In addition, the detailed criteria of 'expertise' and 'diversity' are prepared to take reference when selecting candidates group of independent director. For example, in the example regarding the 'expertise', the financial field acknowledges the expertise only for any person with working 3 years or longer in the position of top management in a financial company, working 3 years or longer in the position of top management for the finance related works in a corporate entity, or working 10 years or longer as an executive, or any person who has the experience of working 5 years or longer for policy establishment, management and supervisory works or works related to financial or related works in financial related government, public institution, supervisory institution, relevant organization and association. In addition, it reflects the 'principle of equal opportunity' based on the 'diversity' to prepare the female candidate group of at least 20% from the candidate group of independent director, and select the candidates in various age groups of ± 15 years based on the CEO age for effective advisory expenses based on long history and flexible response to the change of management environment.

Furthermore, the criteria related to the 'independence of director' as established by the former Corporate Governance & CEO Recommendation Committee and verified by the Board is referenced when selecting the candidate group of independent director. The 'director independence guideline' and earlier recorded 'BOD diversity guideline' are disclosed in details through the homepage of the Company.

Furthermore, for managing the candidate group for independent directors, the Independent Director & Audit Committee Member Recommendation Committee is clearly defined for its meaning (Long list) and recommending route of candidate (Independent Director & Audit Committee Member Recommendation Committee, Independent Director & Audit Committee Member Recommendation Committee member, shareholder recommendation, independent advisor recommendation), and ① reception and verification of candidate recommendation of independent director through the regular inquiry to third party advisors, ② reflection of special nature of corporate governance of Shinhan Financial Group, ③ maintenance of expertise, independence and stability of BOD, ④ management of candidate group in connection with the group management strategy, ⑤ preference of person having practical experience for each specialized field and female candidate for strengthening gender diversity, and ⑥ principle of election of independent director and qualification by regulating the 6 management criteria of continuously monitoring the candidate group.

Namely, the Company comprehensively considers the independent deliberation criteria that are established by the Independent Director & Audit Committee Member Recommendation Committee other than the laws and regulations and internal regulation for the verification of the qualification of the independent director candidate.

B. Procedure of recommending candidates

For the fair and transparent election of independent directors, the Independent Director & Audit Committee Member Recommendation Committee Regulation and the Internal Code of Corporate Governance details the procedure for the

Independent Director & Audit Committee Member Recommendation Committee's recommendation for independent director candidates.

Key provisions and workflow related to the procedure of recommending independent director candidates are as follows.

- Recommend those befitting or serving interests of the Company, shareholders, etc. as independent director candidates in a fair and transparent process (Article 10, Paragraph 1 of the Independent Director & Audit Committee Member Recommendation Committee Regulation, Article 24, Paragraph 1 of the Internal Code of Corporate Governance)
 - Maximize use of external recommendations such as recommendations by shareholders, stakeholders, third party advisors if necessary to search for independent director candidates (Article 10, Paragraph 6 of the Independent Director & Audit Committee Member Recommendation Committee Regulation, Article 24, Paragraph 3 of the Internal Code of Corporate Governance).
 - In case of recommending candidates for independent directors standing for re-election, the independent director evaluation shall demonstrate the independent director's outstanding capacity as an independent director, and the candidate recommendation form shall be accompanied by the evaluation results and Independent Director & Audit Committee Member Recommendation Committee's review report (Article 10, Paragraphs 3 and 7 of the Independent Director & Audit Committee Member Recommendation Committee Regulation, Article 24, Paragraph 4 of the Internal Code of Corporate Governance).
 - Recommend independent director candidates after fair verification of whether preliminary independent director candidates meet qualifications under applicable laws and the Internal Code of Corporate Governance (Article 10, Paragraph 2 of the Independent Director & Audit Committee Member Recommendation Committee Regulation, Article 24, Paragraph 2 of the Internal Code of Corporate Governance).
 - From among those verified to meet the foregoing, finalize those selected by Independent Director & Audit Committee Member Recommendation Committee as independent director candidates, and recommend those to the general meeting of shareholders (Article 10, Paragraph 4 of the Independent Director & Audit Committee Member Recommendation Committee Regulation).
 - Submit the result of verifying independent director candidates, and reasonableness of the recommendation, to the Board concerning Independent Director & Audit Committee Member Recommendation Committee's activities so that the Board will deliberate and resolve the above (Article 10, Paragraph 5 of the Independent Director & Audit Committee Member Recommendation Committee Regulation).
 - When recommending independent director candidates, the Company announces the following before giving notice for convocation of the general meeting of shareholders, and states in such notice the fact of disclosure, method of checking the content of disclosure, etc. (Article 10, Paragraph 8 of the Independent Director & Audit Committee Member Recommendation Committee Regulation, Article 25 of the Internal Code of Corporate Governance).
1. Overview of the procedure for recommending independent director candidates
 2. Names and career summaries of the members of the Independent Director & Audit Committee Member Recommendation Committee
 3. Relationship between each independent director candidate and his/her recommender (When the Company's current or former independent director is recommended as an independent director candidate, all past recommenders for him/her shall be stated.)
 4. Relationship between each independent director candidate and the Company, subsidiaries, and their executives and major shareholders

5. Whether qualifications under applicable laws and Article 20 of the Internal Code of Corporate Governance are met, and the grounds of such determination
6. Reasons for recommending the independent director candidates
7. Career of the independent director candidates
8. Other matters recognized by the Board as necessary in connection with recommending the independent director candidates

Aside from the aforesaid internal regulation, Independent Director Recommendation Committee in its 1st meeting (January 15, 2018) established more objective, transparent criteria, and improved the process of recommending independent director candidates.

First, in electing new independent directors, the existing 3-stage recommendation process ("prepare the long list – recommend preliminary candidates – recommend final candidates") was expanded into a 4-stage process ("prepare the long list – prepare the short list – recommend preliminary candidates – recommend final candidates"), thus enabling more in-depth verification or screening.

In terms of operation, the transparency of the criteria process for the independent directors is secured, and for strengthening the verification of the independent director candidates that have expertise and independence, the inquiry on reputation by the independent advisory agency is carried out for all candidates (long list) to prepare the verification data in advance, and in consideration of personnel of independent directors subject to replace and core principle in diversity for the BOD to resolve the matters related to the BOD composition and the Independent Director & Audit Committee Member Recommendation Committee selects the expertise field and number of independent directors to be newly selected to meet the BOD resolution through the board skill matrix verification, and each member of the Independent Director & Audit Committee Member Recommendation Committee evaluates the conformity of the expertise, fair judgment, integrity, strong work ethics requirement as the positive qualifications of the independent directors through the verification data for the long list in the applicable fields. Then short list is selected from at least 3 times to 5 times among the minimum number of final candidates through multiple votes with anonymous votes or by committee discussions and calls. Then, by implementing the additional reputation inquiry of the separate independent advisory agency, not the independent advisory agency for the long list reputation inquiry for the subject of short list, the conformity of the principle to select independent directors and qualification on the basis of the close verification data to verify in-depth, and the preliminary candidates are selected through the order of most voting through secret voting or through discussion and call between the members. Lastly, after accurate verification of whether a preliminary relevant candidate is willing to serve as independent director and is subject to any ground of disqualification, he/she will be recommended as the final candidate and will be elected in the general meeting of shareholders as an independent director.

The aforesaid process was actually processed to elect 4 persons (Kwak Su-keun, Bae Hoon, Lee Yong-guk, and Choi Jae-boong) as new independent directors at the 20th general meeting of shareholders (March 25, 2021) and it is scheduled to elect new independent directors in accordance with the aforementioned procedure during the general meeting of shareholders in March 2022.

C. Method of evaluating execution of duties as an independent director

From December 2021 to January 2022, the Company conducted the "2021 independent director evaluation" of candidates for all independent directors standing for re-election. This is a thorough, 360-degree feedback process in which the evaluators include the evaluated director himself/herself, other independent directors, executives and employees (head of the department in charge of supporting the BOD and BOD committees). Evaluation items consist of 3 questions under each of the major categories; expertise, fair judgment conduct, integrity, and strong work ethics. Subjective questions are also used

for in-depth evaluation. For fairness of evaluation and anonymity of evaluator, the entire process including conduct of evaluation and collection of results is performed by a "External professional evaluation firm."

4. Activities & Evaluations

A. Overview

In order to organize the independent directors with diversified experts, the Company constantly manages the candidate group for independent directors as recommended from the Independent Director & Audit Committee Member Recommendation Committee, shareholders and third party advisors, and for recommending the independent director candidates and management of candidate group, a total of 7 Independent Director & Audit Committee Member Recommendation Committee meetings were held during 2021.

B. Meetings held

(1) 1st meeting of the Independent Director Recommendation Committee in 2021: February 5, 2021 (Fri)

[Date of notice: January 29, 2021 (Fri)]

Items	Activities of directors					Whether or not approved
1. Name of director	Sung Jae-ho	Park Cheul	Yuki Hirakawa	Jin Hyun-duk	Yoon Jaewon	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
A. Report of operation process for the Independent Director Recommendation Committee in 2021	No particular comments					
B. Report of evaluation result of independent directors in 2020	No particular comments					
4. Resolutions						
A. Matter of management of independent director candidates	Concur	Concur	Concur	Concur	Concur	Approved

Report - A. Report of operation process for the Independent Director Recommendation Committee in 2021: Provided information on the schedule and procedure for recommendation of candidate for independent director in 2021 and sought for unanimous consent of all members.

Report - B. Report of evaluation result of independent directors in 2020: Checked the evaluation result based on the contents of independent director activities during 2020.

Resolution - A. Matter of management of independent director candidates: Expended the final candidate group for the recommendation of candidates for independent directors in 2021.

(2) 2nd meeting of the Independent Director Recommendation Committee in 2021: February 27, 2021 (Wed)

[Date of notice: February 8, 2021 (Mon)]

Items	Activities of directors					Whether or not approved
1. Name of director	Sung Jae-ho	Park Cheul	Yuki Hirakawa	Jin Hyun-duk	Yoon Jaewon	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
(No agenda to report)	Not applicable					
4. Resolutions						
A. Matter of managing the candidates for independent directors	Concur	Concur	Concur	Concur	Concur	Approved

Resolution A. Matter of managing the candidates for independent directors: Verified the preliminary independent director candidates recommended by the three global private equity funds and the short list in-depth and recommend preliminary candidates for the independent directors subject to initial election, and ordered the Board Secretariat, the supporting department, to collect the candidates' acceptance of director candidacy and qualification documents, and to verify additional qualifications.

(3) 3rd meeting of the Independent Director Recommendation Committee in 2021: March 3, 2021 (Wed)

[Date of notice: February 23, 2021 (Wed)]

Items	Activities of directors					Whether or not approved
1. Name of director	Sung Jae-ho	Park Cheul	Yuki Hirakawa	Jin Hyun-duk	Yoon Jaewon	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
A. Report on review of independent director candidates' qualifications	No particular comments					
4. Resolutions						
A. Recommendation of candidates for independent directors who also serve as audit committee members	Concur	Concur	Concur	Concur	Concur	Approved
B. Matter of managing the candidates for independent directors	Concur	Concur	Concur	Concur	Concur	Approved

Resolution A. Recommendation of candidates for independent directors who also serve as audit committee members: Recommended independent director candidates for the separate election of independent directors who also serve as Audit Committee members.

Resolution - B. Matter of managing the candidates for independent directors: Reflecting the result of verifying the independent director candidates recommended at the 1st and 2nd Independent Director & Audit Committee Member Recommendation Committee meetings, determined the independent director candidates to be referred to the 20th general meeting of shareholders (March 25, 2021), and reported the details of recommendations at the first regular Board meeting held on the same date.

(4) 4th meeting of the Independent Director & Audit Committee Member Recommendation Committee in 2021: March 25, 2021 (Thu)

[Date of notice: Omitted (Emergency meeting convened by unanimous consent of the members)]

Items	Activities of directors					Whether or not approved
1. Name of director	Huh Yong-hak	Choi Kyong-rok	Yoon Jaewon	Lee Yong-guk	Choi Jae-boong	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
(No agenda to report)	Not applicable					
4. Resolutions						
A. Election of the chair of the Independent Director Recommendation Committee	Concur	Concur	Concur	Concur	Concur	Approved

Resolution A. Election of the chair of the Independent Director & Audit Committee Member Recommendation Committee: Elected new members of the Independent Director & Audit Committee Member Recommendation Committee after the 20th annual general meeting of shareholders held on the same date, and as the importance of the capital market/asset management sector continues to increase, the committee elected Director Huh Yong-hak, having a rich overseas network as a global and capital market expert, as the new chairman to actively reflect the voices of various stakeholders.

(5) 5th meeting of the Independent Director & Audit Committee Member Recommendation Committee in 2021: August 12, 2021 (Thu)

[Date of notice: August 5, 2021 (Thu)]

Items	Activities of directors					Whether or not approved
1. Name of director	Huh Yong-hak	Choi Kyong-rok	Yoon Jaewon	Lee Yong-guk	Choi Jae-boong	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
(No agenda to report)	Not applicable					
4. Resolutions						
A. Matter of management of independent director candidates	Concur	Concur	Concur	Concur	Concur	Approved

Resolution - A. Matter of management of independent director candidates: From the independent director candidates determined at the 1st Independent Director Recommendation Committee meeting, the same committee finalized the 2nd candidate long list by re-verifying whether the candidates meet the Company's qualification requirements and deliberation criteria for independent directors, and the details of the management of candidates were reported at the 5th temporary Board meeting held on the same date.

(6) 6th meeting of the Independent Director & Audit Committee Member Recommendation Committee in 2021: November 18, 2021 (Thu)

[Date of notice: November 5, 2021 (Thu)]

Items	Activities of directors					Whether or not approved
1. Name of director	Huh Yong-hak	Choi Kyong-rok	Yoon Jaewon	Lee Yong-guk	Choi Jae-boong	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
(No agenda to report)	Not applicable					
4. Resolutions						
A. Matter of management of independent director candidates	Concur	Concur	Concur	Concur	Concur	Approved

Resolution - A. Matter of management of independent director candidates: The candidate group finalized in the 5th Independent Director & Audit Committee Member Recommendation Committee is arranged to finalize the candidate group once again, and the contents of the management for the candidate group is reported to the 4th regular BOD, held on the same date.

(7) 6th meeting of the Independent Director & Audit Committee Member Recommendation Committee in 2021: December 16, 2021 (Thu)
 [Date of notice: December 8, 2021 (Wed)]

Items	Activities of directors					Whether or not approved
1. Name of director	Huh Yong-hak	Choi Kyong-rok	Yoon Jaewon	Lee Yong-guk	Choi Jae-boong	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
(No agenda to report)	Not applicable					
4. Resolutions						
A. Matter of management of independent director candidates	Concur	Concur	Concur	Concur	Concur	Approved
B. Changes in management criteria for independent director candidates	Concur	Concur	Concur	Concur	Concur	Approved

Resolution - A. Matter of management of independent director candidates: The candidate group finalized in the 6th Independent Director & Audit Committee Member Recommendation Committee is arranged to finalize the candidate group once again, and the contents of the management for the candidate group is reported to the 9th temporary BOD, held on the same date. Provided information, in advance, on the schedule and procedures of the Independent Director & Audit Committee Member Recommendation Committee for 2022.

Resolution B. Changes in management criteria for independent director candidates: The existing Independent Director Candidate Management Standard has been partially changed and supplemented. Criteria regarding the monitoring of candidates from the Standard have been reorganized and used to supplement the management standards for candidate exclusion and candidate group management standards.

C. Evaluation

Under Article 8 (Evaluation of the Board's performance, etc.) of the Company's Internal Code of Corporate Governance, the Independent Director & Audit Committee Member Recommendation Committee evaluates reasonableness of the agenda for resolutions and reports, degree of managerial information provided, role of the Committee, etc. once a year in connection with its operations. It then refers to the evaluation results in its operations.

Purpose of evaluation, main theme, criteria and method should refer to the contents on this Annual Report 'II. Board of directors - 4. Evaluation on BOD and Directors - A. BOD evaluation.'

As a result of evaluation for the Independent Director & Audit Committee Member Recommendation Committee in 2021, the operation and role of the Committee is confirmed as at an extremely outstanding level.

5. Matters related to recommendation of independent director candidate

• Lee Yoon-jae

1. Candidate's profile

- (1) Year of birth: 1950
 (2) Education: Gyeonggi High School - LLB from Seoul National University - MBA from Stanford University (USA)

2. Career

- Former President of KorEi
- Former Advisor for Law Firm of Kim & Chang
- Former Presidential Secretary in Finance and Economy (Managing Officer)
- Former Presidential Secretary in Policy 1
- Former General Director of Economic Policy Bureau, Ministry of Finance and Economy
- Former General Director of Banking and Insurance, Ministry of Finance and Economy
- Former Secretary General to Deputy Prime Minister and Ministry of Economic Planning
- Former Director General of the Office of External Control (in charge of trade), Ministry of Economic Planning
- Former Director (Bureau of Economic Planning and Office of Budget), Ministry of Economic Planning
- Passed the 11th National Examination for Public Administration

3. Experience as an independent directors member of the Company

- (1) Work period: March 27, 2019 ~ Present (As of the end of 2020, hereinafter the same)
 (2) Attendance record during the work period:
- Attended in 24 times from a total of 24 BOD meetings (attendance rate: 100%)
 - Attended in 7 times from a total of 7 Independent Director & Audit Committee Member Recommendation Committee meetings (attendance rate: 100%)
 - Attended in 4 times from a total of 4 CEO Recommendation Committee meetings (attendance rate: 100%)
 - Attended in 24 times from a total of 24 Audit Committee meetings (attendance rate: 100%)
 - Attended in 2 times from a total of 2 Audit Committee Member Recommendation Committee meetings (attendance rate: 100%)
 - Attended in 10 times from a total of 10 ESG Strategy Committee meetings (attendance rate: 100%)
 - Attended in 13 times from a total of 13 Subsidiary Management Committee meetings (attendance rate: 100%)

4. Candidate proposing person¹⁾ : Independent Director Recommendation Committee

(1) Candidate's profile	Sung Jae-ho (Chair) : Current Professor at the Graduate School of Law, Sunggyungwan University Park Cheul : Former Senior Deputy Governor, Bank of Korea Yoon Jaewon : Current Professor of Business Administration, Hongik University Jin Hyun-duk : Current CEO of Phoedra Inc. Yuki Hirakawa : Current CEO of Primer Korea Limited
(2) Relationship with the candidate	Not applicable

(3) Reason for recommendation	As an expert in the field of economics and finance who has served for a long time in the Economic Planning Board and the Ministry of Finance and Economy, he has sufficient experience and knowledge in related fields and is evaluated to have faithfully performed management monitoring and supervision based on his expertise and independence. As an independent director, he possesses the qualities of fair judgment, integrity, and strong work ethics, and also fits the criteria of diversity in the composition of the Board, compatibility with Shinhan Financial Group, and effectiveness of management advice. In the 2020 independent director evaluation, it is confirmed that he participated in both the Board and subcommittee meetings to express various opinions, and as well as providing a comprehensive review and constructive opinion on the Group's governance structure, he carefully reviewed all issues as an Audit Committee member and guided the Board toward rational decision-making. In particular, considering that he presented a clear philosophy and vision for the social role of finance and was evaluated for leading cutting-edge ESG projects, he is expected to continue contributing to the development of the Group and thus the Independent Director Recommendation Committee by consensus recommends him for re-election.
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5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

Category for review	Satisfying the requirements	Reason for satisfaction
(1) Negative qualification		
A. Article 382-3 and Article 542-8 (2) of the Commercial Act	Satisfactory	No violation of laws
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
C. Article 6 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
(2) Positive qualification		
A. Article 6 (3) (Specialization) of the Act on Corporate Governance of Financial Companies	Satisfactory	Expert in economics, finance and business management, expert in accounting and finance under the Corporate Governance Act (high ranking officer in government agency in charge of finance and economics, professional manager)
B. Article 23 (1) (ii) (Fair Judgment) of the Internal Code of Corporate Governance of the Company	Satisfactory	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Article 23 (1) (iii) (Integrity) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possessing high level of sense of ethics and responsibility
D. Article 23 (1) (iv) (Substantiality) of the Internal Code of Corporate Governance of the Company	Satisfactory	For the activities of BOD and BOD subcommittee, the candidate allocated sufficient hours and efforts, and meets the qualification of laws and regulations, no change in concurrent position after the election, and proven for strong work ethics when considering the attendance rate in BOD and others
E. Additional verification criteria of the Independent Director Recommendation Committee (Diversity in the composition of the Board)	Satisfactory	Possessing experience as executive in government agencies and private company
F. Additional verification criteria of the Independent Director Recommendation Committee (Compatibility with Shinhan Financial Group)	Satisfactory	High level of understanding for corporate culture with rich experience as an professional manager and independent director
G. Additional verification criteria of the Independent Director Recommendation Committee (Effectiveness of management advice)	Satisfactory	Effectively carrying out management advisory by having the experience of independent director and experiences in economics and financial policies

7. Clarification of the applicable person for independent director candidate

(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Satisfying active requirements submission of resume, the statement of experience
(3) Current concurrent position	No concurrent position

8. Result of resolution of the Independent Director Recommendation Committee

Approved by the consent of 5 persons out of 5 registered members
 - Chairman: Sung Jae-ho: Consent
 - Member: Park Cheul: Consent
 - Member: Yoon Jaewon: Consent
 - Member: Jin Hyun-duk: Consent
 - Member: Yuki Hirakawa: Consent

Note 1) Proposing person when transferring to candidate group: Third party advisors / Proposing person in the case of initial election:
 Recommended as a final candidate after recommendation by a management-participating private equity fund (IMM PE) and deliberation by the Independent Director Recommendation Committee in accordance with the Financial Investment Services and Capital Market Act

● Park Ansoon**1. Candidate's profile**

- (1) Year of birth: 1945
 (2) Education: BA in Philosophy, Waseda University (Japan)

2. Career

- Current Chairman of Taisei Trade Co., Ltd. (located in Japan, hereinafter the same experience)
- Current Chairman, the Korean Residents Union in Japan
- Former Coordinator of ASKA Credit Union, Japan
- Former director of Tokyo Commercial Bank Credit Union
- Former CEO of Taisei Trade Co., Ltd.

3. Experience as an independent directors member of the Company

- (1) Work period: Mar 23, 2017 ~ Present
 (2) Attendance record during the work period:
- Attended in 50 times from a total of 51 BOD meetings (attendance rate: 98%)
 - Attended in 13 times from a total of 13 Independent Director & Audit Committee Member Recommendation Committee meetings (attendance rate: 100%)
 - Attended in 7 times from a total of 7 BOD Steering Committee meetings (attendance rate: 100%)
 - Attended in 5 times from a total of 5 Audit Committee Member Recommendation Committee meetings (attendance rate: 100%)
 - Attended in 9 times from a total of 9 ESG Strategy Committee meetings (attendance rate: 100%)
 - Attended in 13 times from a total of 13 Subsidiary Management Committee meetings (attendance rate: 100%)

4. Candidate proposing person¹⁾ : Independent Director Recommendation Committee

(1) Candidate's profile	Sung Jae-ho (Chair) : Current Professor at the Graduate School of Law, Sunggyungwan University Park Cheul : Former Senior Deputy Governor, Bank of Korea Yoon Jaewon : Current Professor of Business Administration, Hongik University Jin Hyun-duk : Current CEO of Phoedra Inc. Yuki Hirakawa : Current CEO of Primer Korea Limited
(2) Relationship with the candidate	Not applicable

(3) Reason for recommendation	The candidate is a successful business man in the Korean resident in Japan that he is known as an expert in the management and international business fields with various management know-how on the basis of successful business territories in Singapore and other regions besides Japan and he is considered to duly performing monitoring and supervisory works of top management with his extensive experience and knowledge in the pertinent fields. Considering that he was evaluated to faithfully fulfill his duties as an independent director, such as expressing various opinions by participating in both the Board and subcommittee meetings, expressing his opinions fairly so as not to focus on a specific interest group from an independent point of view, and thereby contributing to the overall operation of the Board and improvement of corporate governance according to the 2020 independent director evaluation, he is expected to continue contributing to the development of the Group and thus the Independent Director Recommendation Committee by consensus recommends him for re-election.
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5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

Category for review	Satisfying the requirements	Reason for satisfaction
(1) Negative qualification		
A. Article 382-3 and Article 542-8 (2) of the Commercial Act	Satisfactory	No violation of laws
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
C. Article 6 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
(2) Positive qualification		
A. Article 6 (3) (Specialization) of the Act on Corporate Governance of Financial Companies	Satisfactory	Expert in the areas of business management and international business (professional manager, officer of overseas company)
B. Article 23 (1) (ii) (Fair Judgment) of the Internal Code of Corporate Governance of the Company	Satisfactory	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Article 23 (1) (iii) (Integrity) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possessing high level of sense of ethics and responsibility
D. Article 23 (1) (iv) (Substantiality) of the Internal Code of Corporate Governance of the Company	Satisfactory	For the activities of BOD and BOD subcommittee, the candidate allocated sufficient hours and efforts, and meets the qualification of laws and regulations, no change in concurrent position after the election, and proven for strong work ethics when considering the attendance rate in BOD and others
E. Additional verification criteria of the Independent Director Recommendation Committee (Diversity in the composition of the Board)	Satisfactory	Possible for effective management advisory based on experience in long-term management
F. Additional verification criteria of the Independent Director Recommendation Committee (Compatibility with Shinhan Financial Group)	Satisfactory	High level of understanding for corporate culture as an professional manager
G. Additional verification criteria of the Independent Director Recommendation Committee (Effectiveness of management advice)	Satisfactory	Possible for effective management advisory based on experience in long-term management

7. Clarification of the applicable person for independent director candidate

(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Satisfying active requirements submission of resume, certificate of employment, etc.
(3) Current concurrent position	No concurrent position

8. Result of resolution of the Independent Director Recommendation Committee

Approved by the consent of 5 persons out of 5 registered members
 - Chairman: Sung Jae-ho: Consent
 - Member: Park Cheul: Consent
 - Member: Yoon Jaewon: Consent
 - Member: Jin Hyun-duk: Consent
 - Member: Yuki Hirakawa: Consent

Note 1) Proposing person when transferred to candidate group: Lee Jung-il, member of the Independent Director Recommendation Committee/
 Proposing person for candidate at the time of initial appointment: Han Dong-woo, a former CEO of Shinhan Financial Group/
 Proposing person for candidate at the time of consecutive service: Chairman of the Independent Director Recommendation Committee

• Choi Kyong-rok

1. Candidate's profile

(1) Year of birth: 1966
 (2) Education: Department of Instrumentation Engineering, Keio University (Japan) - Master of Computer Science, Keio University (Japan)
 - Ph.D. in Computer Science, Keio University (Japan)

2. Career

- Current CEO, CYS Corporation, Japan
 - Former Vice president, CYS Corporation, Japan
 - Former Research Associate, Information Technology Center at Keio University, Japan
 - Former Research Associate, Network Technology Center, Keio University, Japan
 - Former Independent director, Shinhan Life Insurance

3. Experience as an independent directors member of the Company

(1) Work period: March 22, 2018 ~ Present
 (2) Attendance record during the work period:
 - Attended in 36 times from a total of 37 BOD meetings (attendance rate: 97%)
 - Attended in 14 times from a total of 14 Independent Director & Audit Committee Member Recommendation Committee meetings (attendance rate: 100%)
 - Attended in 4 times from a total of 4 CEO Recommendation Committee meetings (attendance rate: 100%)
 - Attended in 14 times from a total of 15 Risk Management Committee meetings (attendance rate: 93%)
 - Attended in 10 times from a total of 10 BOD Steering Committee meetings (attendance rate: 100%)
 - Attended in 4 times from a total of 4 Audit Committee Member Recommendation Committee meetings (attendance rate: 100%)
 - Attended in 6 times from a total of 6 ESG Strategy Committee meetings (attendance rate: 100%)

4. Candidate proposing person¹⁾: Independent Director Recommendation Committee

(1) Candidate's profile	Sung Jae-ho (Chair) : Current Professor at the Graduate School of Law, Sunggyungwan University Park Cheul : Former Senior Deputy Governor, Bank of Korea Yoon Jaewon : Current Professor of Business Administration, Hongik University Jin Hyun-duk : Current CEO of Phoedra Inc. Yuki Hirakawa : Current CEO of Primer Korea Limited
(2) Relationship with the candidate	Not applicable

(3) Reason for recommendation	The candidate is a successful business man in the Korean resident in Japan that he is known as an expert in the management and international business fields with various management know-how on the basis of successful business territories in Singapore and other regions besides Japan and he is considered to duly performing monitoring and supervisory works of top management with his extensive experience and knowledge in the pertinent fields. Considering that he was evaluated to have faithfully fulfilled his duties as an independent director, such as expressing various opinions by participating in both the Board and subcommittee meetings, expressing his opinions fairly so as not to focus on a specific interest group from an independent point of view, and thereby contributing to the overall operation of the Board and improvement of corporate governance according to the 2020 independent director evaluation, he is expected to continue contributing to the development of the Group and thus the Independent Director Recommendation Committee by consensus recommends him for re-election.
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5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

Category for review	Satisfying the requirements	Reason for satisfaction
(1) Negative qualification		
A. Article 382-3 and Article 542-8 (2) of the Commercial Act	Satisfactory	No violation of laws
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
C. Article 6 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
(2) Positive qualification		
A. Article 6 (3) (Specialization) of the Act on Corporate Governance of Financial Companies	Satisfactory	Expert in the areas of information technology, business management and international business (information and technology researcher, professional manager, and officer of overseas company)
B. Article 23 (1) (ii) (Fair Judgment) of the Internal Code of Corporate Governance of the Company	Satisfactory	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Article 23 (1) (iii) (Integrity) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possessing high level of sense of ethics and responsibility
D. Article 23 (1) (iv) (Substantiality) of the Internal Code of Corporate Governance of the Company	Satisfactory	For the activities in BOD and BOD subcommittee, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Additional verification criteria of the Independent Director Recommendation Committee (Diversity in the composition of the Board)	Satisfactory	Low age and expertise in information technology, and corporate management experience
F. Additional verification criteria of the Independent Director Recommendation Committee (Compatibility with Shinhan Financial Group)	Satisfactory	Rich experience as an independent director for Shinhan Financial Group with high level of understanding for corporate culture
G. Additional verification criteria of the Independent Director Recommendation Committee (Effectiveness of management advice)	Satisfactory	Capable of effective advising of management based on business and independent director experience

7. Clarification of the applicable person for independent director candidate

(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Satisfying active requirements submission of resume, the statement of experience
(3) Current concurrent position	No concurrent service other than CEO, CYS Corporation

8. Result of resolution of the Independent Director Recommendation Committee

Approved by the consent of 5 persons out of 5 registered members
 - Chairman: Sung Jae-ho: Consent
 - Member: Park Cheul: Consent
 - Member: Yoon Jaewon: Consent
 - Member: Jin Hyun-duk: Consent
 - Member: Yuki Hirakawa: Consent

Note 1) Proposing person in the case of inclusion in the long list: Independent Director Recommendation Committee (one who has served as independent director of a subsidiary) / Proposing person in the case of initial election: Independent Director Recommendation Committee (anonymous voting) / Proposing person for candidate at the time of consecutive service: Independent Director Recommendation Committee

• Byeon Yang-ho**1. Candidate's profile**

(1) Year of birth: 1954
(2) Education: Gyeonggi High School - International Trades, Seoul National University - MA/Ph.D. in Economics, Northern Illinois University (USA)

2. Career

- Current Advisor, VIG Partners
- Former Co-CEO, Vogo Fund
- Former Non-executive director, Tongyang Life Insurance
- Former Commissioner, Korea Financial Intelligence Unit
- Former Director General, Ministry of Finance and Economy
- Former Head of Financial Policy Bureau (Director general), Ministry of Finance and Economy
- Former Deputy Director General of Policy Coordination, Ministry of Finance and Economy
- Former Head of International Finance Division, International Finance Bureau, Ministry of Finance and Economy
- Former Head of Policy Coordination Division, Ministry of Finance and Economy
- Former Head of Industrial Economy Division, Economic Policy Bureau, Ministry of Finance and Economy
- Former Head of National Savings Division, Ministry of Finance
- Former Manager, Office of Presidential Secretary for Economy, Office of President
- Former Senior Economist, IMF
- Passed the 19th National Examination for Public Administration

3. Experience as an independent directors member of the Company

- (1) Work period: March 27, 2019 ~ Present
- (2) Attendance record during the work period:
- Attended in 24 times from a total of 24 BOD meetings (attendance rate: 100%)
 - Attended in 10 times from a total of 11 CEO Recommendation Committee meetings (attendance rate: 91%)
 - Attended in 16 times from a total of 16 Risk Management Committee meetings (attendance rate: 100%)
 - Attended in 4 times from a total of 5 BOD Steering Committee meetings (attendance rate: 80%)
 - Attended in 2 times from a total of 2 Audit Committee Member Recommendation Committee meetings (attendance rate: 100%)
 - Attended in 10 times from a total of 10 ESG Strategy Committee meetings (attendance rate: 100%)
 - Attended in 7 times from a total of 7 Subsidiary Management Committee meetings (attendance rate: 100%)

4. Candidate proposing person¹⁾: Independent Director Recommendation Committee

(1) Candidate's profile	Sung Jae-ho (Chair) : Current Professor at the Graduate School of Law, Sunggyungwan University Park Cheul : Former Senior Deputy Governor, Bank of Korea Yoon Jaewon : Current Professor of Business Administration, Hongik University Jin Hyun-duk : Current CEO of Phodra Inc. Yuki Hirakawa : Current CEO of Primer Korea Limited
(2) Relationship with the candidate	Not applicable

(3) Reason for recommendation	As an expert in the field of finance and economics who has served in public offices for a long time in the Ministry of Finance and Ministry of Finance and Economy, he has sufficient experience and knowledge in the relevant field and is evaluated to have faithfully performed management monitoring and supervision based on his expertise and independence. As an independent director, he satisfies fair judgment, integrity, and strong work ethics, and also fits the criteria of diversity in the composition of the Board, compatibility with Shinhan Financial Group, and effectiveness of management advice. Considering that he was evaluated to promote long-term development of the Group and perform his duties fairly for the benefit of all stakeholders, by participating in both the Board and subcommittee meetings to express various opinions, and collecting information utilizing a wide public-private network and using detailed analysis skills to check the management's business policies and execution in detail and faithfully perform an advisory role to management according to the 2020 independent director evaluation, he is expected to continue contributing to the development of the Group and thus the Independent Director Recommendation Committee by consensus recommends him for re-election.
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5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

Category for review	Satisfying the requirements	Reason for satisfaction
(1) Negative qualification		
A. Article 382-3 and Article 542-8 (2) of the Commercial Act	Satisfactory	No violation of laws
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
C. Article 6 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
(2) Positive qualification		
A. Article 6 (3) (Specialization) of the Act on Corporate Governance of Financial Companies	Satisfactory	Expert in finance, economics and business management (high ranking officer in government agency in charge of finance and economics, professional manager)
B. Article 23 (1) (ii) (Fair Judgment) of the Internal Code of Corporate Governance of the Company	Satisfactory	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Article 23 (1) (iii) (Integrity) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possessing high level of sense of ethics and responsibility
D. Article 23 (1) (iv) (Substantiality) of the Internal Code of Corporate Governance of the Company	Satisfactory	For the activities in BOD and BOD subcommittee, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Additional verification criteria of the Independent Director Recommendation Committee (Diversity in the composition of the Board)	Satisfactory	Possessing experiences in government agency and private financial companies
F. Additional verification criteria of the Independent Director Recommendation Committee (Compatibility with Shinhan Financial Group)	Satisfactory	High level of understanding for corporate culture based on experience in participating in BOD as an professional manager
G. Additional verification criteria of the Independent Director Recommendation Committee (Effectiveness of management advice)	Satisfactory	Effective performance of management advisory by holding the experience as executive for private financial companies and experience in performing finance and economy policies

7. Clarification of the applicable person for independent director candidate	
(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Satisfying active requirements submission of resume, the statement of experience
(3) Current concurrent position	No concurrent position

8. Result of resolution of the Independent Director Recommendation Committee	
Approved by the consent of 5 persons out of 5 registered members - Chairman: Sung Jae-ho: Consent - Member: Park Cheul: Consent - Member: Yoon Jaewon: Consent - Member: Jin Hyun-duk: Consent - Member: Yuki Hirakawa: Consent	

Note 1) Proposing person in the case of inclusion in the long list: Third party advisors / Proposing person in the case of initial election: Independent Director Recommendation Committee (anonymous voting)

● Huh Yong-hak

1. Candidate's profile

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| (1) Year of birth: 1958 |
| (2) Education: Political Science, Bowdoin College - Political Science and International Relations, Korea University - International Affairs (MA), Columbia University |

2. Career

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|---|
| - Current CEO, Hong Kong First Bridge Strategy Ltd. |
| - Former Chief Investment Officer (CIO) of Private Markets and Direct Investment, HKMA |
| - Former Head of Financial Institutions Group for Asia and Head of Korea at Investment Banking Division, HSBC |
| - Former Managing director, Olympus Capital Investment LLC |
| - Former Head of M&A Asia, JP Morgan |

3. Experience as an independent directors member of the Company

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| (1) Work period: March 27, 2019 ~ Present |
| (2) Attendance record during the work period: |
| - Attended in 24 times from a total of 24 BOD meetings (attendance rate: 100%) |
| - Attended in 4 times from a total of 4 CEO Recommendation Committee meetings (attendance rate: 100%) |
| - Attended in 16 times from a total of 15 Risk Management Committee meetings (attendance rate: 100%) |
| - Attended in 8 times from a total of 8 Remuneration Committee meetings (attendance rate: 100%) |
| - Attended in 2 times from a total of 2 Audit Committee Member Recommendation Committee meetings (attendance rate: 100%) |
| - Attended in 13 times from a total of 13 Subsidiary Management Committee meetings (attendance rate: 100%) |

4. Candidate proposing person¹⁾: Independent Director Recommendation Committee

(1) Candidate's profile	Sung Jae-ho (Chair) : Current Professor at the Graduate School of Law, Sunggyungwan University Park Cheul : Former Senior Deputy Governor, Bank of Korea Yoon Jaewon : Current Professor of Business Administration, Hongik University Jin Hyun-duk : Current CEO of Phoedra Inc. Yuki Hirakawa : Current CEO of Primer Korea Limited
(2) Relationship with the candidate	Not applicable

(3) Reason for recommendation	He acquired sufficient experience and knowledge in related fields as a global/financial/management expert who oversaw investment banking at several global financial companies and the Hong Kong Central Bank and is evaluated to have faithfully performed management oversight/supervision duties based on his expertise and independence. He possesses the qualities of fair judgment, integrity, and strong work ethics, and also fits the criteria of diversity in the composition of the Board, compatibility with Shinhan Financial Group, and effectiveness of management advice. Considering that he was evaluated to have faithfully fulfilled his duties as an independent director, such as expressing various opinions by participating in both the Board and subcommittee meetings, in particular playing an effective advisory role in important M&A contracts for the Group, providing directions related to digital, alternative investment business, and capital market revitalization, and frequently communicating with the management of subsidiaries to actively express opinions on the direction of the Group's personnel affairs, according to the 2020 independent director evaluation, he is expected to continue contributing to the development of the Group and thus the Independent Director Recommendation Committee by consensus recommends him for re-election.
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5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

Category for review	Satisfying the requirements	Reason for satisfaction
(1) Negative qualification		
A. Article 382-3 and Article 542-8 (2) of the Commercial Act	Satisfactory	No violation of laws
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
C. Article 6 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
(2) Positive qualification		
A. Article 6 (3) (Specialization) of the Act on Corporate Governance of Financial Companies	Satisfactory	Expert in international business, finance and business management (executive in global financial companies and professional manager)
B. Article 23 (1) (ii) (Fair Judgment) of the Internal Code of Corporate Governance of the Company	Satisfactory	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Article 23 (1) (iii) (Integrity) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possessing experience in various global financial companies as an executive
D. Article 23 (1) (iv) (Substantiality) of the Internal Code of Corporate Governance of the Company	Satisfactory	For the activities in BOD and BOD subcommittee, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Additional verification criteria of the Independent Director Recommendation Committee (Diversity in the composition of the Board)	Satisfactory	Possessing experiences in government agency and private financial companies
F. Additional verification criteria of the Independent Director Recommendation Committee (Compatibility with Shinhan Financial Group)	Satisfactory	High level of understanding on corporate culture with rich experience as a financial company executive
G. Additional verification criteria of the Independent Director Recommendation Committee (Effectiveness of management advice)	Satisfactory	Effectively carrying out the management advisory based on the experience as an executive and rich experience in global capital market

7. Clarification of the applicable person for independent director candidate

(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Satisfying active requirements submission of resume, the statement of experience
(3) Current concurrent position	No concurrent service other than CEO, First Bridge Strategy Ltd.

8. Result of resolution of the Independent Director Recommendation Committee

Approved by the consent of 5 persons out of 5 registered members
 - Chairman: Sung Jae-ho: Consent
 - Member: Park Cheul: Consent
 - Member: Yoon Jaewon: Consent
 - Member: Jin Hyun-duk: Consent
 - Member: Yuki Hirakawa: Consent

Note 1) Proposing person in the case of inclusion in the long list: Third party advisors / Proposing person in the case of initial election: Independent Director Recommendation Committee (anonymous voting)

● Sung Jae-ho**1. Candidate's profile**

- (1) Year of birth: 1960
 (2) Education: Bachelor of Law / Master of law / Doctor of law (Sungkyunkwan University)

2. Career

- Current Professor, Sungkyunkwan University Law School
- Current Member, Public Fund Management Committee, Financial Services Commission
- Former President, International Law Association (ILA) Korean Branch
- Former Head of Planning & Coordination Division, Sungkyunkwan University
- Former Head of Comparative Law Research Center, Sungkyunkwan University
- Former Professor, Department of Law, Sungkyunkwan University
- Former Chairman of Humanitarian Law Advisory Committee, Korean Red Cross
- Former President, Korea Society of International Law
- Former President, Korean Society of International Economic Law
- Former President, Korea International Law Review
- Former Policy advisor, Ministry of Unification
- Former Policy advisor, Ministry of Foreign Affairs and Trade

3. Experience as an independent directors member of the Company

- (1) Work period: March 27, 2019 ~ Present
 (2) Attendance record during the work period:
 - Attended in 24 times from a total of 24 BOD meetings (attendance rate: 100%)
 - Attended in 11 times from a total of 11 Independent Director & Audit Committee Member Recommendation Committee meetings (attendance rate: 100%)
 - Attended in 11 times from a total of 11 CEO Recommendation Committee meetings (attendance rate: 100%)
 - Attended in 24 times from a total of 24 Audit Committee meetings (attendance rate: 100%)
 - Attended in 5 times from a total of 5 BOD Steering Committee meetings (attendance rate: 100%)
 - Attended in 3 times from a total of 3 Remuneration Committee meetings (attendance rate: 100%)
 - Attended in 2 times from a total of 2 Audit Committee Member Recommendation Committee meetings (attendance rate: 100%)

4. Candidate proposing person¹⁾ : Independent Director Recommendation Committee

(1) Candidate's profile	Sung Jae-ho (Chair) : Current Professor at the Graduate School of Law, Sunggyungwan University Park Cheul : Former Senior Deputy Governor, Bank of Korea Yoon Jaewon : Current Professor of Business Administration, Hongik University Jin Hyun-duk : Current CEO of Phoedra Inc. Yuki Hirakawa : Current CEO of Primer Korea Limited
(2) Relationship with the candidate	Not applicable

(3) Reason for recommendation	As a legal expert who has been working as a law professor for a long time, he has expertise in economics, environment, international organizations, and humanitarian law in the field of international law, having sufficient experience and knowledge in related fields and is evaluated to have faithfully performed management oversight/supervision duties based on his expertise and independence. He possesses the qualities of fair judgment, integrity, and strong work ethics, and also fits the criteria of diversity in the composition of the Board, compatibility with Shinhan Financial Group, and effectiveness of management advice. Considering that he was evaluated to have faithfully fulfilled his duties as an independent director, by expressing various opinions by participating in both the Board and subcommittee meetings, playing an effective legal advisory role in large and small business strategies, preemptively checking issues and suggesting logical solutions for major contracts and in regulation enactment/revision of the Company as a legal expert), and thus being evaluated to contribute to the operation of the Board according to the 2020 independent director evaluation, he is expected to continue contributing to the development of the Group and thus the Independent Director Recommendation Committee by consensus recommends him for re-election.
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5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

Category for review	Satisfying the requirements	Reason for satisfaction
(1) Negative qualification		
A. Article 382-3 and Article 542-8 (2) of the Commercial Act	Satisfactory	No violation of laws
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
C. Article 6 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
(2) Positive qualification		
A. Article 6 (3) (Specialization) of the Act on Corporate Governance of Financial Companies	Satisfactory	Expert in law (professor of law)
B. Article 23 (1) (ii) (Fair Judgment) of the Internal Code of Corporate Governance of the Company	Satisfactory	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Article 23 (1) (iii) (Integrity) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possessing high level of sense of ethics and responsibility
D. Article 23 (1) (iv) (Substantiality) of the Internal Code of Corporate Governance of the Company	Satisfactory	For the activities in BOD and BOD subcommittee, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Additional verification criteria of the Independent Director Recommendation Committee (Diversity in the composition of the Board)	Satisfactory	Career as law professor, various academic activities and experience in advisory member for government agencies
F. Additional verification criteria of the Independent Director Recommendation Committee (Compatibility with Shinhan Financial Group)	Satisfactory	Has experience as an independent director of a Shinhan Financial Group subsidiary, and with rich experience as an independent director of other companies, has a high understanding of corporate culture.
G. Additional verification criteria of the Independent Director Recommendation Committee (Effectiveness of management advice)	Satisfactory	Available for effective management advisory by having the experiences in law professor and independent director

7. Clarification of the applicable person for independent director candidate

(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Satisfying active requirements submission of resume, the statement of experience
(3) Current concurrent position	No concurrent position

8. Result of resolution of the Independent Director Recommendation Committee

Approved by the consent of 4 persons out of 4 registered members
 - Chairman: Sung Jae-ho: Voting restricted (Under internal regulations, excluded from the number of members in office in cases where he is recommended as a candidate by himself)
 - Member: Park Cheul: Consent
 - Member: Yoon Jaewon: Consent
 - Member: Jin Hyun-duk: Consent
 - Member: Yuki Hirakawa: Consent

Note 1) Proposing person in the case of inclusion in the long list: Independent Director Recommendation Committee (one who has served as independent director of a subsidiary) / Proposing person in the case of initial election: Independent Director Recommendation Committee (anonymous voting)

● Kwak Su-keun**1. Candidate's profile**

- (1) Year of birth: 1953
 (2) Education: Boseong High School - Business Administration, Seoul National University - Doctor of Business Administration, University of North Carolina, USA

2. Career

- Current Honorary Professor of Accounting, Seoul National University, Business School
- Current Chairman, POSCO Corporate Citizenship Advisory Committee
- Current Founding chairman, Rural Community Coexistence Forum
- Current Chairman, Governance Advisory Committee, Korea Listed Companies Association
- Former Professor, Seoul National University Business School / Dean, Business School / Dean, Graduate School of Business
- Former Independent director and Audit Committee chairman, Lotte Holdings Co., Ltd.
- Former Chair of Financial Supervisory Advisory Committee, Financial Supervisory Service
- Former President, Korean Academic Society of Business Administration
- Former Non-standing member, Securities and Futures Committee, Financial Services Commission

3. Experience as an independent directors member of the Company

Not applicable

4. Candidate proposing person¹⁾ : Management-participatory private equity fund (IMM PE)

(1) Candidate's profile	Not applicable
(2) Relationship with the candidate	Not applicable
(3) Reason for recommendation	In addition, as a result of deliberation by the Independent Director Recommendation Committee, he has served as an accounting professor for a long time and has experience in various academic societies and public institutions as an advisor, confirming that he has sufficient experience and knowledge in related fields. It is expected that the management supervision/supervision task would be faithfully performed. As an independent director, it is judged that he possesses the qualities of fair judgment, integrity, and strong work ethics, and the diversity of the composition of the board of directors, compatibility with Shinhan Financial Group, and effectiveness of management advice are all judged to be appropriate. According to the reference check for the candidate, he is an accountant who actively suggested strengthening the fairness of corporate management and emphasized the revitalization of various systems to ensure accounting transparency. As it is expected that he will contribute to the protection of financial consumers and the development of the group in the future, the Independent Director Recommendation Committee by consensus recommends him as candidate.

5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

Category for review	Satisfying the requirements	Reason for satisfaction
(1) Negative qualification		
A. Article 382-3 and Article 542-8 (2) of the Commercial Act	Satisfactory	No violation of laws
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
C. Article 6 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
(2) Positive qualification		
A. Article 6 (3) (Specialization) of the Act on Corporate Governance of Financial Companies	Satisfactory	Expert in the areas of accounting and business management / Expert in accounting and finance under the Corporate Governance Act (Professor of management with major in accounting)
B. Article 23 (1) (ii) (Fair Judgment) of the Internal Code of Corporate Governance of the Company	Satisfactory	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Article 23 (1) (iii) (Integrity) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possessing high level of sense of ethics and responsibility
D. Article 23 (1) (iv) (Substantiality) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possible to allocate sufficient time and effort for the activities of BOD and BOD subcommittee
E. Additional verification criteria of the Independent Director Recommendation Committee (Diversity in the composition of the Board)	Satisfactory	Recommended by shareholders; professor of business management majoring in accounting; and experience as independent director in other companies
F. Additional verification criteria of the Independent Director Recommendation Committee (Compatibility with Shinhan Financial Group)	Satisfactory	Professor of business administration; governance advisory experience; expected to have a high level of understanding of corporate culture thanks to the rich experience as independent director of other companies
G. Additional verification criteria of the Independent Director Recommendation Committee (Effectiveness of management advice)	Satisfactory	Professor of business administration; expected to be able to provide effective management advice due to experience as independent director of other companies

7. Clarification of the applicable person for independent director candidate

(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Satisfying active requirements submission of resume, the statement of experience
(3) Current concurrent position	No concurrent position

8. Result of resolution of the Independent Director Recommendation Committee

Approved by the consent of 5 persons out of 5 registered members
 - Chairman: Sung Jae-ho: Consent
 - Member: Park Cheul: Consent
 - Member: Yoon Jaewon: Consent
 - Member: Jin Hyun-duk: Consent
 - Member: Yuki Hirakawa: Consent

Note 1) Proposing person in the case of inclusion in the long list: Not applicable / Proposing person in the case of initial election: Recommended as a final candidate after recommendation by a management participating private equity fund (IMM PE) and deliberation by the Independent Director Recommendation Committee in accordance with the Financial Investment Services and Capital Market Act

● Bae Hoon

1. Candidate's profile

- (1) Year of birth: 1953
 (2) Education: Bachelor of Economics, Kyoto University, Japan - MBA, Kobe University, Japan - Ph.D., Graduate School of Law, Kyoto University, Japan

2. Career

- Current Representative Attorney, Orbis Legal Profession Corporation (located in Japan, hereinafter the same experience)
- Former Co-CEO / Director, LAZAK (Lawyers Association of Zainichi Korea)
- Assistant certified public accountant/Attorney (Japan)

3. Experience as an independent directors member of the Company

Not applicable

4. Candidate proposing person¹⁾ : Independent Director Recommendation Committee

(1) Candidate's profile	Sung Jae-ho (Chair) : Current Professor at the Graduate School of Law, Sunggyungwan University Park Cheul : Former Senior Deputy Governor, Bank of Korea Yoon Jaewon : Current Professor of Business Administration, Hongik University Jin Hyun-duk : Current CEO of Phoedra Inc. Yuki Hirakawa : Current CEO of Primer Korea Limited
(2) Relationship with the candidate ²⁾	Not applicable
(3) Reason for recommendation	A Korean-national attorney residing in Japan (Zainichi Korean) and also an assistant certified public accountant in Japan with a master's degree in business management, he has sufficient experience and knowledge in related fields, such as working as an expert in the legal, accounting, and global fields who provides legal advice on Korea-Japan corporate legal affairs, corporate debt collection, rehabilitation, etc., he is expected to present his professional opinions in the important management decision-making process of the Board and faithfully perform management monitoring/supervision based on his expertise and independence. He is deemed to possess the qualities of fair judgment, integrity, and strong work ethic as an independent director, and to fit the criteria of diversity in the composition of the Board, compatibility with Shinhan Financial Group, and effectiveness of management advice. According to the reference check for the candidate, he has greatly contributed to economic/legal exchanges between Korea and Japan, e.g., providing effective legal advisory services to Korean companies in Japan through annual exchanges with the Seoul Bar Association, and is a person with both professional competence and social networking who faithfully performs social contribution activities. Thus, he is expected to contribute to the protection of financial consumers and the development of the Group in the future, and the Independent Director Recommendation Committee by consensus recommends him as a candidate.

5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

Category for review	Satisfying the requirements	Reason for satisfaction
(1) Negative qualification		
A. Article 382-3 and Article 542-8 (2) of the Commercial Act	Satisfactory	No violation of laws
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
C. Article 6 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
(2) Positive qualification		
A. Article 6 (3) (Specialization) of the Act on Corporate Governance of Financial Companies	Satisfactory	Expert in law, accounting, and international business (Assistant certified public accountant/Attorney (Japan))
B. Article 23 (1) (ii) (Fair Judgment) of the Internal Code of Corporate Governance of the Company	Satisfactory	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Article 23 (1) (iii) (Integrity) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possessing high level of sense of ethics and responsibility
D. Article 23 (1) (iv) (Substantiality) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possible to allocate sufficient time and effort for the activities of BOD and BOD subcommittee
E. Additional verification criteria of the Independent Director Recommendation Committee (Diversity in the composition of the Board)	Satisfactory	Recommended by shareholders; experience as an attorney and assistant certified public accountant in Japan
F. Additional verification criteria of the Independent Director Recommendation Committee (Compatibility with Shinhan Financial Group)	Satisfactory	Proficient in legal/business studies; expected to have a high level of understanding of corporate culture thanks to his expertise in corporate legal advice
G. Additional verification criteria of the Independent Director Recommendation Committee (Effectiveness of management advice)	Satisfactory	MBA degree; expected to be able to provide effective management advice due to expertise in corporate legal advice

7. Clarification of the applicable person for independent director candidate

(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Satisfying active requirements submission of resume, the statement of experience
(3) Current concurrent position	No concurrent position

8. Result of resolution of the Independent Director Recommendation Committee

Approved by the consent of 5 persons out of 5 registered members

- Chairman: Sung Jae-ho: Consent
- Member: Park Cheul: Consent
- Member: Yoon Jaewon: Consent
- Member: Jin Hyun-duk: Consent
- Member: Yuki Hirakawa: Consent

Note 1) Proposing person in the case of inclusion in the long list: Shareholder recommendation system (Shareholder: Lee*ya)

● Lee Yong-guk

1. Candidate's profile

- | |
|--|
| (1) Year of birth: 1964 |
| (2) Education: International Relations, Princeton University, USA - LLM, Harvard Law School, USA |

2. Career

- | |
|---|
| <ul style="list-style-type: none"> - Current Clinical Professor, Seoul National University, School of Law - Former Representative of Seoul Office / Partner of Hong Kong Office, Cleary Gottlieb Steen & Hamilton LLP - Former Director, Foreign Law Firm Association - Former Member of International Committee / Special International Exchange Committee, Korean Bar Association - Attorney licensed in the State of New York and Hong Kong |
|---|

3. Experience as an independent directors member of the Company

Not applicable

4. Candidate proposing person¹⁾ : Affinity Equity Partners

(1) Candidate's profile	Not applicable
(2) Relationship with the candidate	Not applicable
(3) Reason for recommendation	The candidate was recommended by Affinity Equity Partners as a candidate for independent director of the Company on the ground that he is expected to responsibly perform his duties as an independent director by representing all shareholders fairly based on his legal and financial expertise. In addition, as a result of the deliberation by the Independent Director Recommendation Committee, it is confirmed that he has sufficient experience and knowledge in related fields after serving as an attorney at a large global law firm for a long time. He is deemed to possess the qualities of fair judgment, integrity, and strong work ethics as an independent director, and to fit the criteria of diversity in the composition of the Board, compatibility with Shinhan Financial Group, and effectiveness of management advice. According to reference check for the candidate, he worked as a foreign attorney related to the capital market and was familiar with international finance, securities issuance, and M&A, and played a major role in recruiting foreign investors in the listing of major financial companies and large companies in the domestic stock market. In addition, he is shown to be fulfilling his social responsibilities through public interest activities, by providing free legal advice on international transactions to legally-vulnerable small and medium-sized enterprises. Thus, he is expected to contribute to the protection of financial consumers and the development of the Group in the future, and the Independent Director Recommendation Committee by consensus recommends him as a candidate.

5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

Category for review	Satisfying the requirements	Reason for satisfaction
(1) Negative qualification		
A. Article 382-3 and Article 542-8 (2) of the Commercial Act	Satisfactory	No violation of laws
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
C. Article 6 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
(2) Positive qualification		
A. Article 6 (3) (Specialization) of the Act on Corporate Governance of Financial Companies	Satisfactory	Expert in law, finance, and international business (Attorney specializing in international/corporate finance; professor of Law)
B. Article 23 (1) (ii) (Fair Judgment) of the Internal Code of Corporate Governance of the Company	Satisfactory	Fair performance of job for the interests of entire shareholders and financial consumers The candidate has appropriate business relationship with the Company and Seoul National University and has low possibility of having conflict of interest and has low possibility of having conflict of interest
C. Article 23 (1) (iii) (Integrity) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possessing high level of sense of ethics and responsibility
D. Article 23 (1) (iv) (Substantiality) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possible to allocate sufficient time and effort for the activities of BOD and BOD subcommittee
E. Additional verification criteria of the Independent Director Recommendation Committee (Diversity in the composition of the Board)	Satisfactory	Recommended by shareholders; foreign attorney; experience as professor of law
F. Additional verification criteria of the Independent Director Recommendation Committee (Compatibility with Shinhan Financial Group)	Satisfactory	Expected to have a high understanding of corporate culture due to rich experience in legal advice for international companies
G. Additional verification criteria of the Independent Director Recommendation Committee (Effectiveness of management advice)	Satisfactory	Expected to be able to provide effective management advice due to rich experience in legal advice in international/corporate finance fields

7. Clarification of the applicable person for independent director candidate

(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Satisfying active requirements submission of resume, the statement of experience
(3) Current concurrent position	No concurrent position

8. Result of resolution of the Independent Director Recommendation Committee

Approved by the consent of 5 persons out of 5 registered members

- Chairman: Sung Jae-ho: Consent
- Member: Park Cheul: Consent
- Member: Yoon Jaewon: Consent
- Member: Jin Hyun-duk: Consent
- Member: Yuki Hirakawa: Consent

Note 1) Proposing person in the case of inclusion in the long list: Not applicable / Proposing person in the case of initial election: Recommended as a final candidate after the recommendation by Affinity Equity Partners and deliberation by the Independent Director Recommendation Committee in accordance with the shareholders' agreement

● Choi Jae-boong

1. Candidate's profile

- | |
|--|
| (1) Year of birth: 1965 |
| (2) Education: Mechanical engineering BS/MS, Sungkyunkwan University - Mechanical engineering MS/PhD, University of Waterloo, Canada |

2. Career

- | |
|--|
| <ul style="list-style-type: none"> - Current Professor, Sung Kyun Kwan University, College of Engineering - Current Advisory Committee member, Financial DT Academy, Korea Banking Institute - Former Advisory Committee member, Innovation Growth Division, Ministry of Strategy and Finance - Former member, Science and Technology ICT Internationalization Project Promotion Committee, Ministry of Science, ICT and Future Planning - Former Creative Economy Promotion Director, Sungkyunkwan University Research & Business Foundation |
|--|

3. Experience as an independent directors member of the Company

Not applicable

4. Candidate proposing person¹⁾ : Baring Private Equity Asia

(1) Candidate's profile	Not applicable
(2) Relationship with the candidate	Not applicable
(3) Reason for recommendation	<p>The candidate was recommended by the shareholder Baring Private Equity Asia as a candidate for independent director of the Company on the ground that he is expected to responsibly perform his duties as an independent director by representing all shareholders fairly based on his expertise in IT. In addition, as a result of the deliberation by the Independent Director Recommendation Committee, it is confirmed that he has sufficient experience and knowledge in related fields, such as serving as a professor of mechanical engineering for a long time and actively participating in ICT-related industry-university cooperation activities and government-led innovation projects and based on this, he is expected to faithfully perform management monitoring & supervision. He is deemed to possess the qualities of fair judgment, integrity, and strong work ethics as an independent director, and to fit the criteria of diversity in the composition of the Board, compatibility with Shinhan Financial Group, and effectiveness of management advice. According to reference check for the candidate, he has expertise in all fields of the 4th Industrial Revolution such as wearables/Internet of Things, and big data analysis, AI and smart factories that reflect them in business models and is very interested in and continues his research activities on the digitalization of finance. In addition, having experience as an independent director of a listed company, he is expected to contribute to the protection of financial consumers and the development of the Group by presenting digital-related strategic directions and visions at the Board as well as providing effective management advice, and the Independent Director Recommendation Committee by consensus recommends him as a candidate.</p>

5. Relationship with the Company

(1) Relationship with the Company or affiliated company	Not applicable
(2) Relationship with majority shareholder	Not applicable
(3) Relationship with officers	Not applicable

6. Satisfaction of qualification

Category for review	Satisfying the requirements	Reason for satisfaction
(1) Negative qualification		
A. Article 382-3 and Article 542-8 (2) of the Commercial Act	Satisfactory	No violation of laws
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
C. Article 6 (1) of the Act on Corporate Governance of Financial Companies	Satisfactory	No violation of laws
(2) Positive qualification		
A. Article 6 (3) (Specialization) of the Act on Corporate Governance of Financial Companies	Satisfactory	Expert in information technology (Professor of mechanical engineering in ICT field)
B. Article 23 (1) (ii) (Fair Judgment) of the Internal Code of Corporate Governance of the Company	Satisfactory	Fair performance of job for the interests of entire shareholders and financial consumers The candidate has appropriate business relationship with the Company and Sunggyungwan University and has low possibility of having conflict of interest
C. Article 23 (1) (iii) (Integrity) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possessing high level of sense of ethics and responsibility
D. Article 23 (1) (iv) (Substantiality) of the Internal Code of Corporate Governance of the Company	Satisfactory	Possible to allocate sufficient time and effort for the activities of BOD and BOD subcommittee
E. Additional verification criteria of the Independent Director Recommendation Committee (Diversity in the composition of the Board)	Satisfactory	Recommended by shareholders; experience as a professor in the field of IT
F. Additional verification criteria of the Independent Director Recommendation Committee (Compatibility with Shinhan Financial Group)	Satisfactory	Expected to have a high understanding of corporate culture due to rich experience in industry-university cooperation in IT field and experience as an independent director of other companies
G. Additional verification criteria of the Independent Director Recommendation Committee (Effectiveness of management advice)	Satisfactory	Expected to be able to provide effective management advice due to experience in industry-university cooperation and experience as an independent director

7. Clarification of the applicable person for independent director candidate

(1) Relationship with the Company	Not applicable (Submission of confirmation statement)
(2) Satisfaction of qualification	Satisfying active requirements submission of resume, the statement of experience
(3) Current concurrent position	No concurrent position

8. Result of resolution of the Independent Director Recommendation Committee

Approved by the consent of 5 persons out of 5 registered members

- Chairman: Sung Jae-ho: Consent
- Member: Park Cheul: Consent
- Member: Yoon Jaewon: Consent
- Member: Jin Hyun-duk: Consent
- Member: Yuki Hirakawa: Consent

Note 1) Proposing person in the case of inclusion in the long list: Third party advisors / Proposing person in the case of initial election: Recommended as a final candidate after recommendation by Baring Private Equity Asia and deliberation by the Independent Director Recommendation Committee in accordance with the shareholders' agreement

6. Management of independent director candidate pool – Current status

A. Management of independent director candidate pool – Overview

The first principle in searching for and managing the candidate pool is qualifications under the applicable laws and the Internal Code of Corporate Governance.

The committee manages the candidate pool by areas of expertise (finance, business management, economics, law, accounting, information technology, international business, and consumer protection) in principle, and checks negative qualifications of the candidate pool, fair judgment conduct, integrity, and strong work ethics through the monitoring of public information, which can be obtained in compliance with personal information protection laws, and excludes candidates with problems from the candidate pool.

The second principle is to comply with the principle of diversity of the Board.

It selects certain expert with practical experience or knowledge in diverse fields and considers a number of diversity aspects to advance the competency of the BOD. For more details, the BOD considers the verification of Board Skill Matrix and independent directors subject for replacement to resolve the matters on BOD composition and the Independent Director & Audit Committee Member Recommendation Committee operates the procedure to recommend the new independent directors that meet the resolution of the BOD. The second temporary BOD held on February 5, 2020 complies with such principle to implement the collective reasonableness of the BOD composition and it establishes the qualification of the newly elected independent directors with the detailed indices with the subject of current independent directors with ① expertise (required expertise, detailed expertise, and competency), ② diversity (nationality /countries of main activities, gender, age, experience /background), and ③ analysis of initial recommendation channel.

The third principle is the management criteria for the candidate group that is established by the Independent Director Recommendation Committee.

The candidate group of independent directors is clearly defined for its meaning (Long list) and recommending route of candidate (Independent Director Recommendation Committee, Independent director Recommendation Committee member, shareholder recommendation, outside advisor recommendation), and ① reception and verification of candidate recommendation of independent director through the regular inquiry to third party advisors, ② reflection of special nature of corporate governance of Shinhan Financial Group, ③ maintenance of expertise, independence and stability of BOD, ④ management of candidate group in connection with the group management strategy, ⑤ preference of person having practical experience for each specialized field and female candidate for strengthening gender diversity, and ⑥ principle of election of independent director and qualification by establishing the 6 management criteria to apply in the management of candidate group.

In actual operation, it regularly inquire to an outside advisor for compliance with the management principle and discovery of the aforementioned candidate group for independent directors to have the recommendation of candidate group for independent directors in appropriate number, and for the facilitation of the shareholder recommendation system, the operation period is expanded and revised all through the year. In addition, the BOD discloses the criteria of election for the independent director of the Company to interested party by transparently disclosing through the company's homepage by establishing the internal criteria in relation to the independence and diversity of independent directors by reflecting in the deliberation criteria.

B. Activities of managing the candidate pool

The Company is putting efforts so that those with diverse experience and knowledge, making them suitable as a financial company's directors, can be included in the pool of candidates for the Board members. Thus, management of the independent director candidate pool is being conducted to serve the objective of composing the Board so that it does not over-represent a specific skill sets or expertise.

The Internal Code of Corporate Governance enacted by the resolution of the 2nd temporary meeting of the Board (February 24, 2015) requires that the Independent Director & Audit Committee Member Recommendation Committee shall be a standing committee and that details of managing the independent director candidate pool shall be reported to the Board at least twice a year. To support the above, the Board Secretariat receives directions on the principles of managing the independent director candidate pool from the Independent Director Committee. The Board Secretariat then submits details about managing the independent director candidate pool to the Independent Director Recommendation Committee at least twice a year, and the committee deliberates on these details.

The 2nd Independent Director Recommendation Committee meeting (February 12, 2015) formulated the following 4 principles of managing the independent director candidate pool.

- In regard to positive qualifications of independent directors, manage the candidate pool by areas of expertise in principle. For the principles of fair judgment conduct, ethical responsibilities, and strong work ethics, exclude candidates with problems found in the processes used in monitoring, such as reference check, by the BOD Secretariat from the candidate pool.
- In regard to negative qualifications of independent directors, continuously monitor the candidate pool through information which can be obtained in compliance with personal information protection laws.
- Avoid over-representation by specific channels of candidate recommendation and specific areas of the candidate's expertise to reflect the principle of diversity of the Board.
- Manage the candidate pool to reflect the characteristics of the Group's corporate governance.

In its 2nd meeting (January 31, 2018), Independent Director Recommendation Committee supplemented the aforesaid candidate management principles, thus establishing the following 4 criteria of independent director candidate management.

- Periodically have third party advisors recommend independent director candidates, include former and current independent directors of the holding company and the Group companies meeting "7 selection principles" in the candidate pool (state their original recommendation channel as "Independent Director Recommendation Committee"), and expand the candidate pool through other recommendation channels (e.g., shareholders' recommendation)
- In reflection of the unique nature of Shinhan Finance Group's corporate governance, include independent director candidates representing Korean national shareholders residing in Japan for succession to and development of the Group's founding philosophy, include BNP Paribas-recommended independent director candidates for compliance with the strategic alliance MOU, and manage independent director candidates standing for re-election for the Board's expertise, independence, and stability
- Continuously expand the pool of candidates with digital (IT) and global expertise in connection with the Group's management strategy, and in cases of changes in the strategy, search for candidates with relevant expertise
- Continuously monitor independent director candidates in consideration of the selection principles and qualifications for independent directors, and exclude candidates with problems found

Following this principle, the existing candidate group is reviewed from the perspective of initial selection, and through the resolution of the Independent Director & Audit Committee Member Recommendation Committee, as held on the same date, the independent candidate group for independent directors is newly composed with the recommendation of the third party advisors.

During 2019, the 5th Independent Director Recommendation Committee held on August 23 and the 7th Independent Director Recommendation Committee held on December 19 additionally supplemented the principle of candidate group management to establish the following 6 management criteria for the candidate group for independent directors.

- The candidates of independent directors are recommended through the inquiry of regular third party advisors, and in addition, the verification is processed, and the facilitation for the recommendation channel for other independent directors, such as, shareholder recommendation system at the same time.
- The special features of the corporate governance of Shinhan Financial Group are reflected to understand the founding vision and differentiated growth path of the group and it includes the strong work ethics of independent directors to understand and share
- For maintaining expertise, independence and stability of the BOD, the independent director subject to outstanding re-election is included in the candidate group
- Continuous management of candidate group in connection with the group management strategy (example. Digital, global, capital market, etc.)
- The female candidates are expanded for strengthening the gender diversity while the persons holding practical experience for each specialized field is preferred for strengthening the s9 of BOD
- By considering the principle of independent director election and qualification, the candidate group for independent directors is continuously monitored and the candidate is excluded when detecting any abnormality.

In 2021, in the 6th meeting (November 18) and the 7th meeting (December 16) of the Independent Director & Audit Committee Member Recommendation Committee incorporated multiple 'female independent director candidates' with a variety of expertise into the candidate group, and supplemented the criteria for excluding independent director candidates from the group and managing a separate candidate group.

Pursuant to the above management criteria, the 7th Independent Director & Audit Committee Member Recommendation Committee held on December 16, 2021, finalized the candidate group for independent directors for a total of 131 persons through the verification of candidate group, management and operation of the shareholder recommendation system.

C. Current status of candidate pool in 2021

(1) Date of resolution for the 1st independent director candidate pool (2021): 1st Independent Director Recommendation Committee meeting (February 5, 2021)

Areas	Number of Candidates	Percentage	Remarks
Finance	13	11.3%	
Business management	18	15.7%	
Economics	13	11.3%	
Legal	17	14.8%	
Accounting	13	11.3%	
Information technology	21	18.2%	
International business	10	8.7%	
Consumer protection	10	8.7%	
Total	115	100%	

Note) Where the same person has expertise in multiple areas, only the representative (most notable) area shall be considered. (Hereinafter the same)

Recommendation Channel	Number of Candidates	Percentage	Remarks
Independent Director Recommendation Committee	30	26.1%	
Third party advisors	81	70.4%	
Shareholders	4	3.5%	Shareholder recommendation system
Total	115	100%	

(2) Date of resolution for the 2nd independent director candidate pool (2021): 5th Independent Director & Audit Committee Member Recommendation Committee meeting (August 12, 2021)

Areas	Number of Candidates	Percentage	Remarks
Finance	12	10.9%	
Business management	20	18.2%	
Economics	11	10.0%	
Legal	15	13.6%	
Accounting	12	10.9%	
Information technology	21	19.1%	
International business	10	9.1%	
Consumer protection	9	8.2%	
Total	110	100%	

Recommendation Channel	Number of Candidates	Percentage	Remarks
Independent Director & Audit Committee Member Recommendation Committee	33	30.0%	
Third party advisors	75	68.2%	
Shareholders	2	1.8%	
Total	110	100%	

(3) Date of resolution for the 3rd independent director candidate pool (2021): 6th Independent Director & Audit Committee Member Recommendation Committee meeting (November 18, 2021)

Areas	Number of Candidates	Percentage	Remarks
Finance	17	13.4%	
Business management	21	16.5%	
Economics	16	12.6%	
Legal	16	12.6%	
Accounting	12	9.4%	
Information technology	25	19.7%	
International business	10	7.9%	
Consumer protection	10	7.9%	
Total	127	100%	

Recommendation Channel	Number of Candidates	Percentage	Remarks
Independent Director & Audit Committee Member Recommendation Committee	33	26.0%	
Third party advisors	92	72.4%	
Shareholders	2	1.6%	
Total	127	100%	

(4) Date of resolution for the 4th independent director candidate pool (2021): 7th Independent Director & Audit Committee Member Recommendation Committee meeting (December 16, 2021)

Areas	Number of Candidates	Percentage	Remarks
Finance	19	14.5%	
Business management	20	15.3%	
Economics	18	13.7%	
Legal	15	11.5%	
Accounting	12	9.2%	
Information technology	27	20.6%	
International business	10	7.6%	
Consumer protection	10	7.6%	
Total	131	100%	

Recommendation Channel	Number of Candidates	Percentage	Remarks
Independent Director & Audit Committee Member Recommendation Committee	32	24.4%	
Third party advisors	97	74.1%	
Shareholders	2	1.5%	
Total	131	100%	

D. During 2021, the contents that the independent director supporting department reported periodically related to the works involved in managing the candidate group to the Independent Director Recommendation Committee

(1) Status of establishing the independent director supporting department

- Department name: BOD Secretariat
- Organization: Supporting department under BOD
- Composition: 1 head of BOD Secretariat, 2 team members

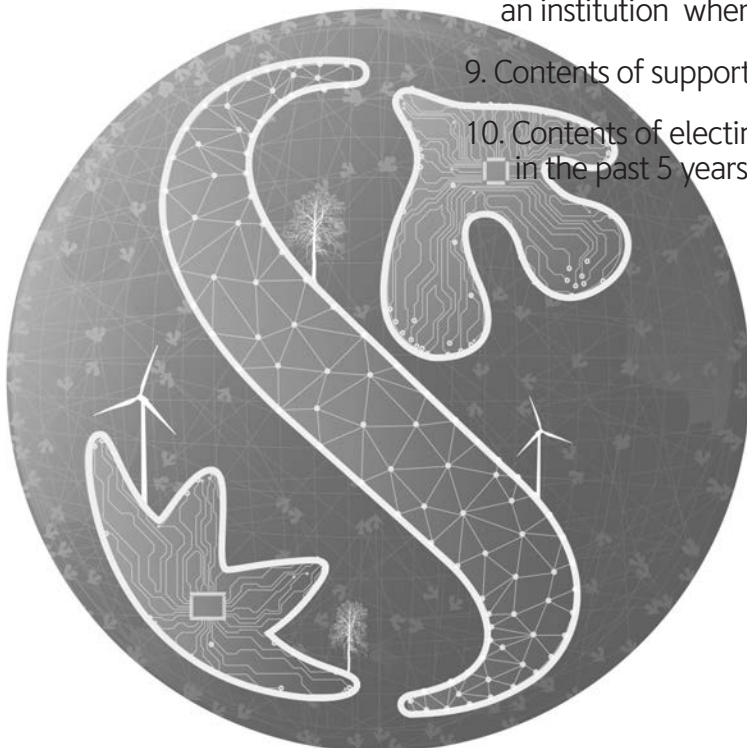
(2) Work report on management of candidate group for independent directors and contents of support on the Independent Director Recommendation Committee

Date	Contents of Report and Support
Dec. 28, 2020 - Jan. 13, 2021	Process of evaluation of independent directors in 2020
Feb. 5, 2021	Report of operation process of the Independent Director Recommendation Committee in 2021 Report of evaluation result of independent directors in 2020 Report of candidate group (long list) arrangement of 1st independent directors in 2021
Feb 28, 2020	Verification of new independent director candidates recommended by shareholders Report of verification data of the candidate group for final candidate of new independent directors (short list)
Feb. 17 - Mar. 3, 2021	Check on acceptance of candidates following the recommendation for the Independent Director Recommendation Committee, gathering of the confirmation documents and performance of qualification verification
Mar. 3, 2021	Report the results of candidate verification, and disclose recommendation of independent director candidates
Mar. 25, 2021	Support for corporate registration of independent directors
Mar. 26, - Aug. 11, 2021	Monitoring of the 1st candidate group (long list) of independent directors in 2021 and search for additional candidate group (inquire to third party advisors)
Aug. 12, 2021	Report of arranging the 2nd candidate group (long list) in 2021
Aug. 13 - Nov. 17, 2021	Monitoring of the 2nd candidate group (long list) of independent directors in 2021 and search for additional candidate group (inquire to third party advisors)
Nov. 11, 2021	Report of arranging the 3rd candidate group (long list) in 2021
Nov. 19 - Dec. 16, 2021	Monitoring of the 3rd candidate group (long list) of independent directors in 2021 and search for additional candidate group (inquire to third party advisors)
Dec. 16, 2021	Report of the 4th independent director candidate group (long list) in 2021

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VI. Activities and Remuneration of Independent directors

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VI. Activities and Remuneration of Independent directors

1. Maintenance of qualification of independent directors

The Company internalize all negative and positive qualifications of the exemplar criteria implemented on December 24, 2014 other than the external law or regulation through the second special BOD resolution held on February 24, 2015, and it complies with the pertinent provisions on the Act on Corporate Governance of Financial Companies implemented on August 1, 2016.

Maintenance of qualification for independent directors as determined in the external law or internal regulation for each independent director based on these criteria is shown as follows.

A. Independent director Lee Yoon-jae

(1) Negative qualification

Director Lee Yoon-jae satisfies all qualifications set forth under laws and regulations, such as, qualification for independent director under the Commercial Act, qualification of independent director for listed company under the Commercial Act, qualification of executive and independent director under the Corporate Governance Act and others. In addition, he also satisfies the negative qualification set forth by the Corporate Governance Act and internal regulation of the Company for not concurrently serving for independent director, non-standing director or non-standing auditor of any company other than this Company.

(2) Positive qualification

① Expertise

Director Lee Yoon-jae is an expert of economics and finance as he worked on public affair in the pertinent fields of economics and finance for a long time including the Director General of Banking and Insurance Bureau and General Director of Economic Policy of the Ministry of Finance and Economy, and Presidential Advisor in Finance and Economy. He has outstanding understanding of works and knowledge through the financial business and excellent in analytical capability on the agenda and collection of information through broad network embracing both private and public sectors by presenting the balanced opinion in the BOD in a way of contributing to the management and advancement of the group. In addition, he has a long experience in the public policy field to have conspicuous ability of fairness in his works and has the sharp analytical skills based on expertise in finance and economics for the discussions and evaluation on various management fields to carry out the role of substantive supervisory role in a way of offering advises for sound management of the Company.

② Fair judgment

Director Lee Yoon-jae fairly acts on behalf of all shareholders on the basis of economics and management related expertise from the IMM PE in a way of having the recommendation on the ground of having high expectation to carry out the duties of independent director with a sense of responsibility. In addition, since being elected as an independent director, he has not carried out any transactions or duties with a conflict of interest with the Company.

③ Integrity

As a result of the internal reputation inquiry for the time of serving as high-ranking official, director Lee Yoon-jae has strong value on communication along with his outstanding personal traits, took on an important role as chairman of the Board and led the Board with a strong sense of responsibility, thus faithfully demonstrating his sense of ethics and responsibility.

④ Strong work ethics

Director Lee Yoon-jae attended 100% for BOD, committees in BOD, independent director sessions, BOD workshops and education participation and he placed extensive time and effort in the BOD activities by allocating 440 hours per year to normally carry out the independent director works including the advance review of agenda. He has earned outstanding evaluation from the category of strong work ethics from the independent director evaluation.

In addition, after he was elected as the independent director, he has not been concurrently served in another company that there is no content changed for the concurrent service before and after the election.

⑤ Diversity of BOD composition

Director Lee Yoon-jae has long been a public servant who has the record of carrying out the national finance and economy policies and he has extensive experience as an independent director in various companies to carry out monitoring and supervisory activities of top management and role of management advisory.

⑥ Suitability with Shinhan Financial Group

Director Lee Yoon-jae profoundly understands the importance of corporate culture based on his experience of carrying out the independent director position in various companies and has presented diverse opinions for succession and development of founding spirit of Shinhan Financial Group.

⑦ Efficacy of management advisory

Director Lee Yoon-jae has rich experience as the government positions in economics and financial fields for a long time in addition to be an expert in management by serving as the CEO of KorEI, a management consulting company by carrying out the effective role of management advisory to the Company.

(3) Summary

Review Category	Qualification	Reason for Satisfaction
1. Negative qualification		
A. Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act (Disqualification of Independent directors of Stock Companies, Disqualification of Independent directors of Listed Companies)	Qualified	No violation of law
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies and Article 7 (1) and (3) of its Decree (Disqualification of Officers in Financial Companies)	Qualified	No violation of law
C. Article 6 (1) and of the Act on Corporate Governance of Financial Companies and Article 8 (1) and (3) of its Decree (Disqualification of Independent directors in Financial Companies)	Qualified	No violation of law and no concurrent position in independent director, non-standing director, non-standing auditor of another company
D. Article 23, Paragraph 2 of the Internal Code of Corporate Governance	Qualified	No concurrent position in independent director, non-standing director, non-standing auditor of another company
2. Positive qualification		
A. Expertise (Article 6, Paragraph 3 of the Act on Corporate Governance of Financial Companies, Article 23, Paragraph 1, Subparagraph 1 of the Internal Code of Corporate Governance)	Qualified	Expert in economics, finance and business management, expert in accounting and finance under the Corporate Governance Act (high ranking officer in government agency in charge of finance and economics, professional manager)
B. Fair judgment (Article 23, Paragraph 1, Subparagraph 2 of the Internal Code of Corporate Governance)	Qualified	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Integrity (Article 23, Paragraph 1, Subparagraph 3 of the Internal Code of Corporate Governance)	Qualified	Possessing high level of sense of ethics and responsibility

Review Category	Qualification	Reason for Satisfaction
D. Strong work ethics (Article 23, Paragraph 1, Subparagraph 4 of the Internal Code of Corporate Governance)	Qualified	For the activities in BOD and BOD subcommittee, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Diversity (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Possessing experience as executive in government agencies and private company
F. Reasonableness (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	High level of understanding for corporate culture with rich experience as an professional manager and independent director
G. Efficacy (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Effectively carrying out management advisory by having the experience of independent director in various companies and experiences in economy and financial policies, management consulting, CEO of companies and so forth

B. Independent director Park Ansoon

(1) Negative qualification

Director Park Ansoon satisfies all qualifications set forth under laws and regulations, such as, qualification for independent director under the Commercial Act, qualification of independent director for listed company under the Commercial Act, qualification of executive and independent director under the Corporate Governance Act and others. In addition, he also satisfies the negative qualification set forth by the Corporate Governance Act and internal regulation of the Company for not concurrently serving for independent director, non-standing director or non-standing auditor of any company other than this Company.

(2) Positive qualification

① Expertise

Director Park Ansoon is a successful business man as a Korean resident in Japan and is equipped with broad experience and knowledge on management field on the basis of know how through the successful business territory and diverse experiences, and he offers the unwavering advises on main agenda related to the group operation on the basis of practical knowledge, insight and expertise acquired in the management field as a professional manager who has managed a company for a long period of time

② Fair judgment

There has been no transactional relationship between the corporate entity where Director Park Ansoon worked as a standing executive within the recent 2-years with the Company and subsidiary companies that there is no problem in independence, and after the election of independent director, he has fairly carried out in consideration of all shareholders and financial consumers.

SBJ Bank, a local corporation of Shinhan Bank in Japan a key affiliated company of the Company, has donated 1 million yen for each year to the Korea People's Organization in Japan where DIRECTOR Park Ansoon works as an executive. This donation has been regularly provided from the past, and there has been no fact of interfering with the fair judgment without any change in the payment period, amount and so forth of donation before and after the election of the executive for the Korea People's Organization in Japan of the director Park Ansoon.

In addition, after director Park Ansoon elected as an independent director, there is no fact of performing the duties or transactions related to the interest relations with the Company.

③ Integrity

Director Park Ansoon is considered to have the ethical awareness and sense of responsibility appropriate to the personality and reputation when considering the result of internal reputation inquiry.

④ Strong work ethics

Despite living abroad, Director Park Ansoon attended 100% for BOD, committees in BOD, independent director sessions, BOD workshops and education participation and he placed extensive time and effort in the BOD activities by allocating 329 hours per year to normally carry out the independent director works including the advance review of agenda. In particular, in 2021, despite the environmental factor of COVID-19, when an important decision was needed, he attended face-to-face meetings and actively expressed opinions while taking the inconvenience of long-term self-isolation resulting from the immigration procedure, thus fulfilling the responsibilities and duties of independent director.

In addition, after he was elected as the independent director, he has not been concurrently served in another company that there is no content changed for the concurrent service before and after the election.

⑤ Diversity of BOD composition

Director Park Ansoon is a professional manager who carried out the management activities for a long period of time in Japan, and he has worked for a long time as an executive of the Korea People's Organization in Japan, a private organization that seeks for the mutual cooperation of Korean residents in Japan, international friendship between Korea and Japan, and advancement of mother country and acquired experience and insight for politics, society, international exchange and so forth and dutifully performs the monitoring and supervising activities or the top management and role of management advisor in diversified views.

⑥ Suitability with Shinhan Financial Group

Director Park Ansoon profoundly understands the vision of the Company, growth path and corporate culture and has presented diversified opinions for succession and advancement of the founding spirit.

⑦ Efficacy of management advisory

Director Park Ansoon has worked as a professional manager for a long time, and in addition, he has rich experience in working as an executive for private organizations to carry out the effective role of management advisor.

(3) Summary

Review Category	Qualification	Reason for Satisfaction
1. Negative qualification		
A. Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act (Disqualification of Independent directors of Stock Companies, Disqualification of Independent directors of Listed Companies)	Qualified	No violation of law
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies and Article 7 (1) and (3) of its Decree (Disqualification of Officers in Financial Companies)	Qualified	No violation of law
C. Article 6 (1) and of the Act on Corporate Governance of Financial Companies and Article 8 (1) and (3) of its Decree (Disqualification of Independent directors in Financial Companies)	Qualified	No violation of law and no concurrent position in independent director, non-standing director, non-standing auditor of another company
D. Article 23, Paragraph 2 of the Internal Code of Corporate Governance	Qualified	No concurrent position in independent director, non-standing director, non-standing auditor of another company

Review Category	Qualification	Reason for Satisfaction
2. Positive qualification		
A. Expertise (Article 6, Paragraph 3 of the Act on Corporate Governance of Financial Companies, Article 23, Paragraph 1, Subparagraph 1 of the Internal Code of Corporate Governance)	Qualified	Expert in management (professional manager)
B. Fair judgment (Article 23, Paragraph 1, Subparagraph 2 of the Internal Code of Corporate Governance)	Qualified	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Integrity (Article 23, Paragraph 1, Subparagraph 3 of the Internal Code of Corporate Governance)	Qualified	Possessing high level of sense of ethics and responsibility
D. Strong work ethics (Article 23, Paragraph 1, Subparagraph 4 of the Internal Code of Corporate Governance)	Qualified	For the activities in BOD and others, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Diversity (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Possessing the experience as management of general companies and executive of private organizations
F. Reasonableness (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	High level of understanding in corporate culture as professional manager
G. Efficacy (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Available for effective management advisory based on the experience in long-term management activities

C. Independent director Choi Kyong-rok

(1) Negative qualification

Director Choi Kyong-rok satisfies all qualifications set forth under laws and regulations, such as, qualification for independent director under the Commercial Act, qualification of independent director for listed company under the Commercial Act, qualification of executive and independent director under the Corporate Governance Act and others. In addition, he also satisfies the negative qualification set forth by the Corporate Governance Act and internal regulation of the Company for not concurrently serving for independent director, non-standing director or non-standing auditor of any company other than this Company.

(2) Positive qualification

① Expertise

Director Choi Kyong-rok is an IT expert working as a researcher in Network Technology Center and Information Technology Center of Geio Kijuku University, a famous private university in Japan during his doctorate process after acquiring the master's degree in measurement engineering. In addition, he is equipped with the management expertise as a successful Korean business man in the Korean resident community in Japan and has worked as an independent director for Shinhan Life Insurance, and while working, he is proven to have outstanding work performance competency in the evaluation of independent directors as a basis of his know how as a professional manager and he has offered unwavering advises for important matters related to the group operation and digital strategy.

② Fair judgment

There has been no transactional relationship between the corporate entity where Director Choi Kyong-rok worked as a standing executive within the recent 2-years with the Company and subsidiary companies that there is no problem in independence, and after the election of independent director, he has fairly carried out in consideration of all shareholders and financial consumers.

In addition, after director Choi Kyong-rok elected as an independent director, there is no fact of performing the duties or transactions related to the interest relations with the Company.

③ Integrity

Director Choi Kyong-rok has excellent personal traits with warm personality with outstanding communication skills with amicable inter-personal relationship and fine contribution to the local community to earn trusts of his surroundings, and he has displayed his sense of ethics and sense of responsibility as appropriate to his personality and reputation.

④ Strong work ethics

Notwithstanding the issue of overseas residence, Director Choi Kyong-rok has attended in 100% of BOD, committees in BOD, BOD workshop, education and others and he has placed extensive time and effort by allocating 335 hours per year with normal performance of the works of the independent director including advance review.

In addition, after he was elected as the independent director, he has not been concurrently served in another company that there is no content changed for the concurrent service before and after the election.

⑤ Diversity of BOD composition

Director Choi Kyong-rok is an IT expert as a researcher at the digital research institute of a university after completing an IT-related major acquiring a degree and is a professional manager carrying out management activities in Japan monitoring and supervising activities of top management and role of management advisory with diverse insights based on his dynamic view for relatively young age from the constituents of the BOD.

⑥ Suitability with Shinhan Financial Group

Director Choi Kyong-rok profoundly understands the vision of the Company, growth path and corporate culture with his rich experience as an independent director of the subsidiary company of Shinhan Financial Group and has presented diverse opinions for succession and development of founding spirit.

⑦ Efficacy of management advisory

Director Choi Kyong-rok has undertaken the effective role of management advisor on the basis of his experience in performing the independent director works together with the IT expertise and management expertise.

(3) Summary

Review Category	Qualification	Reason for Satisfaction
1. Negative qualification		
A. Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act (Disqualification of Independent directors of Stock Companies, Disqualification of Independent directors of Listed Companies)	Qualified	No violation of law
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies and Article 7 (1) and (3) of its Decree (Disqualification of Officers in Financial Companies)	Qualified	No violation of law
C. Article 6 (1) and of the Act on Corporate Governance of Financial Companies and Article 8 (1) and (3) of its Decree (Disqualification of Independent directors in Financial Companies)	Qualified	No violation of law and no concurrent position in independent director, non-standing director, non-standing auditor of another company
D. Article 23, Paragraph 2 of the Internal Code of Corporate Governance	Qualified	No concurrent position in independent director, non-standing director, non-standing auditor of another company

Review Category	Qualification	Reason for Satisfaction
2. Positive qualification		
A. Expertise (Article 6, Paragraph 3 of the Act on Corporate Governance of Financial Companies, Article 23, Paragraph 1, Subparagraph 1 of the Internal Code of Corporate Governance)	Qualified	Expert in the areas of information technology, business management and international business (information and technology researcher, professional manager, and officer of overseas company)
B. Fair judgment (Article 23, Paragraph 1, Subparagraph 2 of the Internal Code of Corporate Governance)	Qualified	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Integrity (Article 23, Paragraph 1, Subparagraph 3 of the Internal Code of Corporate Governance)	Qualified	Possessing high level of sense of ethics and responsibility
D. Strong work ethics (Article 23, Paragraph 1, Subparagraph 4 of the Internal Code of Corporate Governance)	Qualified	For the activities in BOD and others, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Diversity (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Low age and expertise in information technology, and corporate management experience
F. Reasonableness (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Rich experience as an independent director for Shinhan Financial Group with high level of understanding for corporate culture
G. Efficacy (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Capable of effective advising of management based on business and independent director experience

D. Independent director Byeon Yang-ho

(1) Negative qualification

Director Byeon Yang-ho satisfies all qualifications set forth under laws and regulations, such as, qualification for independent director under the Commercial Act, qualification of independent director for listed company under the Commercial Act, qualification of executive and independent director under the Corporate Governance Act and others. In addition, he also satisfies the negative qualification set forth by the Corporate Governance Act and internal regulation of the Company for not concurrently serving for independent director, non-standing director or non-standing auditor of any company other than this Company.

(2) Positive qualification

① Expertise

Director Byeon Yang-ho is an expert in the finance and economics fields who carried out the public positions for a long time at the Ministry of Finance and Ministry of Finance and Economy with the extensive experience and knowledge in the pertinent field, and he has outstanding information collection and analytical skills through broad network that he makes contribution to the management and direction of the group by presenting his opinions enthusiastically by finding out the core aspects of agenda. In addition, he has the experience of CEO for a private equity fund to have the expertise in management with extensive practical experience in the capital market that he is given the evaluation to have the balanced competency in both aspects of sound business management and f5 consumer protection of a financial company.

② Fair judgment

Director Byeon Yang-ho has processed the works in transparent and objective ways in independent ways while he was working as an independent director in the Company, and after the criteria as the independent director, he has performed the job fairly in consideration for interests of all directors and financial consumers.

In addition, after his election as the independent director, there has been no fact of performing the duties or carrying out the trades related to the interest with the Company.

③ Integrity

Director Byeon Yang-ho has displayed thorough sense of ethics and sense of responsibility by contributing to the sound management and consumer-oriented decision making in management of Shinhan Financial Group, including this company with strong sense of responsibility as he has taken an important position as the chair of the Risk Management Commission.

④ Strong work ethics

Director Byeon Yang-ho has attended in 100% of BOD, committees in BOD, BOD workshop, education and others and he has placed extensive time and effort by allocating 413 hours per year with normal performance of the works of the independent director including advance review.

In addition, after he was elected as the independent director, he has not been concurrently served in another company that there is no content changed for the concurrent service before and after the election.

⑤ Diversity of BOD composition

Director Byeon Yang-ho has profound understanding on financial policy scheme based on his experience in working in government agencies for a long time, and is equipped with the expertise in the sound management and financial consumer protection fields of the financial company, and in addition, he has the experience as an executive of a private equity fund that he carries out monitoring and supervisory activities of top management and role of management advisory with diverse and balanced view.

⑥ Suitability with Shinhan Financial Group

Director Byeon Yang-ho profoundly understands the vision of the Company, growth path and corporate culture with his rich experience as an independent director of the affiliated company of Shinhan Financial Group and has presented diverse opinions for succession and development of founding spirit.

⑦ Efficacy of management advisory

Director Byeon Yang-ho has rich experiences as he served for Director General of Financial Policy Bureau, President of Financial Information Analysis Center, CEO of private equity fund, and non-standing director of a financial company and so forth in carrying out the effective role of management advisory.

(3) Summary

Review Category	Qualification	Reason for Satisfaction
1. Negative qualification		
A. Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act (Disqualification of Independent directors of Stock Companies, Disqualification of Independent directors of Listed Companies)	Qualified	No violation of law
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies and Article 7 (1) and (3) of its Decree (Disqualification of Officers in Financial Companies)	Qualified	No violation of law
C. Article 6 (1) and of the Act on Corporate Governance of Financial Companies and Article 8 (1) and (3) of its Decree (Disqualification of Independent directors in Financial Companies)	Qualified	No violation of law and no concurrent position in independent director, non-standing director, non-standing auditor of another company
D. Article 23, Paragraph 2 of the Internal Code of Corporate Governance	Qualified	No concurrent position in independent director, non-standing director, non-standing auditor of another company

Review Category	Qualification	Reason for Satisfaction
2. Positive qualification		
A. Expertise (Article 6, Paragraph 3 of the Act on Corporate Governance of Financial Companies, Article 23, Paragraph 1, Subparagraph 1 of the Internal Code of Corporate Governance)	Qualified	Expert in finance, economics and business management Expert in accounting and finance under the Corporate Governance Act (high ranking officer in government agency in charge of finance and economics, professional manager)
B. Fair judgment (Article 23, Paragraph 1, Subparagraph 2 of the Internal Code of Corporate Governance)	Qualified	Fair performance of job for the benefit of all shareholders and financial consumers Low chance of conflict of interest since there are no transactions, except routine financial transactions, between the corporation for which he serves and Shinhan Financial Group.
C. Integrity (Article 23, Paragraph 1, Subparagraph 3 of the Internal Code of Corporate Governance)	Qualified	Possessing high level of sense of ethics and responsibility
D. Strong work ethics (Article 23, Paragraph 1, Subparagraph 4 of the Internal Code of Corporate Governance)	Qualified	For the activities in BOD and others, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Diversity (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Possessing experiences in government agency and private financial companies
F. Reasonableness (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	High level of understanding for corporate culture based on experience in participating in BOD as a professional manager
G. Efficacy (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Effective performance of management advisory by holding the experience as CEO for private equity fund and experience in performing finance and economy policies

E. Independent director Sung Jae-ho

(1) Negative qualification

Director Sung Jae-ho satisfies all qualifications set forth under laws and regulations, such as, qualification for independent director under the Commercial Act, qualification of independent director for listed company under the Commercial Act, qualification of executive and independent director under the Corporate Governance Act and others. In addition, he also satisfies the negative qualification set forth by the Corporate Governance Act and internal regulation of the Company for not concurrently serving for independent director, non-standing director or non-standing auditor of any company other than this Company.

(2) Positive qualification

① Expertise

Director Sung Jae-ho is a professor majoring in international law and has extensive theory of legal field and practical experience, and has the high level of knowledge on the corporate governance in the financial business field, and on the basis of clear understanding on the role of the independent director, he has presented diverse opinions and legal interpretation on the management agenda of the group to contribute to the development of the group.

② Fair judgment

Director Sung Jae-ho had the transparent and objective work disposition to the highest in the independent position during his service period as an independent director of the Company, and after the election as the independent director, he considered the interests of all shareholders and financial consumers to carry out the duties fairly.

In addition, after his election as the independent director, there has been no fact of performing the duties or carrying out the trades related to the interest with the Company.

③ Integrity

Director Sung Jae-ho is a professor of graduate school of law and served as a president of law related association, and based on these experiences, he has displayed the thorough ethical awareness and sense of responsibility by contributing to maintain the sound and reasonable corporate governance system of the Company based on the intermediary and balance on the basis of his experiences.

④ Strong work ethics

Director Sung Jae-ho has attended in 100% of BOD, committees in BOD, BOD workshop, education and others and he has placed extensive time and effort by allocating 460 hours per year with normal performance of the works of the independent director including advance review.

In addition, after he was elected as the independent director, he has not been concurrently served in another company that there is no content changed for the concurrent service before and after the election.

⑤ Diversity of BOD composition

Director Sung Jae-ho is equipped with broad legal knowledge and experience and is the only expert in the legal field from all constituents of the BOD, and based on reasonable and balanced views, he has carried out the monitoring and supervisory activities for the top management and the role of management advisor.

⑥ Suitability with Shinhan Financial Group

Director Sung Jae-ho possesses the experience of independent director for the Company and Shinhan Bank and profoundly understands the vision of Shinhan Financial Group, growth path and corporate culture and has presented diverse opinions for succession and development of founding spirit.

⑦ Efficacy of management advisory

Director Sung Jae-ho is one of the leading scholars in Korea in the international law field that he has carried out the effective role of legal advisor in various global strategies of the group.

(3) Summary

Review Category	Qualification	Reason for Satisfaction
1. Negative qualification		
A. Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act (Disqualification of Independent directors of Stock Companies, Disqualification of Independent directors of Listed Companies)	Qualified	No violation of law
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies and Article 7 (1) and (3) of its Decree (Disqualification of Officers in Financial Companies)	Qualified	No violation of law
C. Article 6 (1) and of the Act on Corporate Governance of Financial Companies and Article 8 (1) and (3) of its Decree (Disqualification of Independent directors in Financial Companies)	Qualified	No violation of law and no concurrent position in independent director, non-standing director, non-standing auditor of another company
D. Article 23, Paragraph 2 of the Internal Code of Corporate Governance	Qualified	No concurrent position in independent director, non-standing director, non-standing auditor of another company

Review Category	Qualification	Reason for Satisfaction
2. Positive qualification		
A. Expertise (Article 6, Paragraph 3 of the Act on Corporate Governance of Financial Companies, Article 23, Paragraph 1, Subparagraph 1 of the Internal Code of Corporate Governance)	Qualified	Expert in law (professor of law)
B. Fair judgment (Article 23, Paragraph 1, Subparagraph 2 of the Internal Code of Corporate Governance)	Qualified	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Integrity (Article 23, Paragraph 1, Subparagraph 3 of the Internal Code of Corporate Governance)	Qualified	Possessing high level of sense of ethics and responsibility
D. Strong work ethics (Article 23, Paragraph 1, Subparagraph 4 of the Internal Code of Corporate Governance)	Qualified	For the activities in BOD and others, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Diversity (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Possessing low age, career as law professor, various academic activities and experience in advisory member for government agencies
F. Reasonableness (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	High level of understanding on corporate culture with rich experience as independent director for SFG subsidiary and independent director for other companies
G. Efficacy (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Available for effective management advisory by having the experiences in law professor and independent director

F. Independent director Huh Yong-hak

(1) Negative qualification

Director Huh Yong-hak satisfies all qualifications set forth under laws and regulations, such as, qualification for independent director under the Commercial Act, qualification of independent director for listed company under the Commercial Act, qualification of executive and independent director under the Corporate Governance Act and others. In addition, he also satisfies the negative qualification set forth by the Corporate Governance Act and internal regulation of the Company for not concurrently serving for independent director, non-standing director or non-standing auditor of any company other than this Company.

(2) Positive qualification

① Expertise

Director Huh Yong-hak has worked as an executive for a famous global financial company, and in addition, as an expert in comprehensive international business, finance and management fields for investment operation works in Hong Kong Central Bank, he has asserted the expertise to encounter to the domestic and international risks on the basis of broad experience in investment industry and understanding on financial trend in the overseas capital market that he has contributed to the management and advancement of the group by aggressively performing the advisory related to the capital market through various contacts with the top management of the subsidiary companies as well as the independent director works.

② Fair judgment

Director Huh Yong-hak had the transparent and objective work disposition to the highest in the independent position (traded with a company where he worked in full time in recent two years) during his service period as an independent director of the Company, and after the election as the independent director, he considered the interests of all shareholders and financial consumers to carry out the duties fairly.

In addition, after his election as the independent director, there has been no fact of performing the duties or carrying out the trades related to the interest with the Company.

③ Integrity

Director Huh Yong-hak has displayed his complete sense of ethics and sense of responsibility by contributing to maintain the sound and reasonable corporate governance system of the Company based on the intermediary and balance.

④ Strong work ethics

Notwithstanding the issue of overseas residence, Director Huh Yong-hak attended 100% for BOD, committees in BOD, independent director sessions, BOD workshops and education participation and he placed extensive time and effort in the BOD activities by allocating 435 hours per year to normally carry out the independent director works including the advance review of agenda. In particular, in 2021, despite the environmental factor of COVID-19, when an important decision was needed, he attended face-to-face meetings and actively expressed opinions while taking the inconvenience of long-term self-isolation resulting from the immigration procedure, thus fulfilling the responsibilities and duties of independent director.

In addition, after he was elected as the independent director, he has not been concurrently served in another company that there is no content changed for the concurrent service before and after the election.

⑤ Diversity of BOD composition

Director Huh Yong-hak has carried out monitoring and supervisory activities of top management and role of management advisory with reasonable and objective position based on his work experience in various global financial companies.

⑥ Suitability with Shinhan Financial Group

Director Huh Yong-hak has worked in various global financial companies as an executive and has profound understanding of the importance of corporate culture, and he presents diverse opinions for the succession and development of founding spirit of Shinhan Financial Group.

⑦ Efficacy of management advisory

Director Huh Yong-hak has been the best expert in the global IB field and has the experiences as an executive in various global financial companies and has carried out the role of management advisor for the policy of expanding the pertinent management status and global capital market for the BOD.

(3) Summary

Review Category	Qualification	Reason for Satisfaction
1. Negative qualification		
A. Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act (Disqualification of Independent directors of Stock Companies, Disqualification of Independent directors of Listed Companies)	Qualified	No violation of law
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies and Article 7 (1) and (3) of its Decree (Disqualification of Officers in Financial Companies)	Qualified	No violation of law
C. Article 6 (1) and of the Act on Corporate Governance of Financial Companies and Article 8 (1) and (3) of its Decree (Disqualification of Independent directors in Financial Companies)	Qualified	No violation of law and no concurrent position in independent director, non-standing director, non-standing auditor of another company
D. Article 23, Paragraph 2 of the Internal Code of Corporate Governance	Qualified	No concurrent position in independent director, non-standing director, non-standing auditor of another company

Review Category	Qualification	Reason for Satisfaction
2. Positive qualification		
A. Expertise (Article 6, Paragraph 3 of the Act on Corporate Governance of Financial Companies, Article 23, Paragraph 1, Subparagraph 1 of the Internal Code of Corporate Governance)	Qualified	Expert in international business, finance and business management (executive in global financial companies and professional manager)
B. Fair judgment (Article 23, Paragraph 1, Subparagraph 2 of the Internal Code of Corporate Governance)	Qualified	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Integrity (Article 23, Paragraph 1, Subparagraph 3 of the Internal Code of Corporate Governance)	Qualified	Possessing high level of sense of ethics and responsibility
D. Strong work ethics (Article 23, Paragraph 1, Subparagraph 4 of the Internal Code of Corporate Governance)	Qualified	For the activities in BOD and others, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Diversity (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Possessing experience in various global financial companies as an executive
F. Reasonableness (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	High level of understanding on corporate culture with rich experience as a financial company executive
G. Efficacy (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Effectively carrying out the management advisory based on the experience as an executive and rich experience in global capital market

G. Independent director Yoon Jaewon

(1) Negative qualification

Director Yoon Jaewon satisfies all qualifications set forth under laws and regulations, such as, qualification for independent director under the Commercial Act, qualification of independent director for listed company under the Commercial Act, qualification of executive and independent director under the Corporate Governance Act and others. In addition, she also satisfies the negative qualification set forth by the Corporate Governance Act and internal regulation of the Company for not concurrently serving for independent director, non-standing director or non-standing auditor of any company other than this Company.

(2) Positive qualification

① Expertise

Director Yoon Jaewon is a professor of accounting at Hongik University's School of Business. She is a certified public accountant in the U.S. and a leading scholar in accounting and taxation in Korea. As well as her various academic activities, she is an active advisor to government agencies, and is credited with her theories and practice in the field of accounting. Based on her experience, she served as the chair of the Audit Committee, contributing to the growth and development of the Group by carrying out executive monitoring and supervisory roles as well as actively serving as an effective management advisor.

② Fair judgment

During her tenure as an independent director of the Company, Director Yoon Jaewon executed her duties in an independent position as transparently and objectively as possible, and as an independent director, she performed her duties fairly considering the interests of all shareholders and financial consumers.

In addition, since Hongik University, where Yoon Jaewon is currently serving, has no transactions with the Company and Shinhan Financial Group's affiliates except for routine financial transactions, the possibility of a conflict of interest with the

Company is low. Director Yoon Jaewon herself has never performed a transaction or performed any duties that had an interest in the Company since being appointed as an independent director.

③ Integrity

As chair of the Audit Committee, Director Yoon Jaewon has a sense of ethics and responsibility that fits her character and reputation, such as carrying out her duties with a strong sense of responsibility. She also received excellent reviews in the ethical responsibility section of her independent director evaluation.

④ Strong work ethics

Notwithstanding the issue of overseas residence, Director Yoon Jaewon attended 100% for BOD, committees in BOD, independent director sessions, BOD workshops and education participation and he placed extensive time and effort in the BOD activities by allocating 448 hours per year to normally carry out the independent director works including the advance review of agenda.

In addition, after she was elected as the independent director, she has not been concurrently served in another company that there is no content changed for the concurrent service before and after the election.

⑤ Diversity of BOD composition

Director Yoon Jaewon is a business management professor, and based on her experience in various academic activities and government agency advisory committees, she performed a management advisory role and monitored and supervised management activities from the perspective of an accounting expert. In particular, as the only female independent director of the Board, she added her delicate perspective to the Board's discussions, helping the Board to make rational decisions based on a broader view.

⑥ Suitability with Shinhan Financial Group

Director Yoon Jaewon is a professor of management with profoundly understands the importance of corporate culture and he presents various opinions for succession and development of founding spirit of Shinhan Financial Group.

⑦ Efficacy of management advisory

Director Yoon Jaewon is a professor of business management, and based on her experience in various academic activities and in government agency advisory committees, she performed a management advisory role and monitored and supervised management activities from the perspective of the only accounting expert among the Board members.

(3) Summary

Review Category	Qualification	Reason for Satisfaction
1. Negative qualification		
A. Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act (Disqualification of Independent directors of Stock Companies, Disqualification of Independent directors of Listed Companies)	Qualified	No violation of law
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies and Article 7 (1) and (3) of its Decree (Disqualification of Officers in Financial Companies)	Qualified	No violation of law
C. Article 6 (1) and of the Act on Corporate Governance of Financial Companies and Article 8 (1) and (3) of its Decree (Disqualification of Independent directors in Financial Companies)	Qualified	No violation of law and no concurrent position in independent director, non-standing director, non-standing auditor of another company
D. Article 23, Paragraph 2 of the Internal Code of Corporate Governance	Qualified	No concurrent position in independent director, non-standing director, non-standing auditor of another company

Review Category	Qualification	Reason for Satisfaction
2. Positive qualification		
A. Expertise (Article 6, Paragraph 3 of the Act on Corporate Governance of Financial Companies, Article 23, Paragraph 1, Subparagraph 1 of the Internal Code of Corporate Governance)	Qualified	Expert in the areas of accounting and business management (US Certified Public Accountant, professor of management with major in accounting)
B. Fair judgment (Article 23, Paragraph 1, Subparagraph 2 of the Internal Code of Corporate Governance)	Qualified	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Integrity (Article 23, Paragraph 1, Subparagraph 3 of the Internal Code of Corporate Governance)	Qualified	Possessing high level of sense of ethics and responsibility
D. Strong work ethics (Article 23, Paragraph 1, Subparagraph 4 of the Internal Code of Corporate Governance)	Qualified	For the activities in BOD and others, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Diversity (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Female, younger age, U.S. CPA, U.S. citizenship, professor experience, various academic activities, government agency advisory experience, etc.
F. Reasonableness (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	High understanding of corporate culture, as a professor of business administration
G. Efficacy (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Can provide effective management advising thanks to experience as a professor of business administration and government agency advisory activities

H. Independent director Jin Hyun-duk

(1) Negative qualification

Director Jin Hyun-duk satisfies all qualifications set forth under laws and regulations, such as, qualification for independent director under the Commercial Act, qualification of independent director for listed company under the Commercial Act, qualification of executive and independent director under the Corporate Governance Act and others. In addition, he also satisfies the negative qualification set forth by the Corporate Governance Act and internal regulation of the Company for not concurrently serving for independent director, non-standing director or non-standing auditor of any company other than this Company.

(2) Positive qualification

① Expertise

Director Jin Hyun-duk is a successful entrepreneur in the Korean-Japanese society, and is an expert in the field of management who keeps a balance between theories and practices related to management through his experience of managing a successful business and of teaching business management as a professor. Based on his extensive experience and knowledge in the field of management and his long-term business management experience, he generously provided varied expertise such as practical knowledge and insight gained in the field of management, and academic management theory as a professor of business management.

② Fair judgment

There is no problem with the independence of Director Jin Hyun-duk, since Corporations where Director Jin Hyun-duk worked as a full-time employee within the past two years have no business relationship with the Company or its subsidiaries. After being elected as an independent director, he performed his duties fairly, taking into account the interests of all shareholders and financial consumers.

In addition, after his election as the independent director, there has been no fact of performing the duties or carrying out the trades related to the interest with the Company.

③ Integrity

According to the internal reputation inquiry, Director Jin Hyun-duk is judged to have a sense of ethics and responsibility that fits his character and reputation, such as having a strong trust in the surroundings and an excellent reputation due to stable business management and active educational development contribution activities.

④ Strong work ethics

Notwithstanding the issue of overseas residence, Director Jin Hyun-duk has attended in 100% of BOD, committees in BOD, BOD workshop, education and others and he has placed extensive time and effort by allocating 311 hours per year with normal performance of the works of the independent director including advance review.

In addition, after he was elected as the independent director, he has not been concurrently served in another company that there is no content changed for the concurrent service before and after the election.

⑤ Diversity of BOD composition

Director Jin Hyun-duk is a professional manager who has been involved in business activities in Japan for a long time, and is an expert in the field of management with a background as a professor of business management. In addition, he has participated in education projects over a long time, and based on his experience and insights in education, economics, and international exchange gained by serving as executive at various private organizations for mutual economic cooperation among Koreans in Japan, he faithfully performs a management advisory role and monitors and supervises management activities from various perspectives.

⑥ Suitability with Shinhan Financial Group

Director Jin Hyun-duk deeply understands the Company's vision, growth path and corporate culture, and presents various opinions for the succession and development of the Company's founding spirit.

⑦ Efficacy of management advisory

Director Jin Hyun-duk plays an effective management advisory role based on his long-term professional management experience and his management theory acquired as a business management professor.

(3) Summary

Review Category	Qualification	Reason for Satisfaction
1. Negative qualification		
A. Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act (Disqualification of Independent directors of Stock Companies, Disqualification of Independent directors of Listed Companies)	Qualified	No violation of law
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies and Article 7 (1) and (3) of its Decree (Disqualification of Officers in Financial Companies)	Qualified	No violation of law
C. Article 6 (1) and of the Act on Corporate Governance of Financial Companies and Article 8 (1) and (3) of its Decree (Disqualification of Independent directors in Financial Companies)	Qualified	No violation of law and no concurrent position in independent director, non-standing director, non-standing auditor of another company
D. Article 23, Paragraph 2 of the Internal Code of Corporate Governance	Qualified	No concurrent position in independent director, non-standing director, non-standing auditor of another company

Review Category	Qualification	Reason for Satisfaction
2. Positive qualification		
A. Expertise (Article 6, Paragraph 3 of the Act on Corporate Governance of Financial Companies, Article 23, Paragraph 1, Subparagraph 1 of the Internal Code of Corporate Governance)	Qualified	Expert in the areas of business management and international business (professional manager, professor of management, officer of overseas company)
B. Fair judgment (Article 23, Paragraph 1, Subparagraph 2 of the Internal Code of Corporate Governance)	Qualified	Fair performance of job for the interests of entire shareholders and financial consumers The candidate doesn't have a business relationship with the Company and where he/she works and has low possibility of having conflict of interest
C. Integrity (Article 23, Paragraph 1, Subparagraph 3 of the Internal Code of Corporate Governance)	Qualified	Possessing high level of sense of ethics and responsibility
D. Strong work ethics (Article 23, Paragraph 1, Subparagraph 4 of the Internal Code of Corporate Governance)	Qualified	For the activities in BOD and others, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Diversity (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Recommended by shareholders, professor of business administration, and experience in general company management
F. Reasonableness (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	High understanding of corporate culture as a professional manager
G. Efficacy (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Can provide effective management advising thanks to experiences as a professor of business administration and in general company management

I. Independent director Kwak Su-keun

(1) Negative qualification

Director Kwak Su-keun satisfies all qualifications set forth under laws and regulations, such as, qualification for independent director under the Commercial Act, qualification of independent director for listed company under the Commercial Act, qualification of executive and independent director under the Corporate Governance Act and others. In addition, he also satisfies the negative qualification set forth by the Corporate Governance Act and internal regulation of the Company for not concurrently serving for independent director, non-standing director or non-standing auditor of any company other than this Company.

(2) Positive qualification

① Expertise

Director Kwak Su-keun has been an accounting professor in the Seoul National University Business School for more than 20 years and is one of Korea's leading scholars in accounting and finance. Also, with experience of working as an independent director and audit committee member in various industries, he has excellent insight on current management issues and also has experience participating as an advisor for supervisory policies of the financial supervisory authorities. In addition, as an opinion leader in the business world who is also actively carrying out ESG-related activities, he served as the chairman of the ESG Strategy Committee of the Company and provided professional advice for effective ESG strategies, thus contributing greatly to the Group's growth and development.

② Fair judgment

Director Kwak Su-keun was recommended by IMM PE (private equity fund) on the ground that he is expected to responsibly perform his duties as an independent director by representing the opinions of all shareholders fairly based on his expertise in economics and management. During his tenure as an independent director of the Company, he not only performed his duties as transparently and objectively as possible from an independent position but also performed his duties fairly in consideration of the interests of all shareholders and financial consumers.

In addition, after his election as the independent director, there has been no fact of performing the duties or carrying out the trades related to the interest with the Company.

③ Integrity

Taking on a key role as the chairperson of the ESG Strategy Committee, Director Kwak Su-keun emphasized sound management and continuous social responsibility of Shinhan Financial Group, thus demonstrating activities based on a strong sense of ethics and responsibility.

④ Strong work ethics

Director Kwak Su-keun attended 100% for BOD, committees in BOD, independent director sessions, BOD workshops and education participation and he placed extensive time and effort in the BOD activities by allocating 380 hours per year to normally carry out the independent director works including the advance review of agenda after appointed in the meeting of shareholders in March 2021 with his extensive time and effort. In particular, based on his many years of experience as an audit committee member of other companies and his accounting expertise, he greatly contributed to improving the overall audit process of the Company.

In addition, after he was elected as the independent director, he has not been concurrently served in another company that there is no content changed for the concurrent service before and after the election.

⑤ Diversity of BOD composition

Director Kwak Su-keun is a professor of business management majoring in accounting and based on his experience as a member of various academic societies and financial authorities' advisory committees, and as an independent director and audit committee member in various industries, faithfully performed monitoring and supervision of the management's business activities from the perspective of an accounting and management expert.

⑥ Suitability with Shinhan Financial Group

Director Kwak Su-keun is a professor of business management and has a deep understanding of the importance of corporate culture based on his experience as an independent director in various companies, and has presented various opinions for the succession and development of the founding spirit of Shinhan Financial Group.

⑦ Efficacy of management advisory

Based on his experiences as a professor of business management, member of academic societies and advisor to financial authorities, and as an independent director in various companies, Director Kwak Su-keun played an effective management advisory role and monitored and supervised the management's business activities.

(3) Summary

Review Category	Qualification	Reason for Satisfaction
1. Negative qualification		
A. Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act (Disqualification of Independent directors of Stock Companies, Disqualification of Independent directors of Listed Companies)	Qualified	No violation of law
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies and Article 7 (1) and (3) of its Decree (Disqualification of Officers in Financial Companies)	Qualified	No violation of law
C. Article 6 (1) and of the Act on Corporate Governance of Financial Companies and Article 8 (1) and (3) of its Decree (Disqualification of Independent directors in Financial Companies)	Qualified	No violation of law and no concurrent position in independent director, non-standing director, non-standing auditor of another company
D. Article 23, Paragraph 2 of the Internal Code of Corporate Governance	Qualified	No concurrent position in independent director, non-standing director, non-standing auditor of another company

Review Category	Qualification	Reason for Satisfaction
2. Positive qualification		
A. Expertise (Article 6, Paragraph 3 of the Act on Corporate Governance of Financial Companies, Article 23, Paragraph 1, Subparagraph 1 of the Internal Code of Corporate Governance)	Qualified	Expert in the areas of accounting and business management (Professor of management with major in accounting)
B. Fair judgment (Article 23, Paragraph 1, Subparagraph 2 of the Internal Code of Corporate Governance)	Qualified	Fair performance of job for the interests of entire shareholders and financial consumers The candidate has been no fact of concurrent position that the possibility for conflict of interest is low
C. Integrity (Article 23, Paragraph 1, Subparagraph 3 of the Internal Code of Corporate Governance)	Qualified	Possessing high level of sense of ethics and responsibility
D. Strong work ethics (Article 23, Paragraph 1, Subparagraph 4 of the Internal Code of Corporate Governance)	Qualified	For the activities in BOD and others, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Diversity (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Recommended by shareholders, and has experiences as a professor of accounting, member of various academic societies, advisor to financial authorities, independent director in various companies, etc.
F. Reasonableness (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Has a high understanding of corporate culture based on rich experiences as a professor of business administration, advisor on governance, and independent director in other companies
G. Efficacy (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Performs effective management advising based on experiences as a professor of accounting, advisor to financial authorities, and independent director in various companies

J. Independent director Bae Hoon

(1) Negative qualification

Director Bae Hoon satisfies all qualifications set forth under laws and regulations, such as, qualification for independent director under the Commercial Act, qualification of independent director for listed company under the Commercial Act, qualification of executive and independent director under the Corporate Governance Act and others. In addition, he also satisfies the negative qualification set forth by the Corporate Governance Act and internal regulation of the Company for not concurrently serving for independent director, non-standing director or non-standing auditor of any company other than this Company.

(2) Positive qualification

① Expertise

Director Bae Hoon works as an attorney at a Japanese law firm and is an expert in the field of law and accounting registered as an assistant certified public accountant in Japan. Based on his insights on corporate management issues that he has acquired while serving as a private-sector bridgehead for Korea-Japan economic relations over a long time, by providing legal advice to Korean companies in Japan and closely cooperating with Korean bar associations, he also provided insight at the Company's Board through comparison with corporate management issues in Japan and generously advised on major issues related to the Group's operation.

② Fair judgment

There is no problem with Director Bae Hoon's independence as there is no business relationship between the corporation to which he has been a full-time employee in the past two years and "the Company and its subsidiaries," and after he was elected an independent director, he performed his duties fairly in consideration of the interests of all shareholders and

financial consumers.

In addition, after his election as the independent director, there has been no fact of performing the duties or carrying out the trades related to the interest with the Company.

③ Integrity

According to reference check, it is deemed that Director Bae Hoon has a sense of ethics and responsibility worthy of his character and reputation, such as being trusted in the *Zainichi* community (community of Korean-national residents in Japan) and playing a major role in the Lawyers Association of Zainichi Korea based on his excellent expertise.

④ Strong work ethics

Notwithstanding the issue of overseas residence, Director Bae Hoon attended 100% for BOD, committees in BOD, independent director sessions, BOD workshops and education participation and he placed extensive time and effort in the BOD activities by allocating 257 hours per year to normally carry out the independent director works including the advance review of agenda after appointed in the meeting of shareholders in March 2021 with his extensive time and effort.

In addition, after he was elected as the independent director, he has not been concurrently served in another company that there is no content changed for the concurrent service before and after the election.

⑤ Diversity of BOD composition

Director Bae Hoon is a legal and accounting expert who is well-versed in corporate-related laws in Korea and Japan, such as working for a long time as an attorney advising corporations in Japan and closely cooperating with Korean bar associations. He analyzes differences in the corporate management issues between Korea and Japan and faithfully performs the role of management advisor and the monitoring and supervision of the management from an objective perspective.

⑥ Suitability with Shinhan Financial Group

Director Bae Hoon has a deep understanding of the importance of corporate culture based on his experience of advising corporations on legal matters and offers various opinions for the succession and development of the Company's founding spirit.

⑦ Efficacy of management advisory

Based on his long experience of advising corporations on legal matters, Director Bae Hoon performs an effective advisory role which is to provide practical and helpful advice for corporate management.

(3) Summary

Review Category	Qualification	Reason for Satisfaction
1. Negative qualification		
A. Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act (Disqualification of Independent directors of Stock Companies, Disqualification of Independent directors of Listed Companies)	Qualified	No violation of law
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies and Article 7 (1) and (3) of its Decree (Disqualification of Officers in Financial Companies)	Qualified	No violation of law
C. Article 6 (1) and of the Act on Corporate Governance of Financial Companies and Article 8 (1) and (3) of its Decree (Disqualification of Independent directors in Financial Companies)	Qualified	No violation of law and no concurrent position in independent director, non-standing director, non-standing auditor of another company
D. Article 23, Paragraph 2 of the Internal Code of Corporate Governance	Qualified	No concurrent position in independent director, non-standing director, non-standing auditor of another company

Review Category	Qualification	Reason for Satisfaction
2. Positive qualification		
A. Expertise (Article 6, Paragraph 3 of the Act on Corporate Governance of Financial Companies, Article 23, Paragraph 1, Subparagraph 1 of the Internal Code of Corporate Governance)	Qualified	Expert in law, accounting, and international business (Foreign attorney, foreign assistant certified public accountant)
B. Fair judgment (Article 23, Paragraph 1, Subparagraph 2 of the Internal Code of Corporate Governance)	Qualified	Fair performance of job for the interests of entire shareholders and financial consumers The candidate has appropriate business relationship with the Company and Law Firm and has low possibility of having conflict of interest
C. Integrity (Article 23, Paragraph 1, Subparagraph 3 of the Internal Code of Corporate Governance)	Qualified	Possessing high level of sense of ethics and responsibility
D. Strong work ethics (Article 23, Paragraph 1, Subparagraph 4 of the Internal Code of Corporate Governance)	Qualified	For the activities in BOD and others, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Diversity (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Possessing the work experience in the Bank of Korea and private financing company
F. Reasonableness (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Rich experience as an independent director for Shinhan Financial Group with high level of understanding for corporate culture
G. Efficacy (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Possessing experiences in officer and independent director for the Bank of Korea financial companies to enable effective management advisory

K. Independent director Lee Yong-guk

(1) Negative qualification

Director Lee Yong-guk satisfies all qualifications set forth under laws and regulations, such as, qualification for independent director under the Commercial Act, qualification of independent director for listed company under the Commercial Act, qualification of executive and independent director under the Corporate Governance Act and others. In addition, he also satisfies the negative qualification set forth by the Corporate Governance Act and internal regulation of the Company for not concurrently serving for independent director, non-standing director or non-standing auditor of any company other than this Company.

(2) Positive qualification

① Expertise

Director Lee Yong-guk has worked for a long time as an attorney at Cleary Gottlieb Steen & Hamilton LLP (a large global law firm) and is a legal, financial, and global expert with experience of arranging securities issuance, M&A, and listing of large domestic companies. Through his expertise in those fields and his domestic and foreign capital market and legal networks, he provided in-depth perspective and insight regarding the Group's policy of strengthening its competitiveness in the M&A and capital market, thus greatly contributing to the rational discussion process of the Board.

② Fair judgment

Director Lee Yong-guk was recommended by Affinity Equity Partners (strategic investor) on the ground that he was expected to responsibly perform his duties as an independent director by representing the opinions of all shareholders fairly based on legal and financial expertise. During his tenure as an independent director of the Company, he not only performed his duties as transparently and objectively as possible from an independent position but also performed his duties fairly in consideration of the interests of all shareholders and financial consumers.

In addition, after his election as the independent director, there has been no fact of performing the duties or carrying out the

trades related to the interest with the Company.

③ Integrity

Director Lee Yong-guk contributed to maintaining the Company's sound and rational corporate governance from the standpoint of moderation and balance. In particular, he was shown to practice social responsibility through his public interest activities of providing free legal advice on international transactions to legally vulnerable small and medium-sized enterprises, thus demonstrating a strong sense of ethics and responsibility.

④ Strong work ethics

Director Lee Yong-guk attended 100% for BOD, committees in BOD, independent director sessions, BOD workshops and education participation and he placed extensive time and effort in the BOD activities by allocating 335 hours per year to normally carry out the independent director works including the advance review of agenda after appointed in the meeting of shareholders in March 2021 with his extensive time and effort.

In addition, after he was elected as the independent director, he has not been concurrently served in another company that there is no content changed for the concurrent service before and after the election.

⑤ Diversity of BOD composition

Director Lee Yong-guk, an attorney specializing in international and corporate finance and currently serving as a professor of Law, is knowledgeable in the field of law and finance, and faithfully played the role of management advisor and monitored and supervised the management with his rational judgment and sharp insight based on his experience of working at a large global law firm.

⑥ Suitability with Shinhan Financial Group

Director Lee Yong-guk has deep understanding of the importance of corporate culture based on his rich experience of advising large listed companies on legal matters, and has offered various opinions for the succession and development of Shinhan Financial Group's founding spirit.

⑦ Efficacy of management advisory

Director Lee Yong-guk, with his main expertise in providing legal advices related to international and corporate finance, performed an effective advisory role in strengthening the Group's competitiveness in the capital market/asset management sector.

(3) Summary

Review Category	Qualification	Reason for Satisfaction
1. Negative qualification		
A. Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act (Disqualification of Independent directors of Stock Companies, Disqualification of Independent directors of Listed Companies)	Qualified	No violation of law
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies and Article 7 (1) and (3) of its Decree (Disqualification of Officers in Financial Companies)	Qualified	No violation of law
C. Article 6 (1) and of the Act on Corporate Governance of Financial Companies and Article 8 (1) and (3) of its Decree (Disqualification of Independent directors in Financial Companies)	Qualified	No violation of law and no concurrent position in independent director, non-standing director, non-standing auditor of another company
D. Article 23, Paragraph 2 of the Internal Code of Corporate Governance	Qualified	No concurrent position in independent director, non-standing director, non-standing auditor of another company

Review Category	Qualification	Reason for Satisfaction
2. Positive qualification		
A. Expertise (Article 6, Paragraph 3 of the Act on Corporate Governance of Financial Companies, Article 23, Paragraph 1, Subparagraph 1 of the Internal Code of Corporate Governance)	Qualified	Expert in law, financial, and international business (Attorney specializing in international/corporate finance, professor of law)
B. Fair judgment (Article 23, Paragraph 1, Subparagraph 2 of the Internal Code of Corporate Governance)	Qualified	Fair performance of job for the interests of entire shareholders and financial consumers The candidate has appropriate business relationship with the Company and Seoul National University and has low possibility of having conflict of interest
C. Integrity (Article 23, Paragraph 1, Subparagraph 3 of the Internal Code of Corporate Governance)	Qualified	Possessing high level of sense of ethics and responsibility
D. Strong work ethics (Article 23, Paragraph 1, Subparagraph 4 of the Internal Code of Corporate Governance)	Qualified	For the activities in BOD and others, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Diversity (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Recommended by shareholders, low age, foreign attorney, and has experience as professor of law
F. Reasonableness (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Has high understanding of corporate culture thanks to rich experience of advising large domestic and foreign companies on legal matters
G. Efficacy (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Performs effective management advice due to rich experience of advising legal matters of international and corporate finance

L. Independent director Choi Jae-boong

(1) Negative qualification

Director Choi Jae-boong satisfies all qualifications set forth under laws and regulations, such as, qualification for independent director under the Commercial Act, qualification of independent director for listed company under the Commercial Act, qualification of executive and independent director under the Corporate Governance Act and others. In addition, he also satisfies the negative qualification set forth by the Corporate Governance Act and internal regulation of the Company for not concurrently serving for independent director, non-standing director or non-standing auditor of any company other than this Company.

(2) Positive qualification

① Expertise

Director Choi Jae-boong has been a professor of mechanical engineering for a long time and actively participated in ICT-related industry-university cooperation activities and government-led innovation projects. He is an expert in the information technology (IT) field having expertise in all fields of the 4th Industrial Revolution such as wearables, Internet of Things, big data analysis, AI and smart factories. Currently, he is shown to be very interested in and continues his research activities on the digitization of finance, generously advising on the new perspective and the Group's direction throughout the digital transformation-related projects which the Group is emphatically pursuing.

② Fair judgment

The candidate was recommended by Baring Private Equity Asia (strategic shareholder) on the ground that he is expected to responsibly perform his duties as an independent director in the process of discussing the Group's future growth at the Board by representing the opinions of all shareholders fairly based on his expertise in information technology (IT). During his tenure as an independent director of the Company, he not only performed his duties as transparently and objectively as possible from an independent position but also performed his duties fairly in consideration of the interests of all shareholders and financial consumers.

In addition, after his election as the independent director, there has been no fact of performing the duties or carrying out the trades related to the interest with the Company.

③ Integrity

Director Choi Jae-boong, as a shareholder-recommended independent director, has a sense of ethics and responsibility worthy of his reputation, by performing his duties based on a strong sense of responsibility. In the evaluation of independent directors, he received excellent results in the integrity section.

④ Strong work ethics

Since his election at the annual general meeting of shareholders (March 2021), Director Choi Jae-boong has attended 100% of the Board meetings, subcommittee meetings, directors' meetings (directors' sessions or conference), and workshops and training of the Board. He spent 353 hours a year to perform the duties of the Company's independent director including advance review of agendas, etc., devoting sufficient time and effort.

In addition, after he was elected as the independent director, he has not been concurrently served in another company that there is no content changed for the concurrent service before and after the election.

⑤ Diversity of BOD composition

Director Choi Jae-boong served as a professor in the field of information technology (IT) for a long time, and based on his experience of partaking in ICT-related industry-university cooperation activities and government-led innovation projects, he faithfully played the role of management advisor and monitored and supervised the management as a Board member.

⑥ Suitability with Shinhan Financial Group

Director Choi Jae-boong has a deep understanding of the importance of corporate culture based on his rich experience in industry-academic cooperation in the field of information technology (IT) and has experience as an independent director of other companies, and has presented various opinions for the succession and development of the founding spirit of Shinhan Financial Group.

⑦ Efficacy of management advisory

Based on his rich experience in industry-university cooperation and experience as an independent director, Director Choi Jae-boong effectively played the role of management advisor and monitored and supervised management as a Board member.

(3) Summary

Review Category	Qualification	Reason for Satisfaction
1. Negative qualification		
A. Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act (Disqualification of Independent directors of Stock Companies, Disqualification of Independent directors of Listed Companies)	Qualified	No violation of law
B. Article 5 (1) of the Act on Corporate Governance of Financial Companies and Article 7 (1) and (3) of its Decree (Disqualification of Officers in Financial Companies)	Qualified	No violation of law
C. Article 6 (1) and of the Act on Corporate Governance of Financial Companies and Article 8 (1) and (3) of its Decree (Disqualification of Independent directors in Financial Companies)	Qualified	No violation of law and no concurrent position in independent director, non-standing director, non-standing auditor of another company
D. Article 23, Paragraph 2 of the Internal Code of Corporate Governance	Qualified	No concurrent position in independent director, non-standing director, non-standing auditor of another company

Review Category	Qualification	Reason for Satisfaction
2. Positive qualification		
A. Expertise (Article 6, Paragraph 3 of the Act on Corporate Governance of Financial Companies, Article 23, Paragraph 1, Subparagraph 1 of the Internal Code of Corporate Governance)	Qualified	Expert in information technology (Professor of mechanical engineering in the information technology (IT) field)
B. Fair judgment (Article 23, Paragraph 1, Subparagraph 2 of the Internal Code of Corporate Governance)	Qualified	Fair performance of job for the interests of entire shareholders and financial consumers The candidate has appropriate business relationship with the Company and Sungkyunkwan University and has low possibility of having conflict of interest
C. Integrity (Article 23, Paragraph 1, Subparagraph 3 of the Internal Code of Corporate Governance)	Qualified	Possessing high level of sense of ethics and responsibility
D. Strong work ethics (Article 23, Paragraph 1, Subparagraph 4 of the Internal Code of Corporate Governance)	Qualified	For the activities in BOD and others, the candidate has allocated significant time and effort, meet the 16 on laws and regulations, no change for concurrent position after the election, and has duly proven its strong work ethics considering his attendance rate
E. Diversity (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Recommended by shareholders, low age, and has experience as a professor of law in the information technology (IT) field
F. Reasonableness (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Has a good understanding of corporate culture due to rich experience in industry-academic cooperation in the information technology (IT) field and experience as an independent director of other companies
G. Efficacy (Resolution No. 1 of the First Independent Director Recommendation Committee held on Jan 15, 2018)	Qualified	Performs effective management advice due to rich experience in industry-academic cooperation and experience as an independent director

2. Activities of independent directors

A. Independent director Lee Yoon-jae

Director Lee Yoon-jae has attended all board meeting and Committee in BOD during 2021. (Attendance rate: 100%)

In the Board meetings and workshops held during the year, he contributed to helping the Board fulfill its roles and responsibilities through inquiries and checks on various management issues, such as inquiry of adequacy of the dividend levels to be decided at the annual general meeting of shareholders (March 2021), suggestions for the direction of the improved process of determining independent directors' remuneration, review of adequacy of the composition of the Board, discussion of rational improvement of the CEO succession plan, review of the subcommittee operation improvement plan, review of adequacy of the Group's management plan according to macroeconomic outlook, checking of the status of the hiring-related lawsuits and review of the stability of governance, suggestion of the communication plan for voting advisory organizations and major investors, checking of the status and impact of customer investment product issues, recommendation for strengthened compliance by subsidiaries, review of adequacy of the capital increase in small subsidiaries, establishment of the operating standards for the directors' meetings and summarization of the matters to be discussed, discussion of the direction of the Group's digital transformation, review of current issues in the duties of the Group CEO succession candidates (long list), review of the Group's financial soundness under the COVID- 19 situation, inquiry about the Group's plan to integrate financial transaction apps, review of the size and direction of quarterly dividend and the reaction of financial authorities and the market, review of adequacy of the Group's recovery and resolution plan, checking of the Group's plan to enter into the non-life insurance industry, discussion of the Group's management plan for 2022, review of the direction of organizational reshuffle in 2022, checking of adequacy of the Group's appointment of executives, etc.

Furthermore, as chairman of the Board, he moderated various views of the directors so that the Board can reach the best conclusions, while leading the process of verifying the competence of the CEO candidates (long list), such as ensuring that

the Board can conduct in-depth interviews with the CEO candidates (long list). In addition, he devotedly performed his duties as the Board chairman, by preemptively suggesting and taking the initiative in improving the operation of the Board and subcommittees, enacting related regulations, holding meetings between major investors and independent directors, and sending letters to the investors in the Board's name, etc.

In addition, during 2021, he spent a total of 440 hours (including time spent for a prior explanation of agendas (Board, etc.), review of agendas and minutes, and Board workshop/directors' meetings/training; hereinafter the same) to review agenda items and attend meetings.

B. Independent director Park Ansoon

Director Park Ansoon has attended all board meeting and Committee in BOD during 2021. (Attendance rate: 100%)

In the Board meetings and workshops held during the year, he contributed to helping the Board fulfill its roles and responsibilities through inquiries and checks on various management issues, by emphasis on the roles and responsibilities of the independent directors who are Korean-national residents in Japan (Zainichi independent directors), review of adequacy of the composition of the Board, discussion of rational improvement of the CEO succession plan, review of the subcommittee operation improvement plan, review of adequacy of the Group's management plan according to macroeconomic outlook, inquiry into comparative analysis of competitiveness (e.g, profitability) between financial holding companies, checking of the status of the hiring-related lawsuits and review of the stability of governance, discussion of the communication plan for voting advisory organizations and major investors, checking of the status and impact of customer investment product issues, recommendation for strengthened compliance by subsidiaries, establishment of the operating standards for the directors' meetings, discussion of the direction of the Group's digital transformation, review of current issues in the duties of the Group CEO succession candidates (long list), emphasis of stock price analysis and stimulus plan, stock price stimulus policy, and shareholder communication, review of the size and direction of quarterly dividend and the reaction of financial authorities and the market, review of adequacy of the Group's recovery and resolution plan, checking of the Group's plan to enter non-life insurance business, discussion of the Group's management plan for 2022, review of the direction of organizational reshuffle in 2022, etc.

In particular, with COVID-19 restricting entry of overseas Koreans to the country, in order to participate in major decision-making by the Board in 2021, he risked the disadvantage of self-isolation in order to attend face-to-face meetings, and performed various activities that cannot be measured simply by the spent hours based on his firm conviction and enthusiasm as an independent director.

In addition, he has allocated a total of 329 hours for reviewing the agenda, attending meetings etc. during 2021.

C. Independent director Choi Kyong-rok

Director Choi Kyong-rok has attended all board meeting and Committee in BOD during 2021. (Attendance rate: 100%)

In the Board meetings and workshops held during the year, he contributed to helping the Board fulfill its roles and responsibilities through inquiries and checks on various management issues, by review of adequacy of the composition of the Board, discussion of rational improvement of the CEO succession plan, review of the subcommittee operation improvement plan, checking of the status of the hiring-related lawsuits and review of the stability of governance, discussion of the communication plan for voting advisory organizations and major investors, checking of the status and impact of customer investment product issues, recommendation for strengthened compliance by subsidiaries, establishment of the operating standards for the directors' meetings, discussion of the direction of the Group's digital transformation, review of current issues in the duties of the Group CEO succession candidates (long list), review of the size and direction of quarterly dividend and the reaction of financial authorities and the market, review of adequacy of the Group's recovery and resolution plan, checking of the Group's plan to enter non-life insurance business, discussion of the Group's management plan for 2022, review of the direction of organizational reshuffle in 2022, etc.

In addition, he has allocated a total of 335 hours for reviewing the agenda, attending meetings etc. during 2021.

D. Independent director Byeon Yang-ho

Director Byeon Yang-ho has attended all board meeting and Committee in BOD during 2021. (Attendance rate: 100%)

In the Board meetings and workshops held during the year, he contributed to helping the Board fulfill its roles and responsibilities through inquiries and checks on various management issues, such as inquiry of adequacy of the dividend levels to be decided at the annual general meeting of shareholders (March 2021), review of adequacy of the composition of the Board, discussion of rational improvement of the CEO succession plan, review of the subcommittee operation improvement plan, review of adequacy of the Group's management plan according to macroeconomic outlook, checking of the status of the hiring-related lawsuits and review of the stability of governance, suggestion of the communication plan for voting advisory organizations and major investors, checking of the status and impact of customer investment product issues, recommendation for strengthened compliance by subsidiaries, establishment of the operating standards for the directors' meetings, discussion of the direction of the Group's digital transformation, review of current issues in the duties of the Group CEO succession candidates (long list), inquiry about the Group's plan to integrate financial transaction apps, review of the size and direction of quarterly dividend and the reaction of financial authorities and the market, review of adequacy of the Group's recovery and resolution plan, checking of the Group's plan to enter non-life insurance business, request to identify the root cause of the stock price slump and come up with a solution, checking adequacy of the limit of financial support for subsidiaries, discussion of the Group's management plan for 2022, review of the direction of organizational reshuffle in 2022, checking of legitimacy of the business decision-making process, etc. In particular, Director Byeon Yang-ho requested preemptive Board reporting on key issues and emphasized Group-wide, bold investment in the digital sector and rapid business execution to lead the market.

Director Byeon Yang-ho has allocated a total of 413 hours for reviewing the agenda, attending meetings etc. during 2021.

E. Independent director Sung Jae-ho

Director Sung Jae-ho has attended all board meeting and Committee in BOD during 2021. (Attendance rate: 100%)

In the Board meetings and workshops held during the year, he contributed to helping the Board fulfill its roles and responsibilities through inquiries and checks on various management issues, such as review of adequacy of the composition of the Board, emphasis of the Board's role in governance, discussion of rational improvement of the CEO succession plan, review of the subcommittee operation improvement plan, checking of the status of the hiring-related lawsuits and review of the stability of governance, discussion of the communication plan for voting advisory organizations and major investors, checking of the status and impact of customer investment product issues, recommendation for strengthened compliance by subsidiaries, establishment of the operating standards for the directors' meetings, discussion of the direction of the Group's digital transformation, review of current issues in the duties of the Group CEO succession candidates (long list), review of the size and direction of quarterly dividend and the reaction of financial authorities and the market, review of adequacy of the Group's recovery and resolution plan, checking the Group's plan to enter non-life insurance business, discussion of the Group's management plan for 2022, review of the direction of organizational reshuffle in 2022, etc.

In particular, as a legal expert, he responsibly conducted an advance review of whether there was any legal problem in the agenda of the Board and subcommittees, and as the chairman of the CEO Recommendation Committee, he tried to make the CEO succession plan more rational and understand the competencies of the candidates (long list) by interviewing them, thus actively carrying out activities for the stability of the Group's management and governance.

In addition, he has allocated a total of 460 hours for reviewing the agenda, attending meetings etc. during 2021.

F. Independent director Huh Yong-hak

Director Huh Yong-hak has attended all board meeting and Committee in BOD during 2021. (Attendance rate: 100%)

In the Board meetings and workshops held during the year, he contributed to helping the Board fulfill its roles and responsibilities through inquiries and checks on various management issues, by review of adequacy of the composition of the Board, discussion of rational improvement of the CEO succession plan, review of the subcommittee operation improvement plan, review of adequacy of the Group's management plan according to macroeconomic outlook, checking of the status of the hiring-related lawsuits and review of the stability of governance, discussion of the communication plan for voting

advisory organizations and major investors, checking of the status and impact of customer investment product issues, recommendation for strengthened compliance by subsidiaries, establishment of the operating standards for the directors' meetings, discussion of the direction of the Group's digital transformation, review of current issues in the duties of the Group CEO succession candidates (long list), inquiry of the Group's plan to integrate financial transaction apps, review of the size and direction of quarterly dividend and the reaction of financial authorities and the market, review of adequacy of the Group's recovery and resolution plan, checking of the Group's plan to enter non-life insurance business, discussion of the Group's management plan for 2022, review of the direction of organizational reshuffle in 2022, etc. In particular, based on his rich experience in the global capital market participation, Director Huh Yong-hak provided insight and generously offered effective advice, on the Group's strategies to strengthen competitiveness in the capital market.

In addition, as the chairman of the Independent Director & Audit Committee Member Recommendation Committee, in line with the changed ESG trend, he significantly increased the number of female independent director candidates and improved the candidate management criteria for independent directors, thus laying the groundwork for the recruitment of independent and competent independent directors.

In particular, with COVID-19 restricting entry of overseas Koreans to the country, in order to participate in major decision-making by the Board in 2021, he risked the disadvantage of self-isolation in order to attend face-to-face meetings, and performed various activities that cannot be measured simply by the spent hours based on his firm conviction and enthusiasm as an independent director.

Director Huh Yong-hak has allocated a total of 435 hours for reviewing the agenda, attending meetings etc. during 2021.

G. Independent director Yoon Jaewon

Director Yoon Jaewon has attended all board meeting and Committee in BOD during 2021. (Attendance rate: 100%)

In the Board meetings and workshops held during the year, he contributed to helping the Board fulfill its roles and responsibilities through inquiries and checks on various management issues, by review of adequacy of the composition of the Board, discussion of rational improvement of the CEO succession plan, review of the subcommittee operation improvement plan, review of quarterly results from a financial accounting perspective, checking of the status of the hiring-related lawsuits and review of the stability of governance, discussion of the communication plan for voting advisory organizations and major investors, checking of the status and impact of customer investment product issues, recommendation for strengthened compliance by subsidiaries, establishment of the operating standards for the directors' meetings, discussion of the direction of the Group's digital transformation, review of current issues in the duties of the Group CEO succession candidates (long list), review of the size and direction of quarterly dividend and the reaction of financial authorities and the market, review of adequacy of the Group's recovery and resolution plan, checking of the Group's plan to enter non-life insurance business, discussion of the Group's management plan for 2022, review of the direction of organizational reshuffle in 2022, etc. In addition, as the chairman of the Audit Committee, he monitored and supervised the management's activities and made efforts to ensure that internal control works effectively, by reporting the activities of the Audit Committee to the Board promptly and proactively devising improvement plans for the Group's compliance issues.

Director Yoon Jaewon has allocated a total of 448 hours for reviewing the agenda, attending meetings etc. during 2021.

H. Independent director Jin Hyun-duk

Director Jin Hyun-duk has attended all board meeting and Committee in BOD during 2021. (Attendance rate: 100%)

In the Board meetings and workshops held during the year, he contributed to helping the Board fulfill its roles and responsibilities through inquiries and checks on various management issues, by review of adequacy of the composition of the Board, discussion of rational improvement of the CEO succession plan, review of the subcommittee operation improvement plan, checking of the status of hiring-related lawsuits and review of the stability of governance, discussion of the communication plan for voting advisory organizations and major investors, checking of the status and impact of customer investment product issues, recommendation for strengthened compliance by subsidiaries, establishment of the operating standards for the directors' meetings, discussion of the direction of the Group's digital transformation, review of current issues in the duties of the Group CEO succession candidates (long list), inquiry about the Group's plan to integrate financial

transaction apps, review of the size and direction of quarterly dividend and the reaction of financial authorities and the market, review of adequacy of the Group's recovery and resolution plan, checking of the Group's plan to enter non-life insurance business, discussion of the Group's management plan for 2022, review of the direction of organizational reshuffle in 2022, etc.

Director Jin Hyun-duk has allocated a total of 311 hours for reviewing the agenda, attending meetings etc. during 2021.

I. Independent director Kwak Su-keun

Director Kwak Su-keun attended all of the Board and subcommittee meetings held in 2021 after being elected at the annual shareholders' meeting (March 2021). (Attendance rate: 100%)

In the Board meetings and workshops held during the year, he contributed to helping the Board fulfill its roles and responsibilities through inquiries and checks on various management issues, by review of adequacy of the Group's management plan according to macroeconomic outlook, checking of the status of the hiring-related lawsuits and review of the stability of governance, discussion on the communication plan for voting advisory organizations and major investors, checking of the status and impact of customer investment product issues, recommendation for strengthened compliance by subsidiaries, establishment of the operating standards for the directors' meetings, discussion of the direction of the Group's digital transformation, review of current issues in the duties of the Group CEO succession candidates (long list), inquiry of the Group's plan to integrate financial transaction apps, review of the size and direction of quarterly dividend and the reaction of financial authorities and the market, review of adequacy of the Group's recovery and resolution plan, checking of the Group's plan to enter non-life insurance business, discussion of the Group's management plan for 2022, review of the direction of organizational reshuffle in 2022, etc. In addition, Director Kwak Su-keun, as the chairman of the ESG Strategy Committee, shared the latest ESG trends and refined the Group's ESG strategies, and also reorganized the Group's ESG strategy and solidified the Group's foundation for sustainable growth, by instructing review of the employee code of conduct for transparent operation of the Group's governance.

After being elected at the annual shareholders' meeting in March 2021, Director Kwak Su-keun has devoted a total of 380 hours to review agendas and attend meetings in 2021.

J. Independent director Bae Hoon

Director Bae Hoon attended all of the Board and subcommittee meetings held in 2021 after being elected at the annual shareholders' meeting (March 2021). (Attendance rate: 100%)

In the Board meetings and workshops held during the year, he contributed to helping the Board fulfill its roles and responsibilities through inquiries and checks on various management issues, such as checking of the status of the hiring-related lawsuits and review of the stability of governance, discussion of the communication plan for voting advisory organizations and major investors, checking of the status and impact of customer investment product issues, recommendation for strengthened compliance by subsidiaries, establishment of the operating standards for the directors' meetings, discussion of the direction of the Group's digital transformation, review of current issues in the duties of the Group CEO succession candidates (long list), inquiry about the Group's plan to integrate financial transaction apps, review of the size and direction of quarterly dividend and the reaction of financial authorities and the market, review of adequacy of the Group's recovery and resolution plan, checking of the Group's plan to enter non-life insurance business, discussion of the Group's management plan for 2022, review of the direction of organizational reshuffle in 2022, etc. In addition, Director Bae Hoon contributed to strengthening the Group's internal control by advising on legal issues through comparison between Korea and Japan based on his expertise as an attorney who has provided corporate legal advice in Japan for a long time.

After being elected at the annual shareholders' meeting in March 2021, Director Bae Hoon has devoted a total of 257 hours to review agendas and attend meetings in 2021.

K. Independent director Lee Yong-guk

Director Lee Yong-guk attended all of the Board and subcommittee meetings held in 2021 after being elected at the annual shareholders' meeting (March 2021). (Attendance rate: 100%)

In the Board meetings and workshops held during the year, he contributed to helping the Board fulfill its roles and responsibilities through inquiries and checks of various management issues, by review of adequacy of the Group's management plan according to macroeconomic outlook, checking of the status of the hiring-related lawsuits and review of the stability of governance, discussion of the communication plan for voting advisory organizations and major investors, checking of the status and impact of issues related to customer investment products, recommendation for strengthened compliance by subsidiaries, establishment of the operating standards for the directors' meetings, discussion of the direction of the Group's digital transformation, review of current issues in the duties of the Group CEO succession candidates (long list), inquiry about the Group's plan to integrate financial transaction apps, review of the size and direction of quarterly dividend and the reaction of financial authorities and the market, review of adequacy of the Group's recovery and resolution plan, checking of the Group's plan to enter non-life insurance business, discussion of the Group's management plan for 2022, review of the direction of organizational reshuffle in 2022, etc. In addition, Director Lee Yong-guk actively performed his role as an independent director based on his expertise in providing legal advice on international and corporate finance at a large global law firm for a long time, such as screening letters to be sent to shareholders and conducting a comparative analysis with global companies to come up with measures to reinforce the competitiveness of Shinhan Financial Group, etc.

After being elected at the annual shareholders' meeting in March 2021, Director Lee Yong-guk has devoted a total of 335 hours to review agendas and attend meetings in 2021.

L. Independent director Choi Jae-boong

Director Choi Jae-boong attended all of the Board and subcommittee meetings held in 2021 after being elected at the annual shareholders' meeting (March 2021). (Attendance rate: 100%)

In the Board meetings and workshops held during the year, he contributed to helping the Board fulfill its roles and responsibilities through inquiries and checks on various management issues, such as review of issues according to macroeconomic outlook, checking of the status of the hiring-related lawsuits and review of the stability of governance, discussion on the communication plan for voting advisory organizations and major investors, checking of the status and impact of customer investment product issues, recommendation for strengthened compliance by subsidiaries, establishment of the operating standards for the directors' meetings, discussion of the direction of the Group's digital transformation, review of current issues in the duties of the Group CEO succession candidates (long list), inquiry about the Group's plan to integrate financial transaction apps, review of the size and direction of quarterly dividend and the reaction of financial authorities and the market, review of adequacy of the Group's recovery and resolution plan, checking the Group's plan to enter non-life insurance business, discussion of the Group's management plan for 2022, review of the direction of organizational reshuffle in 2022, etc. In particular, Director Choi Jae-bung presented excellent insight and direction for the Group's digital growth, befitting his reputation as one of the leading scholars in the field of the 4th Industrial Revolution in Korea, examining the Group's digital transformation strategy and overall business details and advising on future directions and supplementary measures, etc.

After being elected at the annual shareholders' meeting in March 2021, Director Choi Jae-boong has devoted a total of 353 hours to review agendas and attend meetings in 2021.

3. Remuneration of independent directors

The company reformed the remuneration system for independent directors at the third temporary Board meeting held on March 24, 2016. For substantiating BOD activities with strong sense of obligation and responsibility worthy of the role of independent director, the base allowance was reduced by KRW 1 million per month from April 2016 and strengthened the remuneration system in connection with the activity records, such as participation in the Committee in BOD etc. In the third temporary Board meeting held on March 27, 2019, the resolution was made to increase the base allowance by KRW 0.5 million per month in consideration of Group scale growth, expansion of business portfolio and extended scope of work and responsibility of independent directors. At the 1st special meeting (February 5, 2021), in consideration of the high internal and external expectations for the role of independent directors and the continuous increase in the time and effort put by independent directors for Board activities and to enhance transparency in expenses, the Board discussed whether to abolish the attendance allowance (necessary expenses paid for attendance of meetings) and change the same to the monthly base pay of KRW 0.5 million.

The contents of remuneration for each independent director in 2021 are shown as follows.

A. Independent director Lee Yoon-jae

Items	Amount	Contents of calculation
1. Total amount of compensation	KRW 85.1 million	
Base payment	KRW 46.5 million	KRW 4.0 million per month (KRW 3.5 million per month until the end of March 2021)
Bonus	-	
Other allowances	KRW 28 million	Meeting allowance ¹⁾ : KRW 1 million per session for BOD and KRW 0.5 million per session for subcommittee
	KRW 10.6 million	Position allowance ²⁾ : KRW 0.5 million per month for the chair of Subcommittee (before March 25, 2021) KRW1 million per month for the chairman of the BOD (after March 25, 2021)
2. Other benefits over compensation		
Work activities	None	
Health examination	Once	General examination
Vehicle provision	None	
Office	None	
Other benefits	None	

Note1) Other than the above-mentioned compensation, necessary expenses such as transportation, accommodation etc. are paid (when held on the same date, it is paid once, hereinafter the same as the independent director compensation)

- KRW 0.3 million (abolished in April 2021) for domestic-resident independent directors, and actual expense reimbursed for overseas-resident independent directors

2) When performing overlapped position, there is no overlapping payment to pay only the notified amount (hereinafter the same as the independent director wage)

B. Independent director Park Ansoon

Items	Amount	Contents of calculation
1. Total amount of compensation	KRW 67.5 million	
Base payment	KRW 46.5 million	KRW 4.0 million per month (KRW 3.5 million per month until the end of March 2021)
Bonus	-	
Other allowances	KRW 21 million	Meeting allowance: KRW 1 million per session for BOD and KRW 0.5 million per session for subcommittee
	-	
2. Other benefits over compensation		
Work activities	None	
Health examination	None	
Vehicle provision	None	
Office	None	
Other benefits	None	

C. Independent director Choi Kyong-rok

Items	Amount	Contents of calculation
1. Total amount of compensation	KRW 67million	
Base payment	KRW 46.5 million	KRW 4.0 million per month (KRW 3.5 million per month until the end of March 2021)
Bonus	-	
Other allowances	KRW 20.5 million	Meeting allowance: KRW 1 million per session for BOD and KRW 0.5 million per session for subcommittee
	-	
2. Other benefits over compensation		
Work activities	None	
Health examination	None	
Vehicle provision	None	
Office	None	
Other benefits	None	

D. Independent director Byeon Yang-ho

Items	Amount	Contents of calculation
1. Total amount of compensation	KRW 79.5 million	
Base payment	KRW 46.5 million	KRW 4.0 million per month (KRW 3.5 million per month until the end of March 2021)
Bonus	-	
Other allowances	KRW 27 million	Meeting allowance: KRW 1 million per session for BOD and KRW 0.5 million per session for subcommittee
	KRW 6 million	Position allowance: KRW 0.5 million per month for the chair of Subcommittee
2. Other benefits over compensation		
Work activities	None	
Health examination	Once	General examination
Vehicle provision	None	
Office	None	
Other benefits	None	

E. Independent director Sung Jae-ho

Items	Amount	Contents of calculation
1. Total amount of compensation	KRW 83 million	
Base payment	KRW 46.5 million	KRW 4.0 million per month (KRW 3.5 million per month until the end of March 2021)
Bonus	-	
Other allowances	KRW 30.5 million	Meeting allowance: KRW 1 million per session for BOD and KRW 0.5 million per session for subcommittee
	KRW 6 million	Position allowance: KRW 0.5 million per month for the chair of Subcommittee
2. Other benefits over compensation		
Work activities	None	
Health examination	None	
Vehicle provision	None	
Office	None	
Other benefits	None	

F. Independent director Huh Yong-hak

Items	Amount	Contents of calculation
1. Total amount of compensation	KRW 79 million	
Base payment	KRW 46.5 million	KRW 4.0 million per month (KRW 3.5 million per month until the end of March 2021)
Bonus	-	
Other allowances	KRW 26.5 million	Meeting allowance: KRW 1 million per session for BOD and KRW 0.5 million per session for subcommittee
	KRW 6 million	Position allowance: KRW 0.5 million per month for the chair of Subcommittee
2. Other benefits over compensation		
Work activities	None	
Health examination	Once	General examination
Vehicle provision	None	
Office	None	
Other benefits	None	

G. Independent director Yoon Jaewon

Items	Amount	Contents of calculation
1. Total amount of compensation	KRW 82.5 million	
Base payment	KRW 46.5 million	KRW 4.0 million per month (KRW 3.5 million per month until the end of March 2021)
Bonus	-	
Other allowances	KRW 30 million	Meeting allowance: KRW 1 million per session for BOD and KRW 0.5 million per session for subcommittee
	KRW 6 million	Position allowance: KRW 0.5 million per month for the chair of Subcommittee
2. Other benefits over compensation		
Work activities	None	
Health examination	None	
Vehicle provision	None	
Office	None	
Other benefits	None	

H. Independent director Jin Hyun-duk

Items	Amount	Contents of calculation
1. Total amount of compensation	KRW 67 million	
Base payment	KRW 46.5 million	KRW 4.0 million per month (KRW 3.5 million per month until the end of March 2021)
Bonus	-	
Other allowances	KRW 20.5 million	Meeting allowance: KRW 1 million per session for BOD and KRW 0.5 million per session for subcommittee
	-	
2. Other benefits over compensation		
Work activities	None	
Health examination	None	
Vehicle provision	None	
Office	None	
Other benefits	None	

I. Independent director Kwak Su-keun

Items	Amount	Contents of calculation
1. Total amount of compensation	KRW 63.9 million	
Base payment	KRW 36.8 million	KRW 4.0 million per month
Bonus	-	
Other allowances	KRW 22.5 million	Meeting allowance: KRW 1 million per session for BOD and KRW 0.5 million per session for subcommittee
	KRW 4.6 million	Position allowance: KRW 0.5 million per month for the chair of Subcommittee
2. Other benefits over compensation		
Work activities	None	
Health examination	Once	General examination
Vehicle provision	None	
Office	None	
Other benefits	None	

J. Independent director Bae Hoon

Items	Amount	Contents of calculation
1. Total amount of compensation	KRW 51.3 million	
Base payment	KRW 36.8 million	KRW 4.0 million per month
Bonus	-	
Other allowances	KRW 14.5 million	Meeting allowance: KRW 1 million per session for BOD and KRW 0.5 million per session for subcommittee
	-	
2. Other benefits over compensation		
Work activities	None	
Health examination	None	
Vehicle provision	None	
Office	None	
Other benefits	None	

K. Independent director Lee Yong-guk

Items	Amount	Contents of calculation
1. Total amount of compensation	KRW 61.9 million	
Base payment	KRW 36.8 million	KRW 4.0 million per month
Bonus	-	
Other allowances	KRW 20.5 million	Meeting allowance: KRW 1 million per session for BOD and KRW 0.5 million per session for subcommittee
	KRW 4.6 million	Position allowance: KRW 0.5 million per month for the chair of Subcommittee
2. Other benefits over compensation		
Work activities	None	
Health examination	Once	General examination
Vehicle provision	None	
Office	None	
Other benefits	None	

L. Independent director Choi Jae-boong

Items	Amount	Contents of calculation
1. Total amount of compensation	KRW 58.8 million	
Base payment	KRW 36.8 million	KRW 4.0 million per month
Bonus	-	
Other allowances	KRW 22 million	Meeting allowance: KRW 1 million per session for BOD and KRW 0.5 million per session for subcommittee
	-	
2. Other benefits over compensation		
Work activities	None	
Health examination	Once	General examination
Vehicle provision	None	
Office	None	
Other benefits	None	

4. Education and training of independent directors

In order to enhance the expertise of independent directors, provide faithful information on the financial environment, and improve understanding of the business characteristics of the financial holding company and each subsidiary, the Company provided the following education and training.

Name of director	Park Ansoon	Choi Kyong-rok	Lee Yoon-jae	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Kwak Su-keun	Bae Hoon	Lee Yong-guk	Choi Jae-boong
Date of election	Mar. 23, 2017	Mar. 22, 2018	Mar. 27, 2019	Mar. 27, 2019	Mar. 27, 2019	Mar. 27, 2019	Mar. 26, 2020	Mar. 26, 2020	Mar. 25, 2021	Mar. 25, 2021	Mar. 25, 2021	Mar. 25, 2021
2017-1 Date and contents of education and training	- Date and time: May 18, 2017 (1 hour, new independent director orientation) - Contents: Business plan and finance plan of 2017 Information on main matters related to independent director, equity disclosure and fair disclosure training											
Attendance of independent director (reasons for absence)	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2017-2 Date and contents of education and training	- Date and time: May 19, 2017 (3 hours, overseas-residing independent director workshop) - Contents: Status of Shinhan Financial Group, '2020 Project' strategy sharing											
Attendance of independent director (reasons for absence)	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2017-3 Date and contents of education and training	- Date and time: September. 19, 2017 (4 hours, outside seminar) - Contents: Enhancing the understanding level on the stewardship code (APG stewardship forum)											
Attendance of independent director (reasons for absence)	(Not subject)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2017-4 Date and contents of education and training	- Date and time: September 21, 2017 (4 hours, outside seminar) - Contents: Legal system environment for audit organization, Audit Committee, best practice study and others (Samjong KPMG ACI Seminar)											
Attendance of independent director (reasons for absence)	(Not subject)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)

Name of director	Park Ansoon	Choi Kyong-rok	Lee Yoon-jae	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Kwak Su-keun	Bae Hoon	Lee Yong-guk	Choi Jae-boong
Date of election	Mar. 23, 2017	Mar. 22, 2018	Mar. 27, 2019	Mar. 27, 2019	Mar. 27, 2019	Mar. 27, 2019	Mar. 26, 2020	Mar. 26, 2020	Mar. 25, 2021	Mar. 25, 2021	Mar. 25, 2021	Mar. 25, 2021
2017-5 Date and contents of education and training	- Date and time: October 25, 2017 (3 hours, BOD workshop) - Contents: Prospect of economic and financial environment and financial business in 2018 (Shinhan Financial Group Research Center) Establishment of management plan in 2018 and discussion of direction and management plan Focusing around the development plan-4th industrial revolution and response to the VUCA era for financial group (lecturer: professor Ju Hyeongwhan)											
Attendance of independent director (reasons for absence)	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2017-6 Date and contents of education and training	- Date and time: December. 6, 2017 (4 hours, outside seminar) - Contents: Corporate governance, Audit Committee system/ operation/ facilitation plan (Samjong KPMG Audit Committee education program)											
Attendance of independent director (reasons for absence)	(Not subject)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2017-7 Date and contents of education and training	- Date and time: December. 26, 2017 (1 hour, internal education of Risk Management Committee) - Contents: Non-finance/non-measurement risk management											
Attendance of independent director (reasons for absence)	(Not subject)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2018-1 Date and contents of education and training	- Date and time: May 18, 2018 (1 hour, new independent director orientation) - Contents: Business plan and finance plan in 2018, information on main matters related to independent directors, equity disclosure and fair notice training)											
Attendance of independent director (reasons for absence)	(Not subject)	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2018-2 Date and contents of education and training	- Date and time: May 18, 2018 (3 hours, overseas-residing independent director workshop) - Contents: Discussion of cases of status for Shinhan Financial Group, sharing of digital strategy and global pin-deck (Japan, Singapore, etc.)											
Attendance of independent director (reasons for absence)	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2018-3 Date and contents of education and training	- Date and time: June 5, 2018 (2 hours, outside seminar) - Contents: Role of the Audit Committee and advanced corporate governance, main contents of exemplar regulation of operation for the Audit Committee (EY Hanyoung Accounting Firm Seminar)											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2018-4 Date and contents of education and training	- Date and time: June 12, 2018 (3 hours, outside seminar) - Contents: Role and responsibility of the Audit Committee regarding the financial report following the full revision of the Act on External Audit (Samjong KPMG ACI Seminar)											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2018-5 Date and contents of education and training	- Date and time: August 20, 2018 (2 hours, outside seminar) - Contents: Insurance accounting workshop by Korea Accounting Society											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2018-6 Date and contents of education and training	- Date and time: October 17, 2018 (2 hours, BOD workshop) - Contents: Prospect of economy and finance market in 2019 / prospect and main issues for each financial industry (Shinhan Holdings Future Strategy Research Institute, Shinhan Financial Group Research Center) Discussions related to the scheme of establishing the management plan and management scheme in 2019											
Attendance of independent director (reasons for absence)	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)

Activities and Remuneration of Independent Directors

Name of director	Park Ansoon	Choi Kyong-rok	Lee Yoon-jae	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Kwak Su-keun	Bae Hoon	Lee Yong-guk	Choi Jae-boong
Date of election	Mar. 23, 2017	Mar. 22, 2018	Mar. 27, 2019	Mar. 27, 2019	Mar. 27, 2019	Mar. 27, 2019	Mar. 26, 2020	Mar. 26, 2020	Mar. 25, 2021	Mar. 25, 2021	Mar. 25, 2021	Mar. 25, 2021
2018-7 Date and contents of education and training	- Date and time: May 18, 2017 (1 hour, new independent director orientation) - Contents: Business plan and finance plan of 2017 Information on main matters related to independent director, equity disclosure and fair disclosure training											
Attendance of independent director (reasons for absence)	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2018-8 Date and contents of education and training	- Date and time: May 19, 2017 (3 hours, overseas-residing independent director workshop) - Contents: Status of Shinhan Financial Group, '2020 Project' strategy sharing											
Attendance of independent director (reasons for absence)	Absence	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2018-9 Date and contents of education and training	- Date and time: September. 19, 2017 (4 hours, outside seminar) - Contents: Enhancing the understanding level on the stewardship code (APG stewardship forum)											
Attendance of independent director (reasons for absence)	(Not subject)	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2018-10 Date and contents of education and training	- Date and time: September 21, 2017 (4 hours, outside seminar) - Contents: Legal system environment for audit organization, Audit Committee, best practice study and others (Samjong KPMG ACI Seminar)											
Attendance of independent director (reasons for absence)	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2018-11 Date and contents of education and training	- Date and time: October 25, 2016 (3 hours, BOD workshop) - Contents: Prospect of economy and financial environment in 2017 (lecturer: Shin Sung-hwan, president of Korea Financial Institute) Prospect and implication for each domestic Group business sector in 2017 Report of direction to establish the management plan in 2017 / discussion related to management plan											
Attendance of independent director (reasons for absence)	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2019-1 Date and contents of education and training	- Date and time: May 18, 2017 (1 hour, new independent director orientation) - Contents: Business plan and finance plan of 2017 Information on main matters related to independent director, equity disclosure and fair disclosure training											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	Attended	Attended	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2019-2 Date and contents of education and training	- Date and time: May 19, 2017 (3 hours, overseas-residing independent director workshop) - Contents: Status of Shinhan Financial Group, '2020 Project' strategy sharing											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	(Not subject)	(Not subject)	(Not subject)	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2019-3 Date and contents of education and training	- Date and time: September. 19, 2017 (4 hours, outside seminar) - Contents: Enhancing the understanding level on the stewardship code (APG stewardship forum)											
Attendance of independent director (reasons for absence)	Absence	Attended	Attended	Absence	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2019-4 Date and contents of education and training	- Date and time: September 21, 2017 (4 hours, outside seminar) - Contents: Legal system environment for audit organization, Audit Committee, best practice study and others (Samjong KPMG ACI Seminar)											
Attendance of independent director (reasons for absence)	Attended	Attended	Attended	Attended	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)

Name of director	Park Ansoon	Choi Kyong-rok	Lee Yoon-jae	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Kwak Su-keun	Bae Hoon	Lee Yong-guk	Choi Jae-boong
Date of election	Mar. 23, 2017	Mar. 22, 2018	Mar. 27, 2019	Mar. 27, 2019	Mar. 27, 2019	Mar. 27, 2019	Mar. 26, 2020	Mar. 26, 2020	Mar. 25, 2021	Mar. 25, 2021	Mar. 25, 2021	Mar. 25, 2021
2019-5 Date and contents of education and training	- Date and time: October 31, 2019 (1 hour, Audit Committee Member Recommendation Committee, internal education) - Contents: Evaluation of internal accounting management system and exemplary regulatory education (Accounting Firm of Jungin, Executive Director Wi Seol-hyang)											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	Attended	(Not subject)	(Not subject)	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2019-6 Date and contents of education and training	- Date and time: November. 14, 2019 (1 hour, internal education of Risk Management Committee) - Contents: Influence level and response roadmap for the group following the Bazel 3 Regulatory Reform											
Attendance of independent director (reasons for absence)	(Not subject)	Attended	(Not subject)	Attended	Attended	(Not subject)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2019-7 Date and contents of education and training	- Date and time: December. 13, 2019 (1 hour, internal education of Risk Management Committee) - Contents: Understanding of credit risk											
Attendance of independent director (reasons for absence)	(Not subject)	Attended	(Not subject)	Attended	Attended	(Not subject)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2020-1 Date and contents of education and training	- Date and time: January 21, 2020 (1 hour, compliance training) - Contents: Anti-money laundering education for independent directors											
Attendance of independent director (reasons for absence)	Attended	Attended	Attended	Attended	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2020-2 Date and contents of education and training	- Date and time: April 23, 2020 (3 hours, new independent director orientation) - Contents: 2020 business plan and finance planning, information on main matters related to independent directors, equity notice and fair notice training											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	(Not subject)	(Not subject)	(Not subject)	(Not subject)	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2020-3 Date and contents of education and training	- Date and time: May 20, 2020 (1 hour, audit team) - Contents: Internal accounting management system education for audit committee members											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	Attended	(Not subject)	(Not subject)	Attended	(Not subject)	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2020-4 Date and contents of education and training	- Date and time: July 24, 2020 (3 hours, outside seminar) - Contents: 6th Samjong KPMG Audit Committee Institute (Samjong KPMG)											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	Attended	(Not subject)	(Not subject)	Attended	(Not subject)	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2020-5 Date and contents of education and training	- Date and time: September 2, 2020 (4 hours, Corporate Social Responsibility Committee workshop) - Contents: Trends in Climate Change (TCFD) (UNEP FI Korea Representative Lee Dong-wong) Global ESG trends and response strategies with stakeholders (MORROW SODALI)											
Attendance of independent director (reasons for absence)	(Not subject)	Attended	Attended	Attended	(Not subject)	(Not subject)	(Not subject)	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2020-6 Date and contents of education and training	- Date and time: October 6, 2020 (3 hours, BOD workshop) - Contents: "Presentation on the economic outlook for 2021 (Director Kunhyuk Lee, Future Strategy Research Institute) "Measures to improve stock price flow and valuation (Credit Suisse)											
Attendance of independent director (reasons for absence)	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)

Activities and Remuneration of Independent Directors

Name of director	Park Ansoon	Choi Kyong-rok	Lee Yoon-jae	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Kwak Su-keun	Bae Hoon	Lee Yong-guk	Choi Jae-boong
Date of election	Mar. 23, 2017	Mar. 22, 2018	Mar. 27, 2019	Mar. 27, 2019	Mar. 27, 2019	Mar. 27, 2019	Mar. 26, 2020	Mar. 26, 2020	Mar. 25, 2021	Mar. 25, 2021	Mar. 25, 2021	Mar. 25, 2021
2020-7 Date and contents of education and training	- Date and time: November 12, 2020 (1 hours, ESG training) - Contents: Strategic utilization of sustainable management and ESG (Professor Jaehyuk Lee, Business School, Korea University)											
Attendance of independent director (reasons for absence)	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2020-8 Date and contents of education and training	- Date and time: November 12, 2020 (1 hours, internal education of the Risk Management Committee) - Contents: 'Market risk-weighted assets (RWA) calculation and Basel 3 market risk (FRTB)'											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	(Not subject)	Attended	Attended	(Not subject)	(Not subject)	(Not subject)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2020-9 Date and contents of education and training	- Date and time: November 13, 2020 (1 hour, compliance training) - Contents: Anti-money laundering education (CEO Lee Chang-joo, Able Consulting)											
Attendance of independent director (reasons for absence)	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2020-10 Date and contents of education and training	- Date and time: December 10, 2020 (1 hours, internal education of the Risk Management Committee) - Contents: ESG risk management (Risk Management Team, Deputy Chief Kim Soo-hyuk)											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	(Not subject)	Attended	Attended	(Not subject)	(Not subject)	(Not subject)	(Before inauguration)	(Before inauguration)	(Before inauguration)	(Before inauguration)
2021-1 Date and contents of education and training	- Date and time: April 20, 2021 (4 hours, new independent director orientation) - Contents: 2021 business plan and finance planning, information on main matters related to independent directors, equity notice and fair notice training											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	(Not subject)	(Not subject)	(Not subject)	(Not subject)	(Not subject)	(Not subject)	Attended	Attended	Attended	Attended
2021-2 Date and contents of education and training	- Date and time: May 13, 2021 (1 hour, Seobon Accounting Firm, Internal accounting management system education) - Contents: Introduction and implications of the consolidated internal accounting system, the role of the Audit Committee, etc.											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	Attended	(Not subject)	(Not subject)	Attended	(Not subject)	Attended	Attended	(Not subject)	(Not subject)	(Not subject)
2021-3 Date and contents of education and training	- Date and time: May 14, 2021 (2 hour, directors'conference 1) - Contents: Discussion of improvement and expansion in the Board operation method, etc.											
Attendance of independent director (reasons for absence)	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
2021-4 Date and contents of education and training	- Date and time: July 22, 2021 (3 hour, Samjong KPMG ACI Seminar) - Contents: A case study of Audit Committee activities through video drama											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	Attended	(Not subject)	(Not subject)	Attended	(Not subject)	Attended	Attended	(Not subject)	(Not subject)	(Not subject)
2021-5 Date and contents of education and training	- Date and time: August 12, 2021 (1 hour, Anjin Accounting Firm, IFRS education) - Contents: Understanding of IFRS 17 and impact of adoption thereof, etc.											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	Attended	(Not subject)	(Not subject)	Attended	(Not subject)	Attended	Attended	(Not subject)	(Not subject)	(Not subject)

Name of director	Park Ansoon	Choi Kyong-rok	Lee Yoon-jae	Byeon Yang-ho	Huh Yong-hak	Sung Jae-ho	Jin Hyun-duk	Yoon Jaewon	Kwak Su-keun	Bae Hoon	Lee Yong-guk	Choi Jae-boong
Date of election	Mar. 23, 2017	Mar. 22, 2018	Mar. 27, 2019	Mar. 27, 2019	Mar. 27, 2019	Mar. 27, 2019	Mar. 26, 2020	Mar. 26, 2020	Mar. 25, 2021	Mar. 25, 2021	Mar. 25, 2021	Mar. 25, 2021
2021-6 Date and contents of education and training	- Date and time: August 13, 2021 (2 hour, directors'conference 2) - Contents: Discussion of sending letters to investors, etc.:											
Attendance of independent director (reasons for absence)	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
2021-7 Date and contents of education and training	- Date and time: October 5, 2021 (2 hour, directors'conference 3) - Contents: Review of the Group's digital strategy and discussion of the direction of its improvement, etc.											
Attendance of independent director (reasons for absence)	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
2021-8 Date and contents of education and training	- Date and time: October 5, 2021 (9 hours, BOD workshop) - Contents: Discussion of the economic/financial market outlook and core management agenda for 2022											
Attendance of independent director (reasons for absence)	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
2021-9 Date and contents of education and training	- Date and time: November 18, 2021 (1 hour, compliance training) - Contents: Current status of the domestic anti-money laundering system, and education on virtual assets (Lee Chang-joo, Able Consulting)											
Attendance of independent director (reasons for absence)	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
2021-10 Date and contents of education and training	- Date and time: November 18, 2021 (1 hours, education of the Risk Management Committee) - Contents: Measurement and management of financed emission for management of climate change risk											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	(Not subject)	Attended	Attended	(Not subject)	(Not subject)	(Not subject)	(Not subject)	(Not subject)	Attended	Attended
2021-11 Date and contents of education and training	- Date and time: November 18, 2021 (2 hour, directors'conference 4) - Contents: Report of investor meeting results, discussion of reinforcement of ethical compliance management, etc.											
Attendance of independent director (reasons for absence)	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
2021-12 Date and contents of education and training	- Date and time: December 9, 2021 (1 hours, education of the Risk Management Committee) - Contents: Understanding of Basel III liquidity risk											
Attendance of independent director (reasons for absence)	(Not subject)	(Not subject)	(Not subject)	Attended	Attended	(Not subject)	(Not subject)	(Not subject)	(Not subject)	(Not subject)	Attended	Attended
2021-13 Date and contents of education and training	- Date and time: December 16, 2021 (2 hour, directors'conference 5) - Contents: Discussion of Shinhan Financial Group's operation improvement tasks and its digital-related issues											
Attendance of independent director (reasons for absence)	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended

5. Evaluation of independent directors

A. Overview of evaluation

The Company's independent directors have a 2-year initial term of office and 1-year terms of office thereafter. Recommendations for independent director candidates for re-election reflect the result of annual independent director evaluations (Article 24, Paragraph 4 of the Internal Code of Corporate Governance, Article 10, Paragraphs 3 and 7 of the Independent Director & Audit Committee Member Recommendation Committee Regulation). Currently, the Board conducts

internal evaluation based on the evaluation method resolved by the Board and contracts a third-party firm to handle evaluation to ensure fairness in the evaluation and anonymity of the evaluator. The 2nd temporary meeting of the Board of 2015 (February 24, 2015) revised various regulations related to corporate governance, thus laying the foundation for seeking a specialized independent institution's assessment of the criteria for internal evaluation of independent directors and introducing external evaluation of independent directors as specified in the Model Corporate Governance.

B. Internal evaluation

(1) Overview

(A) Evaluator:

The Board conducts evaluation of independent directors' activities of the previous year early in the following year.

(B) Criteria of evaluation:

At the 2nd temporary meeting of the Board (March 24, 2010), the Board resolved the "Evaluation method for the independent director system" thus establishing the internal evaluation system for independent directors for the first time.

The 4th temporary meeting of the Board (April 7, 2011) passed a resolution on the "matter of method of performance evaluation of independent directors," partially revising the evaluation method. The 2nd temporary meeting of the Board (February 24, 2015) passed the resolution, restructuring evaluation indexes into four items of expertise, fair judgment, integrity, and a strong work ethics—the positive qualifications for independent directors under the former Model Corporate Governance—and 12 sub-indexes thereof, thereby building a system serving the purpose of Model Corporate Governance. At the 11th temporary meeting (December 17, 2020), the Board passed a resolution on the 'matter of supplementing the evaluation criteria for independent directors' based on consulting by an external professional evaluation agency. The Board supplemented the evaluation indicators to practically evaluate the activities and efforts of independent directors by reflecting the expanded scope and level of independent directors' duties.

The "2020 independent director evaluation" was conducted in January of 2021. To take into account the evaluation results in the case of independent directors standing for re-election, the results of the independent director evaluations were reported at the 1st Independent Director Recommendation Committee meeting (February 5, 2021).

Here, the evaluation consists of self-evaluation (evaluation by the evaluatee), evaluation by the Board (evaluation by all independent directors other than the evaluatee), and evaluation by employees. The evaluation indexes consist of expertise, fair judgment, integrity, and a strong work ethics, and 12 sub-indexes thereof. In addition, comprehensive opinions on individual independent directors are prepared, thus integrating qualitative evaluation elements.

(C) Procedure of evaluation:

The evaluations of independent directors are conducted by survey through mail.

(D) Device for enhancing objectivity in evaluation:

To enhance objectivity and transparency of the evaluator, evaluation criteria, evaluation method, etc., the Board contracts a third-party firm to handle the entire process of independent director evaluation. The 2nd temporary meeting of the Board of 2015 (February 24, 2015) revised various regulations related to corporate governance, thus laying the foundation for seeking a specialized independent institution's assessment of the internal evaluation criteria for independent directors' performance.

(2) Result of internal evaluation

(1) Overview

The "2021 independent director evaluation" can be divided into self-evaluation (evaluation by the evaluatee), evaluation by the Board (evaluation by all independent directors other than the evaluatee), and evaluation by employees.

The evaluation results, as of end of 2021, revealed all 12 independent directors are passed the expected level of competence of independent directors. Among the candidates for independent directors standing for re-election as of the 21th general meeting of shareholders (March of 2022), 7 were shown to have outstanding capacity as independent directors and were recommended for re-election.

The averages, across the evaluation items (expertise, fair judgment, integrity, and strong work ethics), also showed a level of effectiveness greater than expected of independent directors.

As for common supplementation, there was an opinion that efforts to improve multilateral capabilities to cope with the rapidly changing business environment are needed, and that it is necessary to actively express opinions and actively participate in discussions in various fields besides each member's field of expertise. In addition, notwithstanding the peculiarity that mutual clear communication is restricted since all meetings are conducted as video conferences due to COVID-19, there was a minority view that soft expression of opinions from a macroscopic and rational perspective is necessary by excluding preconceived notions on specific agendas.

(2) Evaluations of individual independent directors

- Lee Yoon-jae

- ① Expertise: Demonstrate top-level strength as independent director
- ② Fair judgment: Demonstrate top-level strength as independent director
- ③ Integrity: Demonstrate top-level strength as independent director
- ④ Strong work ethics: Demonstrate top-level strength as independent director
- ⑤ Overall

Director Lee Yoon-jae has a wide range of knowledge that encompasses public and private sectors based on his long-term public service at government agencies related to finance and experience as independent directors at various companies. He has an excellent understanding of the industry as a whole, contributing to the business and development of the Group by presenting balanced opinions so that the management's decision-making does not lean toward a specific point of view. He provided a comprehensive review and constructive opinion on the Group's governance based on a high level of ethical awareness and a variety of expertise in finance and economics. In addition, he presented a clear philosophy and vision for the social role of finance as chairman of the Board and activated "directors' meetings" (an autonomous body of meeting for free discussion centered on independent directors separated from the official Board), thus encouraging free communication among independent directors so that the Board could operate more efficiently. He attended all schedules of the Board and subcommittees, devoted a lot of time to training, and actively participated in meetings with investors to inform them of the independent and active Board, ESG and governance of the Company, thus being evaluated to have faithfully done his job as an independent director.

- Park Ansoon

- ① Expertise: Demonstrate top-level strength as independent director
- ② Fair judgment: Demonstrate top-level strength as independent director
- ③ Integrity: Demonstrate a level of strength greater than expected of independent directors
- ④ Strong work ethics: Demonstrate top-level strength as independent director
- ⑤ Overall

Director Park Ansoon presented reasonable opinions on major management issues based on the insights and problem-solving skills he gained while serving as a business manager for a long time, and offered various opinions for the sustainable growth of the Group based on a deep understanding of the history and culture of Shinhan Financial Group. In addition, he performed his duties fairly as he had a good understanding of governance, operation and roles of the Board and recognized

the importance of the Board's independence based on his experience of running a company and serving as a credit union auditor for a long time. In particular, as an independent director, he took an extraordinary interest in enhancing stock prices and shareholder value and expressed constructive opinions at the Board meetings to revitalize the atmosphere, providing sincere management advice to the Company and management. In addition, in a situation where it was difficult to move between countries due to COVID-19, he attended the entire meeting schedules through video conference, etc., and when important decisions of the Group were made, took the inconvenience of long-term self-quarantine accompanying the travel and attended Board meetings in person several times, thus being evaluated to have faithfully performed the duties of an independent director.

- Choi Kyong-rok

- ① Expertise: Demonstrate top-level strength as independent director
- ② Fair judgment: Demonstrate a level of strength greater than expected of independent directors
- ③ Integrity: Demonstrate a level of strength greater than expected of independent directors
- ④ Strong work ethics: Demonstrate top-level strength as independent director
- ⑤ Overall

As a professional manager with expertise in the information technology sector, Director Choi Kyong-rok contributed to the operation of the Board and supervision of the management environment by presenting realistic issue-raising and analytical alternatives in major management issues of the Company based on deep knowledge and rich experience in the overall management. He performed the duties of the Company's independent directors fairly, not bound by shareholders and members of the Board, and presented objective opinions for the benefit of all stakeholders. In particular, he played a responsible role as an independent director based on his field of specialty, including actively consulting on the Company's reinforcement of digital strategy and direction of ESG, and sharing the Group vision in a large framework. In addition, faced with the difficulty of cross-border movement due to COVID-19 this year, he faithfully served as independent director by actively utilizing digital devices and conference calls to participate in the Board and subcommittee meetings and various related training programs, and served as some kind of catalyst for active use of the non-face-to-face video conferencing system in various meetings within the Group including the Board meetings.

- Byeon Yang-ho

- ① Expertise: Demonstrate top-level strength as independent director
- ② Fair judgment: Demonstrate top-level strength as independent director
- ③ Integrity: Demonstrate top-level strength as independent director
- ④ Strong work ethics: Demonstrate top-level strength as independent director
- ⑤ Overall

Director Byeon Yang-ho has been working in government agencies and private financial institutions for a long time, and based on his highly cultivated expertise and keen insight, he has contributed greatly to the establishment of the Board's constructive discussion environment by actively expressing reasonable and trustworthy opinions at Board meetings. In addition, he pursued the long-term development of the Group by examining the management's business policies and execution in detail with information gathering and detailed analysis using his wide network of public and private sectors, and faithfully performed a management advisory role. He performed his duties fairly, showing an independence that prioritizes the interests of all stakeholders, including shareholders and financial consumers. In particular, as an independent director, he actively expressed opinions at the Board meetings of the direction and vision of the Company concerning governance, as well as requesting enhancement of the digital transformation and IB sector (the Company's main task for this year), faithfully implementing supervision of management in addition to strategic decision-making of the Group and also greatly contributing to the implementation of differentiated risk management policies by continuously presenting opinions for reinforced household loan risk management under the COVID-19 situation. He not only attended the entire Board and subcommittee schedules but also activated discussions by actively expressing opinions at the Board meetings, thus being evaluated to have faithfully performed the duties of an independent director.

- Sung Jae-ho

- ① Expertise: Demonstrate top-level strength as independent director
- ② Fair judgment: Demonstrate top-level strength as independent director
- ③ Integrity: Demonstrate top-level strength as independent director
- ④ Strong work ethics: Demonstrate top-level strength as independent director
- ⑤ Overall

Director Sung Jae-ho is a professor of international law, possessing high expertise and knowledge in law, and performed duties fairly with an objective perspective and a sense of balance in everything based on “compliance management”, thus greatly contributing to maintaining a sound and rational governance system and building a transparent management environment. He promoted smooth proceedings of the Board based on his sociable and gentle personality. In particular, he not only provided effective legal advice for the Company's overall management strategy, but also sharply reviewing the issues and presenting logical views as a legal expert in concluding major contracts and making and revising regulations, thus contributing to efficient operation of the Board. In addition, he has a background as an independent director of Shinhan Card (our main subsidiary), so he has high understanding of the Group's vision, growth path, and corporate culture, and presented various opinions for the succession and development of the Company's founding spirit. He attended all schedules of the Board and subcommittees and actively participated in meetings with investors to inform them of the independent and active Board, ESG and governance of the Company, thus being evaluated to have done his job as an independent director.

- Huh Yong-hak

- ① Expertise: Demonstrate top-level strength as independent director
- ② Fair judgment: Demonstrate top-level strength as independent director
- ③ Integrity: Demonstrate top-level strength as independent director
- ④ Strong work ethics: Demonstrate top-level strength as independent director
- ⑤ Overall

As top expert in the global IB field, Director Huh Yong-hak greatly contributed to establishing the Group's rational M&A strategy and efficient management environment by actively presenting opinions on the Group's business risk management and faithfully serving as an advisor on global investment and capital market expansion policies. In particular, using his experience as an executive at a leading global financial company and his networking, he contributed to the successful completion of the Company's important acquisitions. In addition, he made it possible to respond promptly to various macroeconomic scenarios and offered constructive opinions on risk management in consideration of capital efficiency and profitability. Also, he presented strategic direction for the Group's digital, alternative investment business, and capital market revitalization by utilizing a wealth of information and knowledge of overall financial industry trends. He actively performed the management advisory role as an independent director. In particular, despite many restrictions on cross-border movement due to COVID-19 this year, he endured the inconvenience of long-term self-quarantine accompanying the travel and attended meetings, participating all Board and subcommittee schedules based on firm conviction and enthusiasm. In addition, he actively participated in meetings with investors and delivered information on the independent/active activities of the Company's Board, ESG, and governance, thus being evaluated to have faithfully done his job as an independent director.

- Yoon Jaewon

- ① Expertise: Demonstrate top-level strength as independent director
- ② Fair judgment: Demonstrate top-level strength as independent director
- ③ Integrity: Demonstrate top-level strength as independent director
- ④ Strong work ethics: Demonstrate top-level strength as independent director
- ⑤ Overall

An expert in the field of accounting and tax, Director Yoon Jaewon contributed to the advancement of the Group's internal control system and accounting system. As the only female independent director on the Board, she proactively responded to various accounting issues by actively communicating with the Company's management and the external auditor with her unique gentle leadership and full sense of responsibility. As chairman of the Audit Committee, he clearly recognized the role of the committee, demanded a preemptive response to major issues of the Company and Group companies, and induced rational decision-making by the management by presenting opinions from the perspective of all shareholders and customers. He actively communicated with external auditors to enhance the transparency of financial reporting and ordered the strengthening of internal controls to protect financial consumers. In addition, she quickly grasped the latest global trends related to the Company's sustainable management, presented leading directions and tasks, and also suggested challenging goals and detailed action plans to support sincere ESG promotion. Director Yoon Jaewon participated in the schedule of the entire Board and subcommittees held this year and attended various educational training programs, thus being evaluated as faithfully fulfilling her responsibilities as an independent director.

- Jin Hyun-duk

- ① Expertise: Demonstrate a level of strength greater than expected of independent directors
- ② Fair judgment: Demonstrate a level of strength greater than expected of independent directors
- ③ Integrity: Demonstrate a level of strength greater than expected of independent directors
- ④ Strong work ethics: Demonstrate a level of strength greater than expected of independent directors
- ⑤ Overall

Based on the insights and problem-solving skills gained from running a business for a long time as a professional manager, and the management theory he established as a business management professor, Director Jin Hyun-duk shared, with the Board, management strategies and the latest best practices of global companies in relation to the Group's major agendas. In particular, rather than being absorbed in short-term profits and goals, he emphasized the role of future-oriented finance by breaking the framework of the existing financial industry, for sustainable management based on firm corporate management philosophy and suggested that the Group's mid- to long-term strategy requires bold support for new fields. In addition, he had a sense of calling about the social responsibility of individuals and companies, such as concurrently conducting educational foundation activities as well as teaching at universities as visiting professors, and performed his duties objectively and fairly for the benefit of various stakeholders, regardless of specific interest groups. In 2020, despite many difficulties in attending meetings due to restrictions on cross-border movement resulting from COVID-19, he attended the entire schedule of the Board and subcommittee meetings through video and audio conferences, and generously shared various knowledge and experiences acquired as an educator and researcher as well as an executive, thus being evaluated as contributing to strengthening the diversity of the Board.

- Kwak Su-keun

- ① Expertise: Demonstrate top-level strength as independent director
- ② Fair judgment: Demonstrate top-level strength as independent director
- ③ Integrity: Demonstrate top-level strength as independent director
- ④ Strong work ethics: Demonstrate top-level strength as independent director
- ⑤ Overall

As one of Korea's top scholars in the field of accounting and management, Director Kwak Su-keun is well-versed in financial accounting and taxation, greatly contributed to the establishment of the Group's sustainable business environment based on his high-level professional knowledge and his expertise on the latest domestic and international governance trends and ESG, and maintained a balance within the Board and expressed logical opinions and drew reasonable conclusions based on his rich experience of serving as an independent director at various companies for a long time, significantly contributing to the overall management of the Group. In particular, as a member of the Audit Committee, he clearly recognized the committee's role, actively communicated with external auditors to enhance the transparency of financial information, and induced

rational decision-making by management by presenting fair opinions from the perspective of all shareholders and financial consumers, thus promoting sound management and development of the Company. In addition, with a wealth of expertise not only in accounting but also in finance, he provided constructive and effective opinions, elicited opinions from those around him, and promoted harmony between members of the Board, acting with a strong sense of responsibility. He attended all Board and subcommittee schedules, faithfully reviewed agenda items, and served as a bridge between the Company and investors, thus being evaluated to have faithfully done the job as an independent director.

- Bae Hoon

- ① Expertise: Demonstrate a level of strength greater than expected of independent directors
- ② Fair judgment: Demonstrate a level of strength greater than expected of independent directors
- ③ Integrity: Demonstrate a level of strength greater than expected of independent directors
- ④ Strong work ethics: Demonstrate a level of strength greater than expected of independent directors
- ⑤ Overall

Director Bae Hoon is a Korean-national attorney residing in Japan (Zainichi Korean attorney) specializing in advising corporations in connection with Korea-Japan relations and an assistant certified public accountant in Japan with a master's degree in business management. He presented professional opinions on sound finance and corporate social responsibility based on his expertise in various fields such as corporate debt collection and rehabilitation. In particular, he reviewed legal issues and detailed provisions in the Group's major business affairs, contributing to the management of the Group based on his outstanding expertise. In addition, he attended the entire Board and subcommittee schedules through video and audio conferences despite many difficulties in attending the meetings due to restrictions on movement between countries due to COVID-19 this year, and performed his duties fairly without biasing the interests of one party based on rational judgment and excellent sense of balance he acquired while serving as an attorney for a long time, thus being evaluated to have promoted sound and transparent management and faithfully carried out his job as an independent director.

- Lee Yong-guk

- ① Expertise: Demonstrate a level of strength greater than expected of independent directors
- ② Fair judgment: Demonstrate top-level strength as independent director
- ③ Integrity: Demonstrate top-level strength as independent director
- ④ Strong work ethics: Demonstrate top-level strength as independent director
- ⑤ Overall

Director Lee Yong-guk, working as an attorney specializing in the capital market at a large global law firm, is well versed in the international finance, securities issuance and M&A fields, presented opinions based on reasonable and accurate judgment in every case, and actively participated in the Group's M&A and globalization discussions, contributing to the development of the Group. In particular, he actively listened to various opinions for the benefit of shareholders and all stakeholders, approached issues carefully, did not lose fairness and objectivity in all discussions, and supervised technical fields such as risk management, etc., promoting sound management of the Company. In addition, he participated in all Board and subcommittee schedules and faithfully reviewed the agenda items, provided excellent insight into the Group's liquidity stress test, the establishment of the recovery and resolution plan, and direction of ESG risk management provided advice on various management issues, and expressed effective opinions to the Group based on his rich experience as an attorney, thus being evaluated to have faithfully done his job as an independent director.

- Choi Jae-boong

- ① Expertise: Demonstrate top-level strength as independent director
- ② Fair judgment: Demonstrate top-level strength as independent director
- ③ Integrity: Demonstrate top-level strength as independent director

④ Strong work ethics: Demonstrate top-level strength as independent director

⑤ Overall

Director Choi Jae-boong has sufficient experience and knowledge in the IT-related fields as he has served as an engineering professor for a long time and actively participated in ICT-related industry-university cooperation activities and government-led innovation projects, and provided effective management advice in addition to presenting strategic digital-related directions and visions. In particular, he shared the business directions of digital platform companies at the Board based on his rich insight into the digital transformation and the trends of MZ generation and explored with the management a strategy to expand daily contact points between the Company and financial consumers. In addition, he not only attended all Board and subcommittee schedules but also played a major role in carrying out the Group's project for risk data mart construction by giving his opinions on the importance of data-based risk management, thus being evaluated to have continuously provided insights on the expansion of the risk management field and contributed to the development of the Group.

C. External evaluation

Currently, the Company does not conduct external evaluation of independent directors.

At the 2nd temporary meeting of the Board of 2015 (February 24 of 2015), a provision for external evaluation was included in the Company's internal regulations, and the agenda "Determination of the method of independent director evaluation" was submitted there. At the meeting, the Board resolved to review whether to introduce "Outside advising or consulting on the criteria for internal evaluation of independent directors" and "External evaluation of independent directors" if they deem it necessary in the future.

6. Status of Subscription in Officer Compensation Liability Insurance

The Company has subscribed to employee liability compensation insurance on the independent directors of the Company and following 16 subsidiary companies.

(Shinhan Bank, Shinhan Card, Shinhan Investment Corp., Shinhan Life, Shinhan Capital, Shinhan Asset Management, Jeju Bank, Shinhan Savings Bank, Asia Trust, Shinhan DS, Shinhan AITAS, Shinhan Credit Information, Shinhan Alternative Investment Management, Shinhan REITs, Shinhan AI, Shinhan Venture Investment)

The terms and conditions of the insurance contract are shown as follows.

A. Loss for main compensation

- (1) **Directors and Officers Liability:** Reimbursement of damage compensation and litigation costs paid by the applicable executive officer when a shareholder or a third party (employee, consumer, competing company or others) against certain executive officer due to a wrongful act of an executive officer. The wrongful act includes the cases of breach of duty as an executive officer, neglect, negligence, omission, false statement, act to cause inappropriate decision, or causing any claim for compensation based on wrongful act (the scope of security is subject to differ depending on the general terms and conditions or conditions of contract).
- (2) **Company reimbursement to executive officer:** With respect to the above claim for compensation, the loss to the Company arising from the Company compensating the damage responsibility is reimbursed in accordance with the provisions of laws or Articles of Incorporation.

B. Loss without main compensation

- (1) Any claim for damage compensation arising from an intentionally fraudulent act, neglect of obligation, or intentional violation of law of executive
- (2) Claim for damage compensation brought by majority shareholder or controlling shareholder
- (3) Claim for damage compensation against profit gained from share purchase by using inside information

- (4) Claim for damage compensation for an intentional act involving illegal activity
- (5) Claim for damage compensation from any act irrelevant to the work performance of an executive officer
- (6) Claim for damage compensation against an executive officer who acquired private profit or benefit by illegal activity
- (7) Claim for damage compensation for property damage or physical interference of other people
- (8) Penalty and punitive damage
- (9) Claim for damage compensation from the specialized work performance

C. Insurance period: April 2021 ~ March 2022

D. Compensation limit: Total compensation limit for Group: KRW 50 Billion (Per claim/ for each subsidiary companies)

E. Area of security: Entire world including North America

However, reflecting the intention to ensure responsible decision-making by independent directors of the Company and its subsidiaries, the independent directors' officer liability insurance stipulates that the independent director's deductible is 20% up to a maximum of 100 million won. (In our case, as stated in Article 29 (6) of the Internal Code of Corporate Governance)

The above-referenced contents are maintained with the executive officer liability insurance by inserting special covenants to the executive officer liability insurance.

[Specific Covenants]

Newly established specific covenants following the Internal Code of Corporate Governance: For the independent directors of the insured companies, the independent payment amount shall be 20% of the compensation liability amount within the scope of up to KRW 100 million.

7. Contents of activities for senior independent director and support department

A. Contents of senior independent director activities

The Company elects the chair of the Board from the independent directors. Therefore, the chair of the Board (current chairman: Lee Yoon-jae) represents the independent directors in that it does not elect any new independent directors separately.

B. Contents of independent director and support department activities

The Company is in charge of independent director-related works and it operates the Board of Directors Secretariat that supports the works required for performing the role and responsibility of the independent directors.

Under the jurisdiction of the Head of Board of Directors Secretariat, two responsible staff members carry out the following works in accordance with the roles specified under Article 32, Paragraphs 2 and 3 of the Internal Code of Corporate Governance.

- (1) Support of practical affairs for convening and proceeding BOD meetings, etc.
- (2) Record maintenance of meetings' materials and minutes, etc.
- (3) Support for establishment of annual operation plan of BOD, etc.
- (4) Support on report, provision and forwarding of management information, etc. of the Company and subsidiary companies regarding independent directors
- (5) Support on matters as required for the work of independent director

- (6) Development/introduction and practical affair support of director training program
- (7) Implementing training on duty performance of new senior director
- (8) Support on compliance with various laws and regulations of BOD and directors
- (9) Support on Article 30 BOD (including a Committee in BOD) of the Internal Code of Corporate Governance and of evaluation work on Article 8
- (10) Disposition of instruction for other BOD and others

8. Contents of contract between the Company and an institution where independent director belongs

The Company and subsidiary companies have no contents of entering into any separate contract except the regular transactions following the general terms and conditions for ordinary financial transactions and institutions for independent directors

9. Contents of support for contribution, etc.

Name of independent director	Non-profit organizations receiving donation		Financial company to donate	Contents of donation	
	Name of corporation, etc.	Relationship with independent director		Period	Amount
Park Ansoon	Korean Residents Union in Japan	Executive	SBJ Bank	Dec. 2019	JPY 1 million
				Dec. 2020	JPY 1 million
Yoon Jaewon	Hongik University (an educational foundation)	School where the director teaches (as a professor of business administration)	Shinhan Bank ¹⁾	Jan. 2020	KRW 1.4 billion
				Jan. 2021	KRW 1.4 billion
Lee Yong-guk	Seoul National University Development Foundation	School where the director teaches (Clinical Professor, School of Law)	Shinhan Bank	Jul. 2019	KRW 30 million
				Aug. 2020	KRW 30 million
	Seoul National University		Shinhan Bank ²⁾	Apr. 2020	KRW 0.4 billion

Note1) Contribution payment in accordance with the Hongik University Main Bank Agreement → As a donation for business purposes, it is not subject to disclosure

- Agreement period of 10 years (Jan 2018 – Jan 2028), the total contribution of 15 billion Won (regular development fund 12 billion Won + Mallipo training center rent of 3 billion Won)
- Method of paying periodic development fund: 200 million Won in 2018 / 1.1 billion Won in 2019 – 2026 / 1 billion Won in 2027 / 2 billion Won upon special request (1.43 billion Won in November 2018)
- Mallipo Training Center rental fee of 300 million Won every year from 2018 to 2028: Ordinary rent level and is not subject to financial benefits

2) Operating (2008 – 2028) as a free rental by taking donations without a master service agreement.

As the deposit ratio is adjusted according to the ratio of the development fund contributed by the participating banks (Shinhan, Woori, Nonghyup), the development fund is contributed to preventing deposit withdrawal.

The Company has regularly paid donations or made contributions under the main bank agreement to non-profit corporations to which independent directors belong. It was confirmed that there was no change in the amount of donation and payment timing before and after the relevant independent directors' appointment as officers of the non-profit corporation and before and after their appointment as independent directors of the Company, and that the details of donations over the past two years reported to the Board showed no conflict of interest.

10. Contents of electing independent directors in the past 5 years

Name	Date of initial election	End of term	Period in office	Committee in charge	Title	Career
Park Ansoon	March 23, 2017	General Meeting of Shareholders (March 2022)	57 months	· Subsidiary Management Committee	-	· Chairman, Taisei Trade Co., Ltd. (2010 - current) · Chairman, the Korean Residents Union in Japan (2018 - current)
Choi Kyong-rok	March 22, 2018	General Meeting of Shareholders (March 2022)	45 months	· Independent Director & Audit Committee · Member Recommendation Committee · CEO Recommendation Committee	-	· Research Associate, Information Technology Center at Keio University (1997 - 2001) · CEO, CYS Corporation (2004 - current)
Byeon Yang-ho	March 27, 2019	General Meeting of Shareholders (March 2022)	33 months	· CEO Recommendation Committee · Subsidiary Management Committee · Remuneration Committee · Risk Management Committee	Chair of the Risk Management Committee	· Commissioner of Korea Financial Intelligence Unit (2004 -2005) · Advisor of VIG Partners (2016 - current)
Sung Jae-ho	March 27, 2019	General Meeting of Shareholders (March 2022)	33 months	· CEO Recommendation Committee · Audit Committee · Remuneration Committee · Subsidiary Management Committee	Chair of the CEO Recommendation Committee	· Professor of Graduate School of Law at Sunggyungwan University (2009 - current) · Member, Public Fund Management Committee, Financial Services Commission (2021 - current)
Lee Yoon-jae	March 27, 2019	General Meeting of Shareholders (March 2022)	33 months	· CEO Recommendation Committee · Audit Committee · ESG Strategy Committee	Chair of the Board	· Head of Economic Policy Bureau, Ministry of Finance and Economy (1996 - 1998) · Secretary to the President on Finance and Economy (1998 - 1999) · CEO, KorEI (2001 - 2010)
Huh Yong-hak	March 27, 2019	General Meeting of Shareholders (March 2022)	33 months	· Independent Director & Audit Committee · Member Recommendation Committee · CEO Recommendation Committee · Risk Management Committee	Chair of the Independent Director & Audit Committee Member Recommendation Committee	· CIO of Private Markets and Direct Investments, HKMA (2008 - 2014) · CEO, First Bridge Strategy Ltd. (2015 - present)
Yoon Jaewon	March 26, 2020	General Meeting of Shareholders (March 2022)	21 months	· Independent Director & Audit Committee · Member Recommendation Committee · Audit Committee · ESG Strategy Committee	Chair of the Audit Committee	· Professor of Business Administration, Hongik University (2004 - current) · Vice president, Korean Academic Society of Taxation (2017 - current) · US Certified Public Accountant
Jin Hyun-duk	March 26, 2020	General Meeting of Shareholders (March 2022)	21 months	· CEO Recommendation Committee	-	· CEO of Phoedra Inc. (1986-current) · Visiting Professor, Department of Engineering, Utsunomiya University Graduate School (2014-current) · Visiting Professor, Faculty of Business Administration, Sakushin Gakuin University (2014-current)
Kwak Su-keun	March 25, 2021	General Meeting of Shareholders (March 2022)	9 months	· Audit Committee · ESG Strategy Committee · Subsidiary Management Committee	Chair of the ESG Strategy Committee	· Honorary Professor of Accounting, Seoul National University, Business School · Non-standing member, Securities and Futures Committee, Financial Services Commission · President, Korean Academic Society of Business Administration · Chair of Financial Supervisory Advisory Committee, Financial Supervisory Service
Bae Hoon	March 25, 2021	General Meeting of Shareholders (March 2023)	9 months	· Remuneration Committee	-	· Representative Attorney, Orbis Legal Profession Corporation · Director, LAZAK (Lawyers Association of Zainichi Korea)
Lee Yong-guk	March 25, 2021	General Meeting of Shareholders (March 2023)	9 months	· Independent Director & Audit Committee · Member Recommendation Committee · Remuneration Committee · Risk Management Committee	Chair of the Remuneration Committee	· Clinical Professor, Seoul National University, School of Law · Cleary Gottlieb Steen & Hamilton LLP (Partner of New York & Hong Kong offices/ representative of Seoul Office)

Activities and Remuneration of Independent Directors

Name	Date of initial election	End of term	Period in office	Committee in charge	Title	Career
Choi Jae-boong	March 25, 2021	General Meeting of Shareholders (March 2023)	9 months	· Independent Director & Audit Committee · Member Recommendation Committee · Risk Management Committee · ESG Strategy Committee	-	· Professor, Sung Kyun Kwan University, College of Engineering · Advisory Committee Member, Innovation Growth Division, Ministry of Strategy and Finance · Director, BK21, Human Center, Sungkyunkwan University · Policy Advisor, Korea Banking Institute, Finance DT Academy
Park Cheul (Retirement)	March 25, 2015	General Meeting of Shareholders (March 2021)	72 months	-	-	· Senior Deputy Governor, Bank of Korea (2000 - 2003) · CEO, Leading Investment (2007 - 2013)
Yuki Hirakawa (Retirement)	March 25, 2015	General Meeting of Shareholders (March 2021)	69 months	-	-	· CEO, Hirakawa Industry Development Co., Ltd. (1994 - 2012) · CEO, Level River Co., Ltd. (2014 - current)
Lee Sang-kyung (Retirement)	March 29, 2012	March 22, 2018	72 months	-	-	· Chief Judge, Constitutional Court of Korea (2004 - 2005) · Attorney, DW Partners, Attorneys at Law (2009 - 2010) · Representative Attorney, Law Firm WONJON (2010 - 2014) · Attorney, Lee Sang-kyung Law Office (2014 - current)
Lee Manwoo (Retirement)	March 26, 2014	March 26, 2020	72 months	-	-	· Professor of Business Administration, Korea University (1988 - current) · Certified Public Accountant in Korea and the U.S. · Visiting commentator for KBS
Philippe Avril (Retirement)	March 25, 2015	March 26, 2020	60 months	-	-	· CEO of BNP Paribas Securities (Japan) Ltd. (2011 - 2019) · Director of BNP Paribas Securities (Japan) Ltd. (2019 - current)
Lee Jung-il (Retirement)	March 24, 2016	March 22, 2018	24 months	-	-	· Vice President, Korean Chamber of Commerce and Industry in Japan (1995) · CEO, Hirakawa Shoji Co., Ltd (1985 - current)
Lee Heun-ya (Retirement)	March 24, 2016	March 22, 2018	24 months	-	-	· Executive Director, Korean Chamber of Commerce and Industry in Japan (2014) · Former CEO, Marushin Co., Ltd.
Lee Steven Sung-ryang (Retirement)	March 24, 2016	March 27, 2019	36 months	-	-	· Vice President, Korean Chamber of Commerce and Industry in Japan (1995) · CEO, Hirakawa Shoji Co., Ltd (1985 - current)
Joo Jaeseong (Retirement)	March 23, 2017	December 26, 2018	19 months	-	-	· Senior Advisor, law firm of Kim and Chang (2016 - 2018) · CEO, Woori Finance Research Institute Co., Ltd. (2013 - 2015)
Park Byoung dae (Retirement)	March 22, 2018	March 26, 2019	12 months	-	-	· Justice, the Supreme Court (2011 - 2017) · Minister, the National Court Administration (2014 - 2016) · Chair Professor, Sungkyunkwan University Law school (2017 - 2018)
Kim Hwa-nam (Retirement)	March 22, 2018	March 26, 2020	24 months	-	-	· Chairman of Board of Directors, Jeju Girl's School Foundation (1995 - current) · CEO, Gimhae Corporation Co., Ltd. (1996 - current)

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VII. Succession of CEO

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VII. Succession of CEO

1. Internal regulations on succession of CEO

The Company's Board has enacted the Corporate Governance and CEO Recommendation Committee Regulation on August 25, 2011 to secure stability in CEO succession. The person selected as CEO must have integrity, the ability to realize "Shinhan Value," professional expertise, and the competence to run an organization. The CEO also shares the Company's vision and can endeavor for public interest and sound management.

At its meeting (February 26, 2015), the Board revised the Governance & CEO Recommendation Committee Regulation by reflecting the CEO succession plan of the "Best Practices for Governance of Financial Companies" (enforced on December 24, 2014), thus minimizing risk in the CEO succession process. At the Board meeting (February 5, 2021), the names of the Governance & CEO Recommendation Committee and the Governance & CEO Recommendation Committee Regulation were changed to the CEO Recommendation Committee and the CEO Recommendation Committee Regulation, respectively (Hereinafter, the name changes apply). The main provisions of the CEO Recommendation Committee Regulation deal with the qualifications of CEO, reasons and timing of commencement and end of the CEO succession process, procedure of candidate recommendation and CEO succession, selection method, qualification-checking, managing the pool of CEO candidates, and contingency CEO succession plan.

2. Recommendation of the candidate for CEO and CEO succession process

A. Overview

In 2011, the Company developed the CEO succession program and established the CEO Recommendation Committee as a subcommittee to establish and manage the Group CEO succession plan at all times. The Company is striving to secure continuity of the Group's management through stable CEO succession and establish and operate transparent and sound governance.

When the term for the current CEO nears its end, the CEO Recommendation Committee commences the succession process by recommending the candidate for CEO to the Board after comprehensive review of the candidate pool. The committee completes the candidate recommendation at least 2 months before expiration of the term. The Board finalizes the candidate for CEO by deliberating and resolving the suitability of the recommended candidate. The candidate for CEO prepares for the succession for about 2 months until he/she is elected by a general meeting of shareholders as director. This process ensures continuity and stability in management of the Company.

(1) Qualifications of CEO

The CEO shall meet the qualifications for executives under Article 5 of the Corporate Governance Act and Article 7 of the Enforcement Decree thereof.

The Corporate Governance Act and the Enforcement Decree prevent "a minor, a person under adult guardianship, or a person under limited guardianship," "a person declared bankrupt but not yet reinstated," "a person in whose case 5 years have not yet passed since imprisonment without labor or heavier punishment to which he/she was sentenced was completely executed or was remitted," "a person who was sentenced to the suspension of imprisonment without labor or heavier punishment, and is still in the period of suspension," "a person in whose case 5 years have not yet passed since a fine or heavier punishment to which he/she was sentenced under this Act or any other finance-related statutes was completely executed or was remitted," "a person who serves or served as an executive or employee of a corporation or a financial company in which case 5 years have not yet passed since a revocation of permission or authorization for, or registration, etc. of business under a finance-related statute was taken against the former or a measure of timely correction or an administrative disposition under the Act on the Structural Improvement of the Financial Industry was taken against the latter," "a person in whose case the period

specified by the Presidential Decree not exceeding 5 years for each category of sanctions has not yet passed since a sanction was taken against him/her under the Corporate Governance Act or any finance-related statute for his/her conduct as an executive or an employee," and "a person specified by the Presidential Decree as likely to undermine public interest and sound management of the relevant financial company or undermine the credit order from becoming an executive." If such a person falls under the foregoing after becoming an executive, he/she is removed from the position.

Article 7 of the CEO Recommendation Committee Regulation requires that the CEO shall be less than 67 years old at the time of initial election and that a CEO who is 67 years of age or older and re-elected as CEO may not serve past the age of 70 so that excessive length of tenure for the CEO will be prevented. Article 9 of the same requires that one who possesses integrity, the ability to realize "Shinhan Value," professional expertise, and the competence to run an organization, shares the Company's vision, and can endeavor for public interest and sound management shall be recommended as candidate for CEO in a fair and transparent process.

(2) Selecting a pool of CEO candidates and how to manage the pool including qualification check

Under Article 8 of the CEO Recommendation Committee Regulation, the CEO Recommendation Committee selects a pool of CEO candidates in consideration of their qualifications, statutory requirement, age requirement as candidate for CEO at the time of succession, etc., and reports to the Board at least once a year concerning the selection of the candidate pool and verification of their qualifications. For greater sustainable management, the Company has designated the CEOs of its major subsidiaries and trains them as candidates for the Group's future CEO. The Company may utilize independent recommendations by shareholders, stakeholders, third party advisors, etc. in the search for CEO candidates if necessary.

(3) Reasons and timing for commencement of CEO succession process

Under Article 9 of the CEO Recommendation Committee Regulation, the CEO Recommendation Committee commences the succession process and then completes candidate recommendation at least 2 months before the new CEO's term of office begins for stability in CEO succession.

(4) Procedure of final candidate recommendation

The CEO Recommendation Committee selects a pool of CEO candidates in consideration of their qualifications, statutory requirement, age requirement as candidate for CEO at the time of succession, etc., and deliberates on the pool based on considerations on the strategic role required of the Group's CEO at the time of succession. Under Article 9 of the CEO Recommendation Committee Regulation, the CEO Recommendation Committee recommends a CEO candidate who possesses ethics, the ability to realize "Shinhan Value," professional expertise, and the competence to run an organization, shares the Company's vision, and can endeavor for public interest and sound management in a fair and transparent process.

(5) CEO succession process

When the CEO Recommendation Committee recommends the candidate for CEO by its resolution under Article 6 of the CEO Recommendation Committee Regulation, the Board finalizes the candidate for CEO by deliberating and resolving the suitability of the recommended candidate. When the finalized candidate is elected at the general meeting of shareholders as a director who is also the candidate for CEO and is appointed as CEO by the Board's subsequent resolution, the CEO succession process is completed.

(6) Training program for the candidates

To reinforce sustainable management, the Company has selected the CEO candidates and trains them as its future CEO. It conducts various development programs for the candidates, covering items such as insights into the financial industry, decision-making from the Group's perspective, strategy implementation/drive, leadership and talent training, and internal and external influence/CEO

brand, upon approval by the CEO Recommendation Committee. The CEO Recommendation Committee periodically deliberates and evaluates the candidates' management performance and the result of the development programs, and then recommends the candidate for CEO based on the result of the evaluation.

B. Contingency succession plan

In order to maintain the stability of the Group's governance, the Company is preparing for emergencies such as the absence of the CEO by including an emergency succession plan in its regulations and the Group CEO succession plan.

When the CEO cannot execute his/her duties any longer due to unexpected accidents, sudden health reasons, etc., Article 9 of the CEO Recommendation Committee Regulation requires that a candidate for CEO shall be recommended through the expedited succession process, which accelerates the procedures for the succession plan.

In that case, If the appointment is delayed due to force majeure, material disqualification, accident on the part of the expected successor, or other unavoidable circumstances, the Company shall disclose such circumstances, the interim CEO, and the Company's operation plan until the appointment, schedule for CEO appointment, etc., under Article 9 of the CEO Recommendation Committee Regulation.

In the event of the absence of the CEO, an acting CEO is appointed by resolution of the Board, and the CEO Recommendation Committee (a subcommittee) decides the succession procedure according to the situation of the emergency succession, and deliberates and recommends the candidate for the next Group CEO. The candidate thus recommended is elected as the new CEO according to resolutions of the Board and the general meeting of shareholders.

At its meeting on March 2021, the Board revised the relevant regulations and improved the process to minimize the operational gap in the absence of the CEO and to ensure that the emergency succession plan works effectively. The pool of acting CEO candidates in the event of an emergency has been expanded, and the order of appointment among them is set in advance according to the relevance to the holding company's main business and suitability for the job, enabling more rapid response in case of an emergency.

3. Description of candidate recommendation for and succession to CEO: Not applicable

A. Description of candidate recommendation for and succession to CEO

B. Key deliberations and resolutions related to CEO succession

4. Whether meet the qualifications for CEO: Not applicable

A. Negative requirement

B. Qualifications prescribed by financial companies

5. Management of the pool of CEO candidates – Current status

A. Guidelines on the pool of CEO candidates

Article 8 of the CEO Recommendation Committee Regulation requires that the CEO Recommendation Committee shall select a pool of CEO candidates in consideration of their qualifications, statutory requirement, age requirement as candidate for CEO at the time of succession, etc., and report to the Board at least once a year concerning the selection of the candidate pool and verification of their qualifications. Under the same provision, the CEO Recommendation Committee oversees the overall CEO succession process including selection and composition of the candidate pool, evaluation and qualification-check of the candidate pool, and final candidate recommendation.

B. Activities of managing the candidate pool

In order to establish a sustainable management system through stable CEO succession, the Company selects CEOs of its major subsidiaries as candidates (long list) for the Group's CEO succession and cultivates them as candidates for future Group CEO. The CEO Recommendation Committee has selected 8 CEOs of the major subsidiaries as candidates (long list) on May 3, 2021, and continues to train such candidates.

In order to establish continuity of its sustainable management through stability in the CEO succession, the Company has designated the CEOs of its major subsidiaries and trains them as candidates for the Group's future CEO. The CEO Recommendation Committee is in charge of managing the pool of CEO candidates, and the Committee periodically deliberates and evaluates management performance and development activities for each candidate. Also, under the CEO Recommendation Committee regulation (Article 9), the Company has in place a process by which it can secure a broad range of Group CEO candidates through recommendations by shareholders, stakeholders, or third parties (e.g., third party advisors) if necessary, and the Company's Shinhan Leadership Center is in charge of practical support related to management of the long list of candidates.

C. Current status of the candidate pool

Classification	Number of candidates	Recommendation channel
Internal	8	At the CEO Recommendation Committee meeting (May 3, 2021), potential candidates were selected in accordance with the CEO succession plan.

6. Reviewing reasonableness of CEO succession plan

Under Article 8 of the CEO Recommendation Committee Regulation, the CEO Recommendation Committee establishes the CEO succession plan by deliberating on the reasonableness of the CEO's proposal for such a plan, and reports on the reasonableness of the CEO succession plan to the Board at least once a year.

7. Operation of support department for CEO succession – Current status

In the Company, Shinhan Leadership Center is in charge of supporting CEO succession.

Shinhan Leadership Center consists of the team head and 10 team members, and is in charge of training and managing management leaders (e.g., running the Group's management succession plan), compensating and evaluating executives' performance, establishing and executing the direction of the Group's HR policies, establishing and disseminating the direction of the Group's corporate culture, etc. Also, under Article 37 of Internal Code of Corporate Governance, it is in charge of managing, evaluating, and verifying the long list of CEO candidates, supporting evaluation of CEO candidates, supporting CEO succession) etc. In addition, it conducts practical measures related to CEO Recommendation Committee's annual reports to the Board under Article 8 of CEO Recommendation Committee Regulation regarding adequacy of the management succession plan and verification of the CEO candidates' qualifications.

<Operation of support department for CEO succession – Current status>

- Name of department: Shinhan Leadership Center
- Number of employees: 10
- Operation (activities)

Date	Operation (activities)	Remarks
Mar 3, 2021	Practical support for deliberating (draft) evaluation of the Group's CEO succession candidates for 2020 Practical support for selecting the Group's CEO succession candidates for 2021	1st CEO Recommendation Committee meeting
Mar 25, 2021	Practical support for election of the Chair of the CEO Recommendation Committee	2nd CEO Recommendation Committee meeting
May 14, 2021	Practical support for reviewing (draft) development plan for the Group's CEO succession candidates for 2021	3rd CEO Recommendation Committee meeting
Aug 12, 2021	Practical support for checking and reports reasonableness of the Group's CEO succession plan	4th CEO Recommendation Committee meeting

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VIII. Audit Committee

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VIII. Audit Committee

1. Roles

A. Overview

The Audit Committee deliberates and resolves accounting and operational audits and such matters as delegated by the Board. It supervises the directors' and executives' execution of duties so that they can make reasonable business judgments. (Article 3 of the Audit Committee Regulation)

Under the Articles of Incorporation and the Audit Committee Regulation, the Audit Committee consists of between 3 and 5 directors, with independent directors accounting for at least two-thirds of the members. When conducting an audit, they shall maintain objectivity independent from the Board and executive bodies including the management.

When its chairman deems it necessary, the Audit Committee may request the management and the relevant personnel to appear before the committee and give statements or to provide necessary materials. Audit Committee may also request a third party to appear before the committee and give opinions. It can also receive assistance from experts at the Company's expenses.

<Duties> (Article 52 of the Articles of Incorporation)

- The Audit Committee audits the Company's accounting and business.
- The Audit Committee may request the convening of a special general meeting of shareholders by submitting a document stating the agenda of the meeting and the reasons for convening to the Board.
- If necessary, the Audit Committee may request the convening of a Board meeting by submitting a document stating the agenda of the meeting and the reasons for convening to the person authorized to convene Board meetings. If the person thus authorized fails to convene a Board meeting promptly despite the request, the Audit Committee may convene the Board meeting.
- The Audit Committee may request reporting of business from a subsidiary when the Committee must perform its duties. In this case, if the subsidiary fails to report promptly or if it is necessary to confirm details of the subsidiary's report, the Audit Committee may investigate the subsidiary's business and properties.
- The Audit Committee selects external auditors of the Company.

B. Specific roles

The Audit Committee performs the following specific roles as outlined in Article 12, Paragraph 5 of the Internal Code of Corporate Governance and Article 10 of the Audit Committee Regulation.

(A) Supervise directors' and executives' execution of duties

① Supervision of agenda of BOD, etc.

The Audit Committee present the audit team to implement an advance audit pursuant to the audit work regulations regarding the agenda of the meeting of shareholders and BOD and report to the Audit Committee on important matters.

Accordingly, with respect to the agenda of BOD the audit team executed an advance audit, and as a result of the advance audit, it reported to the Audit Committee that no noteworthy matters were detected.

② Supervision of work execution of top management

The Audit Committee may request top management for work report, data submittal and the like on the work execution

(Article 412 of the Commercial Act, Article 4 and Article 19 of the Audit Committee Regulation), and regarding the work execution under laws and regulations and Articles of Incorporation, it may demand suspension of processing (Article 402 of the Commercial Act and Article 10 of the Audit Committee Regulation)

With respect to the major affairs of top management, such as, entering into contracts for certain amount or more that require the enactment, revision or repeal of internal regulations or approval by the "head of the division" or higher, modification of contract contents, exclusive use of budget, waiver of credit, etc., the Audit Committee may cause the Audit Team to implement an advance audit in accordance with the audit regulations and report important matters to the Audit Committee.

Accordingly, in 2021, the Audit Team conducted preventive audits of a total of 217 major tasks of management, and periodically reports the results to the Audit Committee.

(B) Approve and supervise appointment of external auditors

In accordance with the Act on External Audit of Stock Companies and the Sarbanes Oxley Act (US), the Audit Committee has the right to select, and request dismissal of, an external auditor, the right to approve, in advance, contracts with an external auditor, etc. (Article 202 of the Sarbanes Oxley Act (US), Article 10 of the Audit Committee Regulation).

In November 2019, the Securities and Futures Committee designated Samil PricewaterhouseCoopers as the Company's external auditor for the fiscal years 2020-2022 in accordance with Article 11 (1) and (2) of the Act on External Audit of Stock Companies, and the Audit Committee, after comprehensively reviewing and evaluating Samil PricewaterhouseCoopers's independence, auditing hours and audit fees, approved the audit contract for the fiscal years 2020-2022 in advance.

When approving the appointment of the Company's external auditor, the Audit Committee comprehensively evaluates the auditor's experience of providing audit/non-audit services to financial institutions, understanding of the Group, the audit strategy, plan of audit quality management, financial audit-related supervisions and lawsuits, audit-participating personnel and expertise, etc. Audit hours and audit fees are set so that the external auditor can faithfully perform their roles in quarterly (semi-annual) reviews and audits, in consideration of the standard audit hours, external auditor's personnel (number, position, work experience, etc.), similar cases, etc.

During 2021, the status for the audit work, US listing related audit work, and non-audit work contract between the Company and Samil Accounting Firm was shown as follows.

① Audit affairs

Contents	Annual remuneration (except VAT)
Review and audit of quarterly, semi-annual and annual financial statements	KRW 985 million
Audit of international accounting standards of consolidation for Shinhan Savings Bank	KRW 126 million
Review of the purpose of consolidating financial statements for Asia Trust	KRW 73 million
Total	KRW 1,157 million

② Listing related audit work in the US (SEC 20-F Filing)

Contents	Annual remuneration (except VAT)
Audit international accounting standards related to listing in the US and audit for internal control on financial reports	KRW 2,132 million

③ Works of non-audit

Contents	Annual remuneration (except VAT)
Issuance work of comfort letter	KRW 85 million
Financial ratio review at the request of the supervisory authority	KRW 5 million

The Audit Committee evaluates the results of the external auditor's audit activities every year (Article 10 of the Audit Committee Regulations), and at the 8th Audit Committee meeting, held on May 13, 2021, reviewed the activities of the external auditor for 2021 to examine whether audit fees, audit hours, and personnel required for the audit met the requirements, and confirmed the results of audit quality survey from the internal audit departments and accounting teams of the Company and its subsidiaries. The Audit Committee asked Samil PricewaterhouseCoopers for improvement, through evaluation of the external auditor's audit activities in 2021, in accordance with Article 10, Paragraph 6 of the Act on External Audit of Stock Companies.

The Audit Committee is required to have the advance approval of the audit and non-audit contracts with Samil PricewaterhouseCoopers and its affiliated accounting firm, PWC, to ensure independence as an external auditor. In the case of non-audit works between Group companies (including the Company) and the external auditor, in principle, approval is limited to the works that are deemed not to have issues with the external auditor's independence. Before the approval, the Audit Committee comprehensively reviews whether works subject to the contract comply with Article 201 of the Sarbanes Oxley Act (US), Article 21 (Restriction of Duties) of the Certified Public Accountant Act and Article 14 (Restriction of Duties) of the Enforcement Decree of the same Act, the potential damage to independence, need for the contract, and adequacy of the contract amount (fee).

The Audit Committee approved the audit and non-audit works between the subsidiary Group companies and the external auditors as it considers that there is no particular issue on the independence management of the external auditors with respect to the approval of audit contract for the Company and subsidiary companies during 2021 and contract to draft the confirming letter of the Company and its subsidiary companies, Shinhan Bank.

In order to check the Group's important accounting standards, the results of the audit/review of the financial statements of the Group every quarter (half year), misconduct regarding the performance of the management's duties, or material facts that violate laws or the Articles of Incorporation, the Audit Committee receives direct reports from, and exchanges opinions with, the external auditor on important matters (Article 10 of the Audit Committee Regulations).

At the 8th Audit Committee meeting (May 13, 2021), Samil PricewaterhouseCoopers (external auditor for the fiscal year 2021) reported on its audit plan for the fiscal year 2021 and the results of the review of financial statements for the 1st quarter of 2021, and at the 9th Audit Committee meeting (August 12, 2021), it reported on the results of the review of financial statements for the 1st half of 2021. At the 10th Audit Committee meeting (November 11, 2021), Samil PricewaterhouseCoopers reported on the results of the review of financial statements for the 3rd quarter of 2021 and the internal accounting control for 2021, and at the 12th Audit Committee meeting (December 30, 2021), it reported on the results of the interim evaluation of the internal accounting control system for 2021.

In addition, the Audit Committee conducts independent communication with external auditors through private sessions.

(C) Matters on standing Audit Committee members

As of the end of 2021, the Company does not operate a separate full-time auditor system.

On the other hand, for efficient auditing, the Audit Committee appoints and dismisses an executive, rank of vice president, as the head of the Audit Committee's support organization (internal audit manager) and entrusts duties to him/her. The internal audit manager reports to the Audit Committee key results of the performance of the delegated duties.

(D) Review financial statements, etc.**① Review of financial statements of the Audit Committee**

The Audit Committee shall receive financial statements from the directors six weeks before the annual general meeting of shareholders, review them, prepare an audit report, and submit it to the CEO one week before the annual general meeting of shareholders (Article 447-4 of the Commercial Act, Article 10 of the Audit Committee Regulation).

In connection with the audit of the financial statements for the fiscal year 2020, the Audit Committee, to confirm the adequacy of the financial statements of the Company and its major subsidiaries (Shinhan Bank, Shinhan Card, Shinhan Financial Investment, and Shinhan Life Insurance), checked with the accounting team heads of such subsidiaries and Samil PricewaterhouseCoopers's accountants for such subsidiaries on February 22, 2021, regarding changes in the major accounts, external audit procedures, issues arising during the external audit process, internal transaction checking and elimination procedures for preparing consolidated financial statements, etc.

The Audit Committee resolved at the audit report of the 2020 fiscal year at the 3rd Audit Committee on March 2, 2021.

The audit report resolved at the 3rd Audit Committee on March 2, 2021, is shown as follows.

First, the Audit Committee confirms the contents of the financial statements by having the report of its review from the external auditors for each quarter.

The Audit Committee had the internal audit department inspect accounting books and related documents and review financial statements, consolidated financial statements and annexed statements for financial audit purposes, and when necessary, conduct audit by applying comparison, due diligence, witnessing, inquiry, and other appropriate audit procedures, and then the Audit Committee confirmed the results.

The Audit Committee received reports on, and reviewed, the change in major accounts and important accounting matters from the accounting departments and external auditors of the Company and its major subsidiaries, and checked the external auditors' opinions and audit procedures.

In the event that it is acknowledged as required to attend the Board meeting and other important meetings for the work audit, the Audit Committee has reported on the works from directors and it has used appropriate methods by accessing the documents on important works and reviewed the contents thereof.

Second, the statement of financial position, consolidated statement of financial position, comprehensive statement of income and consolidated comprehensive statement of income are appropriately indicated for finance condition and management outcome of the Company in accordance with laws and regulations and Articles of Incorporation.

Third, the statement of appropriation of retained earnings is appropriately prepared on the laws and regulations and Articles of Incorporation.

And fourth, the business report is appropriately indicated for the Company in accordance with the laws and regulations and Articles of Incorporation.

② Audit of financial statements by the external auditors (Article 10, Articles 12, and Articles 17 of Audit Committee Regulation)

The Audit Committee supervises the performance of audit by external auditors and receives the external auditors' report on the results of quarterly (semi-annual) audit and review and the important accounting policies used in the financial audit (review).

Samil Accounting Firm, the external audit firm, implements the audit in accordance with accounting audit standards to see if

the financial statements of the Company are prepared in accordance with Korean International Financial Reports Standard, K-IFRS.

Concerning the financial audit of financial statements for the fiscal year 2020, Samil PricewaterhouseCoopers reported the results of the audit at the 3rd Audit Committee meeting (March 2, 2021, and the results of its PCAOB-standard (audit based on international accounting standards and internal control of financial reporting related to US listing) audit, etc. at the 7th Audit Committee meeting (April 28, 2021). Samil PricewaterhouseCoopers expressed external auditor's unqualified opinion ("fair in terms of materiality under the K-IFRS (Korean International Financial Reporting Standards)).

In addition, Samil Accounting Firm has reviewed in accordance with the financial statements review regulation for quarterly or semi-annual basis to see if the financial statements of the Company have any matter not fairly indicated in the point of view of importance in accordance with K-IFRS No. 1034 Interim Financial Report, and as a result of review of the external auditor on the quarterly and semi-annual financial statements, there was no detection of matters not fairly marked from the point of view of importance.

③ Report of operation of Internal Control on Financial Reporting of CEO, etc.

At its 3rd meeting (March 2, 2021), the Audit Committee received reports from the CEO that "As of December 31, 2020, the Company's internal accounting control system, according to the conceptual system for its design and operation (K-SOX), has been effectively designed and operated from the perspective of materiality."

(E) Evaluate operation of internal accounting system

The Audit Committee evaluates the operation status of the internal control on financial reports of the Company and Group to report it to the BOD for each fiscal year. (Article 8 of the Act on External Audit of Listed Companies, etc., and Article 10 and Article 15 of the Audit Committee Regulations).

The 3rd Audit Committee of March 2, 2021, independently checked on the internal accounting manager of main subsidiary companies through the audit team and internal audit department if internal control on financial reports was appropriately designated and operated, and as of December 31, 2020, the internal control on financial reports of subsidiaries and the Group has been evaluated as effectively designed and operated from the point of view of importance on the basis of K-SOX, and the result of the operation status evaluation of the internal control on financial reports was reported to the BOD that was held on the same date.

Samil Accounting Firm, the external audit firm, reported to the 3rd Audit Committee of March 2, 2021, that internal control on financial reports of the Company and Group has been evaluated as effectively designed and operated from the point of view of importance on the basis of K-SOX as of December 31, 2020.

(F) Establish annual audit plan

The Audit Committee resolved for approval of annual audit plan for the following year at the end of the previous year, and The Audit Committee deliberates on the audit performance at least once a year and reports the results of audit to the Board. (Article 10 and Article 15 of the Audit Committee Regulation)

The 13th Audit Committee on December 29, 2020, approved the annual audit plan in 2021, and the 9th Audit Committee on August 12, 2021 deliberated the audit work performance for the first half of 2021, and the 3rd Audit Committee on March 2, 2022 deliberated the annual audit work performance in 2021, and the audit work performance in 2021 was reported to the BOD that was held on the same date.

(G) State opinions on the legality of the agenda and documents to be submitted to the general meeting of shareholders

The Audit Committee testifies its opinion to the meeting of shareholders if the agenda and documents to be submitted by a director to the meeting of shareholders have any violation or matter conspicuously unjust in the laws and regulations or Articles of Incorporation (Article 413 of the Commercial Act and Article 10 of the Audit Committee Regulation).

At the 4th meeting of 2021 (March 3), the Audit Committee decided that the agenda of the 20th general meeting of shareholders was not in violation of laws and the Articles of Incorporation or was unfair. At the 20th general meeting of shareholders (March 25, 2021), the chair of the Audit Committee reported that the agenda of the 20th general meeting of shareholders was not in violation of laws and the Articles of Incorporation or was unfair.

(H) Consent to appointment/dismissal of the head of Audit Team and evaluate his/her performance

The Audit Committee enhances the independence of audit work performance through the consent to appointment of the audit team manager and work outcome evaluation. (Article 10 of the Audit Committee Regulation)

At its 12th meeting of 2020 (December 17), the Audit Committee decided to re-appoint the Audit Team head, and at its 11th meeting of 2021 (December 9), evaluated the performance of the Audit Team head for 2021.

(I) Evaluate reasonableness of the internal control system's operations

The Audit Committee may evaluate the appropriateness of internal control system operation of the Company once a year, and if there is any problem or matter to improve, an opinion may be submitted. (Article 10 of the Audit Committee Regulation)

The 8th Audit Committee on May 13, 2021 was equipped with the appropriate internal control system and organization, and as a result of evaluating the internal control system for the Company, it was evaluated as effectively operating the internal control system through the appropriate control means and communication.

(J) Review reasonableness of formulation and implementation of disclosure policies

The Audit Committee evaluates the establishment of the disclosure policy and appropriateness of execution of the policy once a year. (Article 10 of the Audit Committee Regulation)

The 7th Audit Committee on April 28, 2021 evaluated that there was no defect in any material issue, such as falsified disclosure, omission of disclosure or the like with the disclosure policy of the Company, including the establishment of the annual disclosure plan. It was appropriately established in accordance with the disclosure related regulations as a result of the review of appropriateness of establishment and execution of the disclosure policy of the Company.

(K) Review reports from the compliance officer

The compliance officer may report the matters of the internal control plan and any violation of the internal control standard to the Audit Committee, and the Audit Committee reviews the contents of report of the compliance officer. (Article 10 Article 16 of the Audit Committee Regulation)

The Audit Committee reports on the activity plan (annual) and activity result (semi-annual) for Group compliance officer to review the appropriateness of the activities of the compliance officer for Group.

The Audit Committee received reports from the compliance officer of the Group on the activity outcome for 2020 and the plans for 2021 to the 1st Audit Committee meeting on February 5, 2021, and the activity outcome of the 1st half of 2021 to the 9th Audit Committee meeting on August 12, 2021.

2. Composition

A. Overview

Under the Articles of Incorporation and the Audit Committee Regulation (Article 51 of the Articles of Incorporation, Article 7 of the Audit Committee Regulation), the Audit Committee consists of between 3 and 5 directors, with independent directors accounting for two thirds of the members, and at least 1 member shall be an accounting or financial expert as required by the applicable laws.

At its 2nd meeting (March 3, 2021), the Audit Committee Member Recommendation Committee recommended, separately, Director Kwak Su-keun, an accounting and finance expert, as a candidate for "independent director also serving as Audit Committee member" for a term of two years. By holding a joint meeting with the Independent Director Recommendation Committee, the committee recommended, for re-election, Director (candidate) Lee Yoon-jae, and Director (candidate) Sung Jae-ho, possessing expertise in international law, as candidates for "independent director also serving as Audit Committee member."

Director Yoon Jaewon (candidate) was first appointed (two-year term) as an independent director also serving as an Audit Committee member at the 19th annual general meeting of shareholders (March 26, 2020), and was appointed as the Audit Committee Chairman by resolution at the 6th Audit Committee meeting (March 25, 2021).

As at the end of 2021, the Audit Committee consisted of 4 independent directors including experts in accounting, finance and legal and it presents independent opinions concerning reasonable business management decisions for top management.

The Audit Committee member, Yoon Jaewon and Kwak Su-keun, is a Professor of Accounting and the Audit Committee member Lee Yoon-jae was a direct general for the Ministry of Economy and Planning and they are applicable to accounting or finance expert as follows pursuant to Article 16 of the Enforcement Decree of the Act on the Corporate Governance of Financial Companies.

1. A CPA who has at least 5 years' work experience in an area related to his/her license after he/she obtained the license
2. A person who possesses at least a master's degree in finance or accounting and who has at least 5 years' post-qualification experience as a researcher or an assistant professor or higher-ranking professor in finance or accounting in a research institute or a university
3. A person who has at least 5 years' work experience as an executive or at least 10 years' work experience as an executive or employee in an area related to finance or accounting in a stock-listed corporation
4. A person who has at least 5 years' work experience in an area related to finance or accounting or supervision of such work in the State, a local government, a public institution under the Act on the Management of Public Institutions, the Financial Supervisory Service under the Act on the Establishment, etc. of the Financial Services Commission, the Korea Exchange under the Financial Investment Services and Capital Markets Act, or an institution related to financial investment business under Article 9, Paragraph 17 of the aforementioned Act (excluding organizations related to financial investment under Article 9, Paragraph 17 Subparagraph 8 of the aforementioned Act)
5. A person who has at least 5 years' work experience in an area related to finance or accounting in an institution subject to the inspection under Article 38 of the Act on the Establishment, etc. of Financial Services Commission (including equivalent foreign financial institutions)
6. Other qualified persons specified and announced by the Financial Services Commission as equivalent to those specified in Subparagraphs 1 through 5.

B. Members

<Before General Meeting of Shareholders in March of 2021>

Name	Executive/ Non-Executive/ Independent	Title	Date of election	End of term	Accounting or financial expert
Yoon Jaewon	Independent director	Chairman	March 26, 2020	Date of General Meeting of Shareholders in March 2022	Applicable (PhD Accounting)
Lee Yoon-jae	Independent director	Member	March 26, 2020	Date of General Meeting of Shareholders in March 2021	Applicable (the Economic Planning Board)
Sung Jae-ho	Independent director	Member	March 27, 2019	Date of General Meeting of Shareholders in March 2021	

<After General Meeting of Shareholders in March of 2021>

Name	Executive/ Non-Executive/ Independent	Title	Date of election	End of term	Accounting or financial expert
Yoon Jaewon	Independent director	Chairman	March 26, 2020	Date of General Meeting of Shareholders in March 2022	Applicable (PhD Accounting)
Lee Yoon-jae	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022	Applicable (the Economic Planning Board)
Sung Jae-ho	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022	
Kwak Su-keun	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2023	Applicable (PhD Accounting)

3. Activities & Evaluations

A. Overview

In 2021, a total of 12 Audit Committee meetings were held. It discussed a total of 61 agenda items, including 21 cases of resolution, 40 cases of deliberation etc., and the contents of Audit Committee activities are periodically reported to the BOD.

The Audit Committee directly instructed the Audit Team, a supporting organization, to conduct business audits of the Company and its subsidiaries and monitor the subsidiaries' audit activities, and based on the annual audit plan, reviewed the Company's and its subsidiaries' business management and internal control, anti-money laundering, financial statements and business reporting, operation status of the internal accounting control system, and adequacy of disclosure policy establishment and execution. In addition, the Audit Committee directly received reports, and deliberated, on the Group compliance officer's work plans and performances, and the management's operation evaluation of the internal accounting control system.

In order to check the Company's important accounting standards, the results of audit/review of quarterly (semi-annual) financial statements, misconduct regarding the performance of the management's duties, or material facts that violate laws or the Articles of Incorporation, the Audit Committee receives direct reporting from, and exchanges opinions with, the external auditor on important matters (Article 10 of the Audit Committee Regulation). To hear sufficient opinions, the Audit Committee also holds private sessions with external auditors without the presence of the Company's management and the Audit Team.

In addition, to review the adequacy of the financial audit, the Audit Committee checked with the accounting team heads of major subsidiaries and the relevant external auditors, in face-to-face meetings, regarding changes in the major accounts, external audit procedures, issues arising during the external audit process, internal transaction checking and elimination procedures for preparing consolidated financial statements, etc.

In 2021, the Audit Committee inspected the matrix business organizations and hybrid branches and delivered the improvement requests to the Company, requesting the Company to strengthen its internal accounting control capabilities in preparation for the introduction of the consolidated internal accounting control system in 2023. Accordingly, the Company reorganized the internal control system of the matrix business groups through organizational reshuffle of the Company and its subsidiaries and expanded and reorganized the existing accounting team to the accounting headquarters.

B. Meetings held

(1) 1st meeting of the Audit Committee in 2021: February 5, 2021 (Fri)

[Date of notice: January 29, 2021 (Fri)]

Items	Activities of members			Whether or not approved
	Yoon Jaewon	Sung Jae-ho	Lee Yoon-jae	
1. Name of director	Yoon Jaewon	Sung Jae-ho	Lee Yoon-jae	
2. Attendance status and reason if absent	Attended	Attended	Attended	
3. Comments on reported matters				
A. Report of the financial audit plan for 20th Term (20th fiscal year)	No particular comments			
B. Report of activity contents in 2020 and work plan of 2021 for compliance officer for Group	No particular comments			
C. Audit work-related report	No particular comments			
D. Report of performance evaluation system for full-time audit committee members (standing audit member) in 2021	No particular comments			
4. Resolutions				
A. Matters of approval of audit contract for subsidiary companies, etc.	Concur	Concur	Concur	Approved
B. Matters of work performance goal of audit team manager in 2021	Concur	Concur	Concur	Approved

For setting of the Audit Team head's performance goal for 2021 (resolution agenda), the Audit Committee reflected the 2021 audit plan to set detailed tasks for strengthening of Conduct Risk management through preventive audits, reinforcement of internal control by enhancing audit effectiveness, effective support of the Audit Committee, reinforcement of communication with external auditors and subsidiaries, and establishment of SMART work culture.

For reporting on the financial audit plan for the 20th Term (reported matter), the Audit Committee received the internal audit department's reporting on a plan to audit the adequacy of accounting treatment on redemption-suspended funds and the adequacy of removing internal transactions when preparing consolidated financial statements, and a plan to utilize external experts to improve the effectiveness of settlement audits and documentation of attestation audits, etc.

With respect to reporting on the Group compliance officer's activities for 2020 and work plan for 2021 (reported matter), the Audit Committee received the compliance officer's report on the activities for 2020 ("strengthening the Group's internal control system," "building and operating the Group's AML internal control system," "strengthening the response to internal and external legal issues," and "protecting the Group's financial consumers and raising awareness on ethics and compliance"), and the work plan for 2021 ("inspection activities for subsidiaries and Group companies to substantiate the Group's internal control system including financial consumer protection," "plan to advance the Group's anti-money laundering system," and "strengthened responsiveness to changes in the regulatory environment").

(2) 2nd meeting of the Audit Committee in 2021: February 22, 2021 (Mon)

[Date of notice: February 15, 2021 (Mon)]

Items	Activities of members			Whether or not approved
	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	
1. Name of director	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	
2. Attendance status and reason if absent	Attended	Attended	Attended	
3. Comments on reported matters				
A. Communication with external auditors	No particular comments			
B. Report of key audit matters by the external auditor	No particular comments			
C. Interim report of financial audit for the 20th Term	No particular comments			

With respect to the communication with the external auditors as the report agenda, the Audit Committee confirmed contents of fluctuation in main accounts, procedure of external audit, issues in the process of external audit, procedure to confirm and remove the internal transaction for preparing the consolidated financial statements, and others for the subject of the accounting team manager of the applicable subsidiary companies and accountant in charge for each subsidiary companies of Samil Accounting Firm in order to confirm the appropriateness of the financial statements of the Company and main subsidiary companies (Shinhan Bank, Shinhan Card, Shinhan Investment Corp., Shinhan Life Insurance).

With respect to reporting on key audit matters by the external auditor for 2020 (reported matter), the Audit Committee selected provisioning for bad debt, valuation of securities and derivatives, etc., and received reports on the external auditor's detailed audit procedure.

(3) 3rd meeting of the Audit Committee in 2021: March 2, 2021 (Wed)

[Date of notice: February 23, 2021 (Tue)]

Items	Activities of members			Whether or not approved
	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	
1. Name of director	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	
2. Attendance status and reason if absent	Attended	Attended	Attended	
3. Comments on reported matters				
A. Management's report of the operation status of the internal accounting control system for 2020	No particular comments			
B. Report on results of audit	No particular comments			
C. Report of audit result for fund laundering prevention work	No particular comments			
D. Report of evaluation of Audit Committee activities	No particular comments			
E. Report of result of financial statements audit of external auditor in 2020	No particular comments			
F. Report of the results of the external auditor's audit of the internal accounting control system for 2020	No particular comments			
4. Resolutions				
A. Matter of approval for audit contract of the Company and subsidiary companies, etc.	Concur	Concur	Concur	Approved
B. Results of financial audit for the 20th Term	Concur	Concur	Concur	Approved
C. Evaluation of the operation status of internal accounting control system for 2020	Concur	Concur	Concur	Approved
D. Matter of evaluation opinion of operation status of the internal monitoring system	Concur	Concur	Concur	Approved

With respect to the results of the financial audit for the 20th Term (resolution agenda), the Audit Committee decided that according to the financial audit on the financial statements and business reports for the 20th Term, there were no errors in violation of laws and the Articles of Incorporation or materially affecting assets, liabilities, and profit/loss.

With respect to the evaluation of the operation status of the internal accounting control system for 2020 (resolution agenda), the Audit Committee decided that as of the end of 2020 the Company's internal accounting control system was effectively designed and operated from the perspective of materiality based on the conceptual system for its design and operation (K-SOX).

With respect to the evaluation of the operation status of the internal monitoring system (resolution agenda), the Audit Committee decided that as of the end of 2020 the internal monitoring system including the Board, the Audit Committee, and the compliance officer was operating effectively, according to the operation status checks.

With respect to the management's report on the operation status of the internal accounting control system for 2020 (reported matter), the Audit Committee received the CEO's report that as of the end of 2020, the Company's internal accounting control system was effectively designed and operated from the perspective of materiality based on the conceptual system for its design and operation (K-SOX).

With respect to the results of the external auditor's audit of the financial statements for 2020 (reported matter), the Audit Committee received Samil PricewaterhouseCoopers's report that according to the audit of the financial statements for 2020, the financial statements were fair representation from the perspective of materiality per K-IFRS.

With respect to reports on the results of the external auditor's audit of the internal accounting control system for 2020 (reported matter), the Audit Committee received Samil PricewaterhouseCoopers's report that according to the audit of the internal accounting control system for 2020, the internal accounting control system was effectively designed and operated from the perspective of materiality based on the "conceptual system for the internal accounting control system's design and operation (K-SOX)."

(4) 4th meeting of the Audit Committee in 2021: March 3, 2021 (Wed)

[Date of notice: February 24, 2021 (Wed)]

Items	Activities of members			Whether or not approved
	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	
1. Name of director	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	
2. Attendance status and reason if absent	Attended	Attended	Attended	
3. Comments on reported matters				
(No agenda to report)	Not applicable			
4. Resolutions				
A. Matter of audit result of the agenda presented for the 20th general meeting of shareholders	Concur	Concur	Concur	Approved

With respect to the statement of opinion (resolution agenda) on the agenda items of the 20th annual general meeting of shareholders, the Audit Committee stated that the agenda items of the annual general meeting of shareholders did not violate the laws and the Articles of incorporation or were unreasonable.

(5) 5th meeting of the Audit Committee in 2021: March 16, 2021 (Wed)

[Date of notice: March 16, 2021 (Tue)]

Items	Activities of members			Whether or not approved
	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	
1. Name of director	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	
2. Attendance status and reason if absent	Attended	Attended	Attended	
3. Comments on reported matters				
A. Report of changes in the notes of the audit report	No particular comments			
B. Report of additional review of financial audit for the 20th Term	No particular comments			

With respect to reporting on changes in the notes of the audit report (reported matter), the Audit Committee received reporting, from the Accounting Team head and Samil PricewaterhouseCoopers, on the correction of product names for insurance contract liabilities in the notes of the audit report, etc.

(6) 6th meeting of the Audit Committee in 2021: March 25, 2021 (Thu)

[Date of notice: March 18, 2021 (Thu)]

Items	Activities of members				Whether or not approved
	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
1. Name of director	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
(No agenda to report)	Not applicable				
4. Resolutions					
A. Matter of mutual voting for the chair of the Audit Committee and delegation of rights	Concur	Concur	Concur	Concur	Approved
B. Matter of approval for non-audit contract of the Company and external auditors	Concur	Concur	Concur	Concur	Approved

With respect to the election of the Audit Committee Chairman and the delegation of authority (resolution agenda), Audit Committee Member Lee Yoon-jae recommended Audit Committee Member Yoon Jaewon, an accounting expert, as the Audit Committee Chairman. Audit Committee Members Sung Jae-ho and Kwak Su-keun expressed their consent, thus Audit Committee Member Yoon Jaewon was elected as Chairman. In accordance with Article 13 of the Audit Committee Regulation (Delegation of Authority, etc.), the Audit Committee delegated authority to Audit Committee Chairman Yoon Jae-won.

(7) 7th meeting of the Audit Committee in 2021: April 28, 2021 (Wed)

[Date of notice: April 21, 2021 (Wed)]

Items	Activities of members				Whether or not approved
	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
1. Name of director	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
A. Review and report of establishment of notification policy and appropriateness of execution in 2020	No particular comments				
B. Audit work-related report	No particular comments				
C. Report of the results of PCAOB-standard audit by external auditors for 2020	No particular comments				

Items	Activities of members				Whether or not approved
D. Report of status to hold the Audit Committee of subsidiary companies	No particular comments				
4. Resolutions					
A. Matters of ratification of non-audit contract for subsidiary companies, etc.	Concur	Concur	Concur	Concur	Approved
B. Matter of performance evaluation criteria for subsidiary's full-time audit committee members (proposal) in 2021	Concur	Concur	Concur	Concur	Approved

With respect to the performance evaluation criteria (resolution agenda) of the subsidiaries' full-time auditors for 2021, the Audit Committee decided the performance evaluation criteria of the subsidiaries' full-time auditors for 2021.

With respect to reporting related to audit (reported matter), the Audit Committee received reports on the results of the Financial Supervisory Service's comprehensive inspection and IT sector inspection of Shinhan Bank for 2019, etc.

With respect to reporting on the results of the 2020 PCAOB-standard audit (reported matter), the Audit Committee received Samil PricewaterhouseCoopers' report on the audit results of the financial reporting for disclosure and the internal control of financial statements for US listing purpose ("unqualified opinion").

(8) 8th meeting of the Audit Committee in 2021: May 13, 2021 (Thu)

[Date of notice: May 6, 2021 (Thu)]

Items	Activities of members				Whether or not approved
1. Name of director	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
A. Report of plan for the operation of Internal Accounting Management System in 2021	No particular comments				
B. Report of review of appropriateness of internal control on financial reports system	No particular comments				
C. Report of audit works	No particular comments				
D. Report of evaluation of audit activities of external auditors in 2020	No particular comments				
E. Report of audit work plan of external auditor in 2021	No particular comments				
F. Report of result of review of the financial statements of external auditor in the 1Q in 2021	No particular comments				

With respect to reporting on the inspection plan for the operation status of financial reporting internal control for 2021 (reported matter), the Audit Committee received the internal accounting manager's report on the detailed plan on the operation of the internal accounting control system for 2021, and invited external experts for the "training of details of the internal accounting control system."

With respect to reporting on the operational adequacy of the internal control system (reported matter), the Audit Committee received reports on the results of adequacy review of the Company's and its subsidiaries' internal control system operation for 2020.

With respect to reporting on the evaluation on the external auditor's audit activities for 2020 (reported matter), the Audit Committee received reports on the results of the evaluation of audit quality and subsidiaries' satisfaction and report on whether the audit fees, hours and personnel it approved at the time of external audit contract for 2020 were complied with.

With respect to reporting on the external auditor's audit plan for 2021 (reported matter), the Audit Committee received Samil PricewaterhouseCoopers' report on the audit plan and annual communication schedule for 2021, auditing hours for 2020, etc.

With respect to reporting on the results of the external auditor's financial statement review (reported matter) for the 1st quarter of 2021, the Audit Committee received Samil PricewaterhouseCoopers's report on major accounting matters such as indemnity claims against Lime Asset Management (Trade Finance Fund) and Shinhan Investment Corp.

(9) 9th meeting of the Audit Committee in 2021: August 12, 2021 (Thu)

[Date of notice: August 5, 2021 (Thu)]

Items	Activities of members				Whether or not approved
	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
1. Name of director	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
A. Report of audit works	No particular comments				
B. Report of performance for audit work in the first half of 2021	No particular comments				
C. Report of activity result of the compliance officer for Group in the first half of 2021	No particular comments				
D. Report of status of holding the Audit Committee of subsidiary companies	No particular comments				
E. Report of review result of the financial statements of external auditors in the first half of 2021	No particular comments				
4. Resolutions					
A. Matter of ratification for audit contract of subsidiary companies, etc.	Concur	Concur	Concur	Concur	Approved
B. Matter of approval for audit contract of subsidiary companies, etc.	Concur	Concur	Concur	Concur	Approved

With respect to reporting related to audit (reported matter), the Audit Committee received reports on the results of the Financial Supervisory Service's sector inspection of the holding company, etc.

With respect to reporting on the audit activities (reported matter) for the 1st half of 2021, the Audit Committee received reports on the results of 5 sectoral self-audits by the holding company and those of 2 comprehensive audits and 4 sector audits on the subsidiaries conducted in the 1st half of 2021.

With respect to reporting on the results of the Group compliance officer's activities (reported matter) for the 1st half of 2021, the Audit Committee received the compliance officer's report on the activities such as monitoring the holding company's and subsidiaries' internal control status for the 1st half of 2021, strengthening internal control activities, performing legal review, internal control council and external communication, compliance training, etc.

With respect to reporting on the results of the external auditor's financial statement review (reported matter) for the 1st half of 2021, the Audit Committee received Samil PricewaterhouseCoopers's report on the review of accounting for the merger between Shinhan Life Insurance and Orange Life.

In addition to the agenda items, the Audit Committee invited external experts to receive training on the details of IFRS 17 and merger accounting and received reports on the global accounting firms' independence management for the selection of the next external auditor (fiscal years 2023 - 2025).

(10) 10th meeting of the Audit Committee in 2021: November 11, 2021 (Thu)

[Date of notice: November 4, 2021 (Thu)]

Items	Activities of members				Whether or not approved
	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
1. Name of director	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
A. Report of the plan to stabilize consolidated accounting	No particular comments				
B. Report of result of intermediary evaluation for internal accounting management system of top management in 2021	No particular comments				
C. Report of audit works	No particular comments				
D. Report of the results of audit activities for the 3rd quarter of 2021	No particular comments				
E. Report of status of holding the Audit Committee of subsidiary companies	No particular comments				
F. Report of review result of the financial statements of external auditors in 3Q of 2021	No particular comments				
4. Resolutions					
A. Matter of ratification for non-audit contract of companies	Concur	Concur	Concur	Concur	Approved
B. Matter of ratification for audit contract of subsidiary companies, etc.	Concur	Concur	Concur	Concur	Approved

With respect to reporting on the results of the management's interim evaluation of the internal accounting control system for 2021 (reported matter), the Audit Committee received the internal accounting manager's report on the results of interim self-evaluation of the internal accounting control system by the Company's and Group companies' management (a total of 11 companies).

With respect to reporting on the audit activities (reported matter) for the 3rd quarter of 2021, the Audit Committee received reports on the results of a total of 5 audits and those of 2 comprehensive audits 2 sector audits on the subsidiaries conducted in the 3rd quarter of 2021.

With respect to reporting on the results of the external auditor's financial statement review for the 3rd quarter of 2021 (reported matter), the Audit Committee received Samil PricewaterhouseCoopers's report on the accounting results following the private settlement of issue products of Shinhan Bank and Shinhan Investment Corp..

(11) 11th meeting of the Audit Committee in 2021: December 9, 2021 (Thu)

[Date of notice: December 2, 2021 (Thu)]

Items	Activities of members				Whether or not approved
	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
1. Name of director	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
A. Internal audit department's report of the interim evaluation of the operation status of internal accounting control system	No particular comments				
B. Audit work-related report	No particular comments				
4. Resolutions					
A. Matter of work outcome evaluation by audit team manager in 2021	Concur	Concur	Concur	Concur	Approved
B. Matter of approval for audit contract of the Company and subsidiary companies, etc.	Concur	Concur	Concur	Concur	Approved
C. Matter of ratification for non-audit contract of subsidiary companies, etc.	Concur	Concur	Concur	Concur	Approved

With respect to the performance evaluation of the Audit Team head for 2021 (resolved agenda), the Audit Committee evaluated the Audit Team head's performance for 2021.

With respect to reporting on the interim evaluation of the operation status of the internal accounting control system (reported matter), the Audit Committee received the internal audit department's report on the results of the interim evaluation of the operation status of the internal accounting control system.

With respect to reporting related to audit (reported matter), the Audit Committee received reports on the results of the Financial Supervisory Service's comprehensive inspection of Shinhan Financial Investment.

(12) 12th meeting of the Audit Committee in 2021: December 30, 2021 (Thu)

[Date of notice: December 23, 2021 (Thu)]

Items	Activities of members				Whether or not approved
	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
1. Name of director	Yoon Jaewon	Lee Yoon-jae	Sung Jae-ho	Kwak Su-keun	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
A. External auditor's interim evaluation report of the internal accounting management system, etc.	No particular comments				
B. Internal audit department's report of the financial audit plan for 2021	No particular comments				
4. Resolutions					
A. Matter of ratification for non-audit contract of subsidiary companies, etc.	Concur	Concur	Concur	Concur	Approved
B. Matter of outcome evaluation of standing audit member of subsidiary companies in 2021	Concur	Concur	Concur	Concur	Approved
C. Approval of the audit plan for 2022	Concur	Concur	Concur	Concur	Approved

With respect to performance evaluation of the subsidiaries' full-time auditors for 2021 (resolution agenda), the Audit Committee evaluated the performance of the subsidiaries' full-time auditors for 2021 in accordance with the performance evaluation system for the subsidiaries' management.

With respect to approval of the audit plan for 2022 (resolution item), the Audit Committee reviewed and approved a plan to improve the effectiveness of the comprehensive audit of subsidiaries through intensive audits on core business, conduct preventive audits in high-risk areas, and enhance the internal control operating system of the Company and its subsidiaries.

With respect to reporting on the external auditor's interim evaluation of the internal accounting control system (reported matter), the Audit Committee received Samil PricewaterhouseCoopers's report on the evaluation process and interim evaluation results of the internal accounting control system, and the interim results of the PCAOB supervision.

With respect to reporting on the internal audit department's financial audit plan for 2021 (reported matter), the Audit Committee received reports on the plan to enhance audit effectiveness through audit procedures such as adequacy of accounting for alternative investment assets, adequacy of consolidated internal transactions, and adequacy of control over the implementation of consolidated accounting, and through the contracts to support external experts, for purposes of the internal audit department's financial audit and the evaluation of internal accounting control system for 2021.

C. Evaluation

Under Article 9 (Subcommittee) Paragraph 4 of the Company's Internal Code of Corporate Governance, the Risk Management Committee evaluates reasonableness of the agenda for resolutions and reports, degree of managerial information provided, role of the Committee, etc. once a year in connection with its operations. It then refers to the evaluation results in its operations.

Since the details of the evaluation shall be determined by the Board, the Company conducted the assessment in January 2022 based on the resolution passed on the 8th temporary meeting held in December 28 in 2016 as below.

(1) Purpose of evaluation: For use as reference in supporting the Committee's operations

(2) Evaluator: Evaluation by all members

(3) Criteria for evaluation:

- ① Operation evaluation: Reasonableness of Committee meeting hours, reasonableness of agenda, reasonableness of frequency of Committee meetings, and whether the Company has provided sufficient information
- ② Role evaluation: Reasonableness of the Committee's performance related to the Committee's authorities specified in the Internal Code of Corporate Governance

(4) Method (procedure) of evaluation: Questionnaire survey with 5-point scale and evaluation by third-party evaluating firm for fairness of evaluation and anonymity of evaluator

As a result of the Audit Committee evaluation in 2021, the operation and role performance of the Audit Committee was confirmed as at extremely appropriate level.

4. Audit support organization, etc.

The Corporate Governance Act stipulates that a department responsible for supporting the Audit Committee shall be established, and the Company's internal regulations also stipulate the basis for the establishment of the Audit Team for the same purpose and allow the internal audit manager to take charge of the team. (Article 13 of the Audit Committee Regulation)

The Company operates the Audit Team as an internal audit department to assist the Audit Committee in the efficient performance of audit tasks, and recruits and maintains professional audit personnel to assist the Audit Committee in accordance with its internal regulations and to perform audit tasks smoothly. (Article 6 of the Auditing Regulation)

The Audit Team consists of one team head and seven team members (as of the end of 2021), and the team members are composed of employees same as or above the manager level such as financial risk managers (FRMs) and certified public accountants (CPAs). The Audit Team conducts business audits on the Company and its subsidiaries and monitors audit activities of the subsidiaries by designating a person in charge of each subsidiary.

Pursuant to the annual audit plan that acquired the approval of the Audit Committee at the end of the previous year, the audit team implements the audit of the Company and subsidiary companies and regularly reports the result to the Audit Committee, and the work procedure of audit is reported to the BOD once a year.

Date	Reported to	Reporting and support
February 5, 2021	Audit Committee	Internal audit department's financial audit plan for the 20th Term
February 22, 2021	Audit Committee	Internal audit department's financial audit interim report for the 20th Term
March 2, 2021	Audit Committee, Board of Directors	Results of audit for 2020
March 2, 2021	Audit Committee, Board of Directors	Appropriateness and effectiveness of anti-money laundering performed, etc. for 2020
March 2, 2021	Audit Committee, Board of Directors	Adequacy of the operation status of the internal accounting control system for 2020
March 2, 2021	Audit Committee	Evaluation opinion on the operation status of the internal monitoring system for 2020
March 2, 2021	Audit Committee	Adequacy of financial statements and business reports for 2020
March 17, 2021	Audit Committee	Additional review of internal audit department's financial audit for the 20th Term
April 28, 2021	Audit Committee	Adequacy of establishment and execution of disclosure policy for 2020
May 13, 2021	Audit Committee	Adequacy of the holding company's operation of the internal control system for 2020
May 13, 2021	Audit Committee	Results of audit for the 1st quarter of 2021
May 13, 2021	Audit Committee	Evaluation of external auditor's audit activities for 2020
August 12, 2021	Audit Committee	Results of audit for the 1st half of 2021
November 11, 2021	Audit Committee	Results of audit for the 3rd quarter of 2021
December 9, 2021	Audit Committee	Interim evaluation of the operation status of the internal accounting control system for 2021
December 30, 2021	Audit Committee	Internal audit department's financial audit plan for the 20th Term

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IX. Risk Management Committee

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IX. Risk Management Committee

1. Roles

A. Overview

The Company's Risk Management Committee deliberates and resolves matters delegated by the Board. It has installed and comprehensively manages a system to properly manage risks. This system is capable of recognizing, measuring, monitoring, and controlling risks occurring from transactions of the Company and subsidiaries in a timely manner.

Under Article 3 of the Risk Management Committee Regulation, the Risk Management Committee consists of between 2 and 5 directors, with independent directors accounting for a majority of the members. At least 1 member shall have experience working for a financial company or in an area related to finance or accounting in a corporation under the Commercial Act. As of 2021, the Risk Management Committee consists of 4 independent directors, and includes at least 1 expert with experience working for a financial company.

If the chairman deems it necessary under Article 8 of the Risk Management Committee Regulation, the committee may request the management and relevant personnel to appear before the committee and give statements or to provide necessary materials. The committee may also request a third party to appear before the committee and give opinions.

Under Article 10 of the Risk Management Committee Regulation, the Company has established and is running the Group Risk Management Council to discuss the Group's various risks and to implement policies formulated by the Risk Management Committee.

B. Specific roles

(1) Establish basic policies and strategies of risk management

The Risk Management Committee of the Company provides the basic policy on the risk management of the Company and subsidiary companies in accordance with Article 6 (1) (i) of the Risk Management Committee Regulation, and for the purpose of aiming for the sound development of Shinhan Financial Group, it provides the guideline on the philosophy and principle of Group risk, risk management organization and role, basic policy of Group risk management, risk limit management system and management.

The 7th Risk Management Committee of 2009, held on November 12, 2009 set forth the Group risk philosophy in "striving for the balance of risk and profit in performing the pertinent business with the ownership of the risk by all constituents of the organization for sustainable growth" and the constituents consider such point at all times when carrying out the works.

The principle of risk management means the standard to formulate policy, regulation, management system, decision making and others for realizing the risk philosophy of Group as follows.

- ① All sales activities shall be carried out in consideration of balance of risk and profit within the risk tendency established in advance.
- ② The Company presents the internal code of risk management, supervises the compliance and possesses the responsibility and authority on monitoring of the Group level.
- ③ The decision-making system related to the risk to enhance the involvement of the top management is operated.
- ④ The sales part and independent risk management organization are organized and operated.
- ⑤ The outcome management system to clearly consider the risk at the time of business decision making is operated.
- ⑥ It strives for preemptive and practical risk management functions.
- ⑦ It shares the careful view to prepare for the possibility of possible worsening situation at all times.

(2) Decide the level of risk that the Company and each subsidiary can bear

Following Article 6 (1) (ii) of the Risk Management Committee Regulation, the Risk Management Committee sets the minimal equity capital ratio for the Group and each subsidiary companies for managing the risk of Group to be an appropriate level for its equity capital. The 10th Risk Management Committee of 2021, held on December 9, 2021 resolved minimum equity capital ratio of Group, Shinhan Bank, Shinhan Card, Shinhan Investment Corp., Shinhan Life, Shinhan Capital, Shinhan Asset Management, Jeju Bank, Shinhan Savings Bank, Asia Trust.

In addition, in connection to the annual business plan, the risk limit of Group and total risk limit for each subsidiary companies are set, and the subsidiary companies establishes and operates the total risk limit for each subsidiary companies and limit for each risk type within the risk limit set by the Risk Management Committee of the holding company. The 10th Risk Management Committee of 2021 resolved the risk limit of Group, Shinhan Bank, Shinhan Card, Shinhan Investment Corp., Shinhan Life, Shinhan Capital, Shinhan Asset Management, Jeju Bank, Shinhan Savings Bank, and within the risk limit set forth by the Risk Management Committee of the Company for each applicable subsidiary companies, the limit for each type and total limit of risk for each company was set.

In order to manage the Group's by-country risk related to international lending and investment business, the Risk Management Committee, at its 4th meeting of 2015 (December 10), decided to operate a system to manage the Group-level by-country exposure limit: The exposure limit would be set from 2016, and setting and managing the limit would be delegated to the Group Risk Council, and the limits set and management thereof would be reported to the committee. The Group-level by-country exposure the limit was set at the 2nd Group Risk Council meeting of 2021 (March 12) and reported at the 4th committee meeting of 2021 (May 13).

(3) Approve the limits of reasonable investment or allowable loss

Following Article 6 (1) (iii) of the Risk Management Committee Regulation, for the concentrated risk management of the Group level regarding the core management territory, setting the limit for Group exposure of the core management areas and its management are delegated to the Group Risk Council, and the contents of limit setting and management status are reported for each term. The 9th Group Risk Management Council of 2020, held on December 21, 2020 resolved the exposure limit of Group for the core management areas of 2021, and the applicable resolution contract were reported to the 1st Risk Management Committee of 2021 held on February 5, 2021. The approval for detailed appropriate investment limit and permitted loss limit for each subsidiary companies is set by each subsidiary companies as prearranged with the risk management team of the Company.

(4) Enact and revise Group Risk Management Regulation and the Group Risk Council Regulation

Following Article 6 (1) (iv) of the Risk Management Committee Regulation, and for providing the basic policy of Shinhan Financial Group, the Group Risk Management Council Regulation was established (December 7, 2001) to manage, and if necessary revised. In addition, for the efficient performance of risk management works and risk management work support of the Risk Management Committee, the Group Risk Management Council is established and operated and it revises the Group Risk Management Council Regulation for setting forth the matters on composition and operation of the Group Risk Council. The 2nd Risk Management Committee of 2020 held on March 4, 2020 resolved the matter of revision of the Group Risk Management Regulation and the Group Risk Management Council Regulation.

(5) Other matters recognized by the Board and Risk Management Committee as necessary

It is reported for each quarter for the status of bad debt cost compared to expected loss of the subsidiary companies, status of main index and management system for risk management of Group, status of exposure management of Group, status of risk management of overseas corporation etc. and the status of main risk changes connected to the subsidiary companies and others to be comprehensively recognized and monitored.

The Risk Management Committee deliberates on matters requiring resolution of the Board which also need risk review. In 2021, at its 2nd meeting, the Risk Management Committee deliberated on the issuance of Korean-currency redeemable contingent capital securities and changes to the issuance of foreign currency redeemable contingent capital securities. At its 7th meeting, the committee deliberated on the Group's recovery and resolution plan. In addition, at its 8th meeting, the committee deliberated on the acquisition of shares in BNP Paribas Cardif Insurance Co., Ltd. And at its 10th meeting, the committee deliberated on the issuance of redeemable contingent capital securities and the exclusion of Shinhan Alternative Investment Management Co., Ltd. as a subsidiary.

2. Composition

A. Overview

The Company's Risk Management Committee consisted of 2 to 5 directors (Article 3 of the Risk Management Committee Regulation), with a majority of the members being independent directors and at least 1 member having experience of working for a financial company or in the financial or accounting section of a company under the Commercial Act. In 2021, the committee consisted of 4 independent directors, including at least 1 expert having experience of working for a financial company. Chair Byeon Yang-ho is an expert in the global finance, business and economic fields who held positions in the Ministry of Finance and Ministry of Finance and Economy, and member Huh Yong-hak is an expert in the global, finance, and business fields who oversaw investment banking affairs in a global financial company.

B. Members

<Before General Meeting of Shareholders in March of 2021>

Name	Executive/ Non-Executive/ Independent	Title	Date of election	End of term	Experience working for a financial company or in an area related to finance or accounting in a corporation
Byeon Yang-ho	Independent director	Chairman	March 27, 2019	2021.3.25 March 25, 2021	Yes
Huh Yong-hak	Independent director	Member	March 27, 2019	2021.3.25 March 25, 2021	Yes
Park Cheul	Independent director	Member	March 26, 2020	2021.3.25 March 25, 2021	Yes

<After General Meeting of Shareholders in March of 2021>

Name	Executive/ Non-Executive/ Independent	Title	Date of election	End of term	Experience working for a financial company or in an area related to finance or accounting in a corporation
Byeon Yang-ho	Independent director	Chairman	March 25, 2021	Date of General Meeting of Shareholders in March 2023	Yes
Lee Yong-guk	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2023	No
Choi Jae-boong	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2023	No
Huh Yong-hak	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022	Yes

3. Activities & Evaluations

A. Overview

The Risk Management Committee is convened once a quarter in accordance with Article 5 of the Risk Management Committee Regulation in principle, and the Chairman may convene the Committee from time to time if necessary. In 2021, a total of 10 Risk Management Committee meetings were held, and the agenda presented was a total of 40 cases, and all Risk Management Committee members attended all meetings. The risk management team of the Company had a face-to-face preliminary explanation session for the members to understand the contents of the agenda to discuss in-depth and efficiently, and the contents of activities for the Risk Management Committee was reported to the BOD.

At its 2nd meeting of 2021, the Risk Management Committee reviewed and deliberated on the issuance of Korean-currency redeemable contingent capital securities and the change in the issuance of foreign-currency redeemable contingent capital securities.

At its 4th meeting of 2021, the Risk Management Committee approved the results of the Group's integrated stress test and the resulting capital management plan and contingency plan.

At its 5th meeting of 2021, the Risk Management Committee decided to apply for approval of a change in the Group's credit risk internal ratings-based approach, set the minimum capital adequacy ratio of Shinhan Life for 2021, and changed the risk limit for 2021.

At its 7th meeting of 2021, the Risk Management Committee reviewed and deliberated on the Group's recovery and resolution plan (proposed).

At its 8th meeting of 2021, the Risk Management Committee deliberated on the acquisition of shares in BNP Paribas Cardif Insurance Co., Ltd.

At its 9th meeting of 2021, the Risk Management Committee approved the results of the Group's integrated stress test and the resulting capital management plan and contingency plan.

At its 10th meeting of 2021, the Risk Management Committee deliberated on the issuance of redeemable contingent capital securities and the exclusion of Shinhan Alternative Investment Management Co., Ltd. as a subsidiary, set the minimum capital adequacy ratio for 2022, set the risk limit for 2022, and set the holding company's liquidity risk limit for 2022.

In addition, each quarter the Risk Management Committee received reporting on and checked the management status of the Group's and each subsidiary's minimum capital adequacy ratio and risk limit for 2021, which had been resolved to set the level of risk that can be borne by the Group and each subsidiary at the 10th committee meeting of 2020 (December 10), and received reports on the details and management status of the Group's exposure limit in the core management areas and the Group's by-country exposure limit whose setting (amount) had been delegated to the Group Risk Council to manage the Group-level risk in the core management areas and the Group's by-country risk. Each quarter, the committee received reports on the status of bad debt costs against the expected loss of subsidiaries, resolutions and reports of the subsidiaries' risk management committees, the Group's key risk management indicators and management thereof, and status of the Group's exposure limit management. Further, the committee received reports on the project to build the ESG integrated risk management system and the project for the Group's recovery and resolution plan, and received reports, and expressed various opinions, on the results of the Group's integrated stress test based on the Financial Supervisory Service's scenario, the results of the Group's Crisis Management Council, and the Group's internal capital adequacy evaluation.

B. Meetings held

(1) 1st meeting of the Risk Management Committee in 2021: February 5, 2021 (Fri)

[Date of notice: January 28, 2021 (Thu)]

Items	Activities of members			Remarks
	Byeon Yang-ho	Huh Yong-hak	Park Cheul	
1. Name of director	Byeon Yang-ho	Huh Yong-hak	Park Cheul	
2. Attendance status and reason if absent	Attended	Attended	Attended	
3. Comments on reported matters				
A. Report of the Group's integrated stress test as of the end of December 2020	No particular comments			
B. Report of operation of the outcome evaluation index for risk adjustment in 2021 (Proposal)	No particular comments			
C. Report of setting the limit of Group exposure in core management areas in 2021	No particular comments			
D. Matter of regular report of 4Q 2020	No particular comments			
4. Resolutions				
No resolutions	Not applicable	Not applicable	Not applicable	Not applicable

At its 1st meeting of 2021, the Risk Management Committee received reports on the "Group's integrated stress test as of the end of 2020," "operation of risk-adjusted performance evaluation indicators for 2021 (proposed)," "setting of limits on the Group's exposure in key management areas for 2021," and "periodic report for the 4th Quarter of 2020."

Member Huh Yong-hak inquired about the level of macroeconomic indicators in the scenario of the Group's integrated stress test, and Member Park Cheul inquired about the worst-case scenario. In addition, Chairman Byeon Yang-ho inquired about the management targets in the key management areas.

(2) 2nd meeting of the Risk Management Committee in 2021: March 2, 2021 (Tue)

[Date of notice: February 23, 2021 (Tue)]

Items	Activities of members			Remarks
	Byeon Yang-ho	Huh Yong-hak	Park Cheul	
1. Name of director	Byeon Yang-ho	Huh Yong-hak	Park Cheul	
2. Attendance status and reason if absent	Attended	Attended	Attended	
3. Comments on reported matters				
(No agenda to report)	Not applicable			
4. Resolutions				
A. Matter of issuance KRW currency, redeemable contingent equity securities	Attended	Attended	Attended	Deliberation completed
B. Matter of change in the issuance foreign-currency redeemable contingent equity securities	Attended	Attended	Attended	Deliberation completed

At its 2nd meeting of 2021, the Risk Management Committee reviewed and deliberated on the issuance of Korean-currency redeemable contingent capital securities and the changes to the issuance of foreign-currency redeemable contingent capital securities. Chairman Byeon Yang-ho inquired about the difference between hybrid capital securities and subordinated bonds in terms of issuance, and Member Huh Yong-hak inquired about the size of the issuance of contingent capital securities. As

for other opinions, Chairman Byeon Yang-ho requested to strengthen risk management in response to an increase in household debt, and Member Huh Yong-hak inquired about the size of principal and interest deferral by Shinhan Financial Group.

(3) 3rd meeting of the Risk Management Committee in 2021: March 25, 2021 (Thu)

[Date of notice: March 18, 2020 (Thu)]

Items	Activities of members				Remarks
1. Name of director	Byeon Yang-ho	Lee Yong-guk	Choi Jae-boong	Huh Yong-hak	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
(No agenda to report)	Not applicable				
4. Resolutions					
A. Matter of criteria of the chair of the Risk Management Committee	Concur	Concur	Concur	Concur	Approved as presented

The 3rd Risk Management Committee in 2021 appointed Byeon Yang-ho as the chair of the Risk Management Committee for 2021.

(4) 4th meeting of the Risk Management Committee in 2021: May 13, 2021 (Thu)

[Date of notice: May 6, 2021 (Thu)]

Items	Activities of members				Remarks
1. Name of director	Byeon Yang-ho	Lee Yong-guk	Choi Jae-boong	Huh Yong-hak	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
A. Report of the result of the Group's by-country risk analysis and exposure limit setting for 2021	No particular comments				
B. Report of the project to build the ESG integrated risk management system	No particular comments				
C. Report of the project for recovery and resolution plan	No particular comments				
D. Matter of regular report of 1Q 2021	No particular comments				
H. Report of the results of the Group Crisis Management Committee meeting	No particular comments				
4. Resolutions					
A. Group's integrated stress test and the resulting capital management plan and contingency plan.	Concur	Concur	Concur	Concur	Approved as presented

At its 4th meeting of 2021, the Risk Management Committee approved the results of the Group's integrated stress test and the resulting capital management plan and contingency plan and received 5 reports. Regarding the results of the Group's integrated stress test and the resulting capital management plan and contingency plan, Chairman Byeon Yang-ho expressed his opinion on the need to elaborate the scenario of the possibility of a drop in asset value and insolvency of household debt

due to an increase in interest rates, and Member Huh Yong-hak expressed his opinion on the need to diversify the funding plan. Regarding the report on the results of the Group's country-specific risk analysis and exposure limit setting, Member Lee Yong-guk inquired about the limit setting and distribution process by country, and Chairman Byeon Yang-ho requested additional explanations on the change in country rating. Regarding the project to build the integrated ESG risk management system, Member Lee Yong-guk expressed his opinion on the need for a policy to induce companies to reduce their carbon emissions on their own, and Member Huh Yong-hak inquired about the role of risk management in ESG. Regarding the recovery and resolution project, Chairman Byeon Yang-ho inquired about the companies that need to establish a recovery and resolution plan, and about the preparation system for normal situations. Regarding the report on the results of the Group Crisis Management Council meetings, Chairman Byeon Yang-ho inquired about the stages of the crisis management system and requested that its management be strengthened for fear of a crisis arising due to an increase in household debt, Member Choi Jae-boong expressed his opinion on the need for gathering and use of data for crisis judgment/analysis, etc.

(5) 5th meeting of the Risk Management Committee in 2021: June 14, 2021 (Mon)

[Date of notice: June 7, 2021 (Mon)]

Items	Activities of members				Remarks
	Byeon Yang-ho	Lee Yong-guk	Choi Jae-boong	Huh Yong-hak	
1. Name of director	Byeon Yang-ho	Lee Yong-guk	Choi Jae-boong	Huh Yong-hak	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
A. Results of conformity verification on the application for approval of a change in the Group's credit risk internal ratings-based approach	No particular comments				
4. Resolutions					
A. Matter of application of approval to modify the internal ratings-based approach of Group credit risk	Concur	Concur	Concur	Concur	Approved as presented
B. Setting of Shinhan Life's minimum capital adequacy ratio for 2021	Concur	Concur	Concur	Concur	Approved as presented
C. Change of risk limit for 2021	Concur	Concur	Concur	Concur	Approved as presented

At its 5th meeting of 2021, the Risk Management Committee decided to apply for approval of a change in the Group's credit risk internal ratings-based approach to apply to the supervisory authority for approval of the internal ratings-based approach, set the minimum capital adequacy ratio of Shinhan Life (surviving company) in consideration of the merger between Shinhan Life and Orange Life, and changed the Group's risk limit for the merger. In addition, the committee received reports on the results of the conformity verification on the application for approval of a change in the Group's credit risk internal ratings-based approach. Regarding approval of the Group's credit risk internal ratings-based approach, Chairman Byeon Yang-ho inquired about the merits of financial companies when applying the internal ratings-based approach, and Member Huh Yong-hak asked why Jeju Bank's application for approval of the internal ratings-based approach was delayed compared to Shinhan Bank and Shinhan Card. Member Choi Jae-boong asked why the Group's BIS ratio decreased slightly due to changes in the default rates of Shinhan Bank and Shinhan Card. As for the setting of Shinhan Life's minimum capital adequacy ratio for 2021, Member Huh Yong-hak inquired about the RBC ratio of other life insurance companies and the expected ratio of Shinhan Life's K-ICS following the introduction of the new solvency system.

(6) 6th meeting of the Risk Management Committee in 2021: August 12, 2021 (Thu)

[Date of notice: August 5, 2021 (Thu)]

Items	Activities of members				Remarks
1. Name of director	Byeon Yang-ho	Lee Yong-guk	Choi Jae-boong	Huh Yong-hak	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
A. Report on the results of the Group's integrated stress test based on the Financial Supervisory Service's scenario	No particular comments				
B. Report of the Group's integrated stress test as of the end of June 2021	No particular comments				
C. Report of the result of individual companies' and affiliates' credit exposure limit setting for 2021	No particular comments				
D. Interim report on the project for the Group's recovery and resolution plan (RP)	No particular comments				
E. Result of approval to modify the internal ratings-based approach of Group credit risk	No particular comments				
F. Matter of regular report of 2Q, 2021	No particular comments				
G. Report of the results of the Group Crisis Management Committee meeting	No particular comments				
4. Resolutions					
No resolutions	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

At its 6th meeting of 2021, the Risk Management Committee received a total of 7 reports including the results of the Group's integrated stress test based on the Financial Supervisory Service's scenario. Chairperson Byeon Yang-ho expressed his opinion on the scenario of household loan expansion in the Group's integrated stress test report as of the end of June 2021, and Member Huh Yong-hak asked whether the scenario reflected exchange rate fluctuations caused by the base rate hike. Regarding the report on the setting of the credit exposure limit for individual companies and the Group for 2021, Member Lee Yong-guk inquired about the "process of setting limit by credit rating" and the "limit being set during the year, not at the year-end," and Member Huh Yong-hak inquired about the monitoring cycle for the limit being exceeded. Regarding the interim report on the project for the Group's recovery and resolution plan, Member Lee Yong-guk inquired about the difference between the Risk Management Committee and the Crisis Management Council in the governance and about the critical point of the recovery and resolution plan. As for another opinion, Member Huh Yong-hak inquired about the capital efficiency plan as the Group's capital adequacy ratio has more room than is regulated.

(7) 7th meeting of the Risk Management Committee in 2021: October 1, 2021 (Fri)

[Date of notice: September 24, 2021 (Fri)]

Items	Activities of members				Remarks
1. Name of director	Byeon Yang-ho	Lee Yong-guk	Choi Jae-boong	Huh Yong-hak	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
(No agenda to report)	Not applicable				
4. Resolutions					
A. Deliberation of the Group's recovery and resolution plan (proposed)	Attended	Attended	Attended	Attended	Deliberation completed

At its 7th meeting of 2021, the Risk Management Committee deliberated on the Group's recovery and resolution plan (proposed) that requires resolution of the Board. Chairperson Byeon Yang-ho inquired about the response plan when the critical point of the automatic triggering indicator was exceeded, and Member Huh Yong-hak inquired about the response plan of Shinhan DS (selected as an important subsidiary) in a crisis situation and the crisis management system of other Group companies not selected as important subsidiaries. In addition, Member Lee Yong-guk inquired about the procedure for conformity verification of the recovery and resolution plan.

(8) 8th meeting of the Risk Management Committee in 2021: October 26, 2021 (Tue)

[Date of notice: October 19, 2021 (Tue)]

Items	Activities of members				Remarks
1. Name of director	Byeon Yang-ho	Lee Yong-guk	Choi Jae-boong	Huh Yong-hak	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
(No agenda to report)	Not applicable				
4. Resolutions					
A. Acquisition of shares in BNP Paribas Cardif General Insurance Co., Ltd.	Attended	Attended	Attended	Attended	Deliberation completed

At its 8th meeting of 2021, the Risk Management Committee deliberated the acquisition of shares in BNP Paribas Cardif Insurance Co., Ltd. that requires resolution of the Board. Member Huh Yong-hak asked about the possibility of a capital increase of BNP Paribas Cardif Non-Life Insurance due to the drop in RBC ratio. As for other opinions, Chairperson Byeon Yang-ho requested that a report on the re-examined household loan management policy be submitted to the next Risk Management Committee meeting, and Member Huh Yong-hak requested a report on the results of a stress test due to concerns about the expansion of small business insolvency.

(9) 9th meeting of the Risk Management Committee in 2021: November 18, 2021 (Thu)

[Date of notice: November 11, 2021 (Thu)]

Items	Activities of members				Remarks
1. Name of director	Byeon Yang-ho	Lee Yong-guk	Choi Jae-boong	Huh Yong-hak	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
A. Matter of regular report of 3Q, 2021	Not applicable				
B. Report of the results of the Group Crisis Management Committee meeting	No particular comments				
4. Resolutions					
A. Basic management plan and emergency capital raising plan following result of situation analysis of integrated crisis of Group	Concur	Concur	Concur	Concur	Approval of agenda

At its 9th meeting of 2021, the Risk Management Committee approved the results of the Group's integrated stress test and the resulting capital management plan and contingency plan and received two reports. In addition, training was provided to the committee members on 'measurement and management of financed emission for climate change risk management.' And the

committee received a separate report on 'household loan status checking and key operation strategies,' requested at its 8th meeting of 2021. As for the report on the results of the Group's integrated stress test, Chairman Byeon Yang-ho expressed his opinion on financing in the event of a liquidity crisis, and Member Lee Yong-guk asked additional questions about Shinhan Capital's risk limit management plan contained in the periodic report for the third quarter of 2021. Regarding the ESG education materials, Member Lee Yong-guk inquired about the roles of the ESG Strategy Committee and the Risk Management Committee, and Member Choi Jae-boong expressed his opinion on the need to strengthen the "S (Social Responsibility) area" among the ESG areas.

(10) 10th meeting of the Risk Management Committee in 2021: December 9, 2021 (Thu)

[Date of notice: December 2, 2021 (Thu)]

Items	Activities of members				Remarks
1. Name of director	Byeon Yang-ho	Lee Yong-guk	Choi Jae-boong	Huh Yong-hak	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
A. Direction of risk management strategy for Group in 2022	No particular comments				
B. Report of evaluation on the appropriateness of internal capital for Group	No particular comments				
C. Report of result of regular reasonableness verification for calculation system of credit risk added-weight assets for Group	No particular comments				
D. Report of result of verification for regular reasonableness of integrated stress testing for global business	No particular comments				
E. Report of the results of periodic conformity verification on the Group's non-retail credit rating model and PD	No particular comments				
F. Report of the results of periodic conformity verification on the Group's default management system	No particular comments				
4. Resolutions					
A. Matter of issuance KRW currency, redeemable contingent equity securities	Attended	Attended	Attended	Attended	Deliberation completed
B. Exclusion of Shinhan Alternative Investment Management Co., Ltd. as subsidiary	Attended	Attended	Attended	Attended	Deliberation completed
C. Matter of setting the minimal equity capital ratio in 2022	Concur	Concur	Concur	Concur	Approval of agenda
D. Matter of setting the risk limit in 2022	Concur	Concur	Concur	Concur	Approval of agenda
E. Matter of setting the liquidity risk limit of holding company in 2022	Concur	Concur	Concur	Concur	Approval of agenda

At its 10th meeting of 2021, the Risk Management Committee deliberated on the issuance of redeemable contingent capital securities and the exclusion of Shinhan Alternative Investment Management Co., Ltd. as a subsidiary, with both items requiring resolution of the Board, passed a total of 3 resolutions including the minimum capital adequacy ratio and the risk limit for 2022, and received 6 reports. In addition, training on 'Understanding of Basel III Liquidity Risk' was conducted for

committee members. Chairman Byeon Yang-ho asked about the reason for lowering Shinhan Card's adjusted minimum capital adequacy ratio when setting the minimum capital adequacy ratio for 2022, and Member Huh Yong-hak asked about the decrease in capital efficiency due to the high net capital ratio of Shinhan Investment Corp. Regarding education materials on the Basel III liquidity risk, Chairman Byeon Yang-ho asked about the difference from Basel II, and Member Huh Yong-hak asked about the assets that are recognized as highly liquid in calculating LCR.

C. Evaluation

Pursuant to Article 9 (Subcommittee) (4) of the Company's Internal Code of Corporate Governance, the Risk Management Committee evaluates reasonableness of the agenda for resolutions and reports, degree of managerial information provided, role of the Committee, etc. once a year in connection with its operations. It then refers to the evaluation results in its operations.

Since the details of the evaluation shall be determined by the Board, the Company conducted the assessment in January 2022 based on the resolution passed on the 8th temporary meeting held in December 28 in 2016 as below.

(1) Purpose of evaluation: For use as reference in supporting the Committee's operations

(2) Evaluator: Evaluation by all members

(3) Criteria for evaluation:

- ① Operation evaluation: Reasonableness of Committee meeting hours, reasonableness of agenda, reasonableness of frequency of Committee meetings, and whether the Company has provided sufficient information
- ② Role evaluation: Reasonableness of the Committee's performance related to the Committee's authorities specified in the Internal Code of Corporate Governance

(4) Method (procedure) of evaluation: Questionnaire survey with 5-point scale and evaluation by third-party evaluating firm for fairness of evaluation and anonymity of evaluator

Evaluation of the Risk Management Committee for 2021 showed that operation and role performance of the committee was excellent. As for the request, there was a request for additional reports on the current status of household loan management and countermeasures, and there was an opinion that it was necessary to refine the analysis of the impact of an interest rate rise in the stress test scenario, etc. Reporting and discussions are made in case of issues such as an increase in household debt due to the impact of COVID-19, and the role of financial institutions in ESG is continuously emphasized. At the 9th Risk Management Committee's meeting of 2021, education and training on 'measurement and management of financed emission for climate change risk management' was conducted and the project to build the Group-level ESG risk management system was also reported.

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X. Board Steering Committee

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X. Board Steering Committee

(Abolished and its functions transferred to the Board to strengthen the Board on 25 March 2021)

1. Roles

A. Overview

The Board Steering Committee deliberates and resolves matters delegated by the Board, thereby supporting efficient operation of the Board. (Article 2 of the Board Steering Committee Regulation)

In terms of corporate governance, the committee recommends candidates for non-independent directors (excluding the candidate for CEO). (Article 11 of the Internal Code of Corporate Governance)

Article 17, Paragraph 1 of the Corporate Governance Act requires that a committee recommending candidates for executives shall only recommend candidates for independent directors, CEO, representative officers, and audit committee members. However, to prevent a specific committee from monopolizing the authority to recommend director candidates and to realize transparency in corporate governance, the Company authorizes the CEO Recommendation Committee to recommend the candidate for CEO. It also authorizes the Independent Director & Audit Committee Member Recommendation Committee to recommend independent director candidates, and the Board Steering Committee to recommend candidates for directors independent of the two categories above.

Since the Board consists of the CEO, non-executive directors, and independent directors, the Board Steering Committee performs the function of recommending non-executive directors. However, for reinforcement of the process of non-executive director recommendation and the functions of the Board and more efficient operation of the subcommittees, the Board Steering Committee was abolished in March 2021 and its functions were transferred to the Board.

B. Specific roles

(1) Set the qualifications of non-independent directors (excluding the candidate for CEO)

Article 11 (3) (i) of the Internal Code of Corporate Governance and Article 6 (1) (i) of the Board Steering Committee Regulation set forth the role of the Committee as 'Setting of Qualification of Non-independent directors of the Company (excluding the candidate for CEO)'.

(2) Recommend candidates for non-independent directors (excluding the candidate for CEO)

Article 11 (3) (ii) of the Internal Code of Corporate Governance and Article 6 (1) (ii) of the Board Steering Committee Regulation set forth the role of the Committee as 'Matters related to the candidate recommendation of non-independent directors, of the Company (excluding the candidate for CEO and Chairman)'.¹ However, for reinforcement of the process of non-executive director recommendation, the recommendation authority was transferred to the Board and the Board Steering Committee was abolished.

At the 2nd meeting of 2021 (March 2), the Board Steering Committee recommended Director Jin Ok-dong (Shinhan Bank CEO) as a non-executive director candidate for 2 year in office.

(3) Deliberate appointment and dismissal of non-director executives

Article 11 (3) (iii) of the Internal Code of Corporate Governance and Article 6 (1) (iii) of the Board Steering Committee Regulation set forth the role of the Committee as Matters on 'Deliberate appointment and dismissal of non-director executives'.

(4) Deliberate on how to evaluate the Board and subcommittees

The Article 11 (3) (iv) of the Internal Code of Corporate Governance and Article 6 (1) (iv) of the Board Steering Committee Regulation assign the role of 'deliberate on how to evaluate the Board and subcommittees' to the committee.

The 6th Board Steering Committee held on the 28th of December in 2016 saw a resolution on the committee's 'deliberation on the assessment method for the performance of the Board and others'. As set forth by the Article 8 of the Internal Code of Corporate Governance of the Company, the committee clarified the purpose, subject, standards and methodology of assessments on the appropriateness of resolutions and reports related to the operation of the Board, the scope of business management data, the roles of the Board, etc.

The details were submitted to the 8th Special Board Meeting held on the same date and then finalized. The conclusion has been applicable to the performance assessment of the Board and others to date.

(5) Deliberate methods of evaluating independent directors

Article 11 (3) (v) of the Internal Code of Corporate Governance and Article 6 (1) (v) of the Board Steering Committee Regulation set forth the role of the Committee as 'Deliberate methods of evaluating independent directors'.

The 2nd Board Steering Committee held on February 24, 2015 structured the detailed evaluation index on four categories of expertise, fair judgment, integrity and strong work ethic as the positive qualifications of independent director through the 'Deliberate methods of evaluating independent directors', and it finalized the evaluation method of independent director through the resolution of the 2nd special BOD resolution held on the same date.

Thereafter, the applicable evaluation method is facilitated to implement the evaluation of activity contents of independent director for the previous year in the early part of each year.

For the case of the independent director candidates for re-election, the recommendation for re-election is possible only where the evaluation result exceeds the expected level. During January 2021, it implemented '2020 independent director evaluation', and considering the applicable evaluation result on recommendation for re-election of the independent director subject for re-election, it reported the evaluation result to the 1st Independent Director Recommendation Committee held on February 5, 2021.

(6) Set the goals of BOD Secretariat's performance, and deliberate on how to evaluate them

Articles of Incorporation 11 (3) (vi) of the Internal Code of Corporate Governance and Article 6 (1) (vi) of the Board Steering Committee Regulation set forth the role of the Committee as the 'Set the goals of BOD Secretariat's performance, and deliberate on how to evaluate them '.

The 2nd Board Steering Committee held on May 18, 2018 guaranteed the substantive duty performance of the BOD supporting department, ' BOD Secretariat ', by resolving the 'matters on improvement of the outcome evaluation of the BOD Secretariat for strengthening the independence of the independent director support works.

The process to set and evaluate the annual performance goals for the Board Secretariat is decided by resolution of the Board Steering Committee, and all independent directors are obligated to carry out the role of evaluator of the performance and the committee is obligated to fix the evaluation grade as confirmer. By excluding the CEO and non-standing directors throughout the evaluation process, a systemic device is in place so that the Board Secretariat, in an independent position, can faithfully carry out its role as the supporting department directly under the Board.

At the 1st meeting of 2021 (February 5), the Board Steering Committee confirmed the level of the Board Secretariat's achievement of the goals set in 2020 and the evaluation of independent directors and fixed the evaluation grade of the Board Secretariat. Also, the committee set the performance goal, detailed tasks, and evaluation criteria for the Board Secretariat for 2021 and set the evaluation schedule for the goals.

(7) Other matters deemed by the Board and subcommittees necessary for efficient running of the Board, etc

Article 11 (3) (vii) of the Internal Code of Corporate Governance and Article 6 (1) (vii) of the Board Steering Committee Regulation set forth the role of the Committee as the 'Other matters deemed by the Board and subcommittees necessary for efficient operation of the Board, etc.'

2. Composition**A. Overview**

The committee consists of up to 5 directors including the CEO, and a majority of its members are independent directors. (Article 11, Paragraph 2 of Internal Code of Corporate Governance; Article 3, Paragraph 1 of Board Steering Committee Regulation) The members who are independent directors cannot consecutively serve in excess of 2 years. (Article 3, Paragraph 2 of Board Steering Committee Regulation)

The foregoing is to prevent "clubby boards" by independent directors and build a systemic device for fair, transparent running of the Board, in consideration of the committee's role of evaluating and deliberating on the activities of the Board, subcommittees and independent directors.

As of 2021, Board Steering Committee consists of the CEO (Executive director) and 3 independent directors.

One of the members is elected as the chairman by the committee's resolution. (Article 4, Paragraph 1 of Board Steering Committee Regulation)

Currently, the chair of the Board Steering Committee is director Cho Yong-byoung.

B. Composition

<Before General Meeting of Shareholders in March of 2021>: Abolishment of the committee due to revision of the Articles of Incorporation and internal regulations (March 2021)

Name	Executive/Non-Executive/ Independent	Title	Date of election	End of term
Cho Yong-byoung	Executive director	Chairman	March 26, 2020	March 25, 2021
Park Ansoon	Independent director	Member	March 26, 2020	March 25, 2021
Park Cheul	Independent director	Member	March 26, 2020	March 25, 2021
Yuki Hirakawa	Independent director	Member	March 26, 2020	March 25, 2021

3. Activities & Evaluations**A. Overview**

During 2021, the Board Steering Committee was held a total of 2 times.

B. Meetings held**(1) 1st meeting of the Board Steering Committee in 2021: February 5, 2021 (Wed)**

[Date of notice: February 4, 2021 (Tue)]

Items	Activities of directors				Whether or not approved
1. Name of director	Park Cheul	Park Ansoon	Yuki Hirakawa	Cho Yong-byoung	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
(No agenda to report)	Not applicable				
4. Resolutions					
A. Matter of evaluation of work outcome for the BoD Secretariat in 2020	Concur	Concur	Concur	Concur	Approved
B. Matter of setting the work outcome goal for the BoD Secretariat in 2021	Concur	Concur	Concur	Concur	Approved

Resolution – A. Matter of evaluation of work outcome for the BoD Secretariat in 2020: The level of the Board Secretariat's achievement of the goals set in 2020 and the evaluation of independent directors were confirmed and the evaluation grade of the Board Secretariat was fixed.

Resolution – B. Matter of setting the work outcome goal for the BoD Secretariat in 2021: The committee set the performance goal, detailed tasks, and evaluation criteria for the Board Secretariat for 2021 and set the evaluation schedule for the goals.

(2) 2nd meeting of the Board Steering Committee in 2021: March 2, 2021 (Tue)

[Date of notice: February 23, 2021 (Tue)]

Items	Activities of directors				Whether or not approved
1. Name of director	Park Cheul	Park Ansoon	Yuki Hirakawa	Cho Yong-byoung	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
(No agenda to report)	Not applicable				
4. Resolutions					
A. Matter of recommend candidates for non-executive directors	Concur	Concur	Concur	Concur	Approved

Resolution – A. Matter of recommend candidates for non-executive directors: Director Jin Ok-dong (Shinhan Bank CEO) was recommended as a non-executive director candidate for 2 year in office.

C. Evaluation

Under Article 8 (Evaluation of the Board's performance, etc.) of the Company's Internal Code of Corporate Governance, the Board Steering Committee evaluates reasonableness of the agenda for resolutions and reports, degree of managerial information provided, role of the Committee, etc. once a year in connection with its operations. It then refers to the evaluation results in its operations.

As the Board Steering Committee was abolished in March 2021, the committee was not evaluated.

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XI. ESG Strategy Committee

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XI. ESG Strategy Committee (Formerly Corporate Social Responsibility Committee)

1. Roles

A. Overview

The Company has become the first Korean financial company to establish its ESG Strategy Committee (former Corporate Social Responsibility Committee) on March 25, 2015, in order to grow together with internal and external stakeholders, including customers, shareholders and community, and actively and systematically realize the Group's mission of "Compassionate Finance for the Future."

The ESG Strategy Committee deliberates and resolves matters delegated by the Board, thereby establishing the direction of the Company's sustainable management, and determines related matters.

B. Specific roles

In the Company, the ESG Strategy Committee's specific roles are set forth in Article 17, Paragraph 2 of the Internal Code of Corporate Governance and Article 6 of the ESG Strategy Committee Regulation.

(1) Establish sustainable management strategy

The ESG Strategy Committee discusses major issues related to "financial company ESG" (Environmental, Social, and Governance) and sustainable management, and establishes the sustainability management strategy to be implemented by the Group and sets the direction thereof.

(2) Establish, revise, and abolish standards/policies related to sustainable management

The Company has been establishing sustainable management policies such as eco-friendly management and corporate social responsibility, including response to climate change, and this Committee revises the existing regulations related to the sustainable management of Group or deliberates and resolves the establishment of new regulations.

(3) Others

The Company reports "publishing of sustainability management-related disclosure materials," "results of external evaluation," and "status of work being implemented" to the ESG Strategy Committee.

2. Composition

(1) Overview

The Company's ESG Strategy Committee consists of 5 members (4 independent directors and 1 executive director).

(2) Members

<Before General Meeting of Shareholders in March of 2021>

Name	Executive/Non-Executive/ Independent	Title	Date of election	End of term
Lee Yoon-jae	Independent director	Chairman	March 26, 2020	March 25, 2021
Byeon Yang-ho	Independent director	Member	March 26, 2020	March 25, 2021
Choi Kyong-rok	Independent director	Member	March 26, 2020	March 25, 2021
Yoon Jaewon	Independent director	Member	March 26, 2020	March 25, 2021
Cho Yong- byoung	Executive director	Member	March 26, 2020	March 25, 2021

<After General Meeting of Shareholders in March of 2021>

Name	Executive/Non-Executive/ Independent	Title	Date of election	End of term
Kwak Su-keun	Independent director	Chairman	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Lee Yoon-jae	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Yoon Jaewon	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Choi Jae-boong	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Cho Yong- byoung	Executive director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022

3. Activities & Evaluations

A. Overview

In 2021, the ESG Strategy Committee was held a total of 4 times and all members were in attendance for 100%.

B. Meetings held

(1) 1st meeting of the ESG Strategy Committee in 2021: March 25, 2021 (Thu)

[Date of notice: March 18, 2021 (Thu)]

Items	Activities of directors					Whether or not approved
	Kwak Su-keun	Lee Yoon-jae	Yoon Jaewon	Choi Jae-boong	Cho Yong- byoung	
1. Name of director	Kwak Su-keun	Lee Yoon-jae	Yoon Jaewon	Choi Jae-boong	Cho Yong- byoung	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
(No agenda to report)	Not applicable					
4. Resolutions						
A. Matters on election of the chair of the Corporate Social Responsibility Committee	Concur	Concur	Concur	Concur	Concur	Approved

The 1st ESG Strategy Committee of 2021 elected the member Kwak Su-keun as the chair of the ESG Strategy Committee in 2021.

(2) 2nd meeting of the ESG Strategy Committee in 2021: May 14, 2021 (Fri)

[Date of notice: May 7, 2021 (Fri)]

Items	Activities of directors					Whether or not approved
	Kwak Su-keun	Lee Yoon-jae	Yoon Jaewon	Choi Jae-boong	Cho Yong-byoung	
1. Name of director						
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
A. Report of performance of sustainable management (ESG) in 1Q 2021	No particular comments					
B. Report of publishing the sustainable management (ESG) report for Group in 2020	No particular comments					
4. Resolutions						
A. Ratification of ESG Initiative membership	Concur	Concur	Concur	Concur	Concur	Approved

In the first reporting item of the 2nd ESG Strategy Committee meeting of 2021 ('ESG performance in the first quarter of 2021'), ESG 3.0 (Shinhan Financial Group's direction for 2021) was mentioned. ESG 3.0 is a stage in which ESG is reflected in core businesses to create results. A new driving system called 'ESG Promotion Committee,' participated by the CEOs of all Group companies this year, and the 'ESG Strategy Platform,' established for ESG management, are explained, and the ESG activities are reported in the first quarter of 2021 according to the platform system. In addition, the ESG dashboard was revised to include various ESG financial performance and carbon indices for the first quarter (financial asset carbon emission, related exposure, carbon emission share by sector, etc.) in the agenda materials.

In the second agenda item ('Status of 2020 Group ESG Report Publication'), the progress of 'Highlights of Shinhan Financial Group ESG,' published in March, and 'Shinhan Financial Group ESG Report,' to be published at the end of the first half, was reported. Shinhan Bank's "ESG Highlights," having been disclosed every year since the publication of the first ESG report (formerly CSR Report) among domestic financial companies in 2005, is the first public ESG data published by Shinhan Financial Group as a financial company. It was explained that a specialized report of high stakeholder interest including ready-to-read content in the form of storytelling, TCFD (Task Force on Climate-related Financial Disclosures), diversity report, etc. was published in the first quarter. In addition, activities (production status of ESG report, etc.) for disclosure at the end of the first half were reported. The third agenda item was the ratification of the membership in the ESG initiative. VBA (Value Balancing Alliance) and NZBA (Net Zero Banking Alliance), global initiatives that Shinhan Financial Group joined in 2021 to secure authenticity and strengthen leadership in its ESG implementation, were explained, and their purposes and activities and the intent to join them were reported. Membership in the ESG initiatives was ratified.

(3) 3rd meeting of the ESG Strategy Committee in 2021: August 12, 2021 (Thu)

[Date of notice: August 5, 2021 (Thu)]

Items	Activities of directors					Whether or not approved
	Kwak Su-keun	Lee Yoon-jae	Yoon Jaewon	Choi Jae-boong	Cho Yong-byoung	
1. Name of director	Kwak Su-keun	Lee Yoon-jae	Yoon Jaewon	Choi Jae-boong	Cho Yong-byoung	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
A. Performance for the first half of 2021 and plan for the second half of 2021	No particular comments					
B. Establishment of Group ESG brand slogan and promotion of advertising campaign (proposed)	No particular comments					
C. Report of the results of the 2nd TFT for Shinhan Social Value Measurement Framework (SVMF) and the future operation plan	No particular comments					
D. Establishment of the Group's ESG strategic indicators (proposed)	No particular comments					
4. Resolutions						
A. Group strategy of diversity	Concur	Concur	Concur	Concur	Concur	Approved

In the first agenda item ('Performance for the first half of 2021 and plan for the second half of 2021') of the 3rd ESG Strategy Committee meeting of 2021, activities in the first half and major plans for the second half were reported in line with the ESG strategy platform having organized ESG activities. Three major activities in the first half of the year were explained in detail: a project to approve scientific reduction targets (SBTi), an agreed project to eradicate financial crimes for consumer protection, and a global conference to commemorate the 20th anniversary of Shinhan Financial Group. In particular, a global conference (September 2) was held with congratulatory remarks from the Chairman of the Financial Services Commission and the Governor of the Bank of Korea, as well as domestic and foreign ESG scholars such as Mark Carney and Jeffery Sachs. Chairman Kwak Su-keun of the ESG Strategy Committee made a presentation of the panel and the directors of Shinhan Financial Group were encouraged to attend online and offline meetings.

In the second agenda item ('Establishment of the Group ESG brand slogan and promotion of advertising campaign (proposed)'), Shinhan Financial Group's new ESG brand slogan was reported for ESG communication from the customer's point of view. Various ESG slogans and advertisement proposals were introduced, and the committee members' opinions were collected.

The third agenda item ('Reporting the results of the 2nd TFT for Shinhan Social Value Measurement Framework (SVMF) and the future operation plan') explained the results of SVMF (Shinhan Social Value Measurement Framework), the first social value measurement model for a domestic financial company, and reported the future direction. In the TFT, which entered its second cycle during the measurement of the 2020 ESG activities, ESG activities (support for the socially vulnerable, inclusive/innovative/eco-friendly growth finance, job creation, financial education, Mecenat, donations, etc.) in various areas were quantified and measured in monetary value, and the future direction of SVMF and related action plans were reviewed.

Fourth, the committee received reports on the 'Establishment of the Group's ESG strategic indicators (proposed)'. In order to achieve Group-wide ESG management goals, conversion of the 10 CSR indicators, established in 2017 to strengthen ESG execution power and speed in the actual management system, into ESG strategic indicators in line with the new era was explained. The candidates for strategic indicators were reported and the committee's opinions and guidance were received. ESG strategic indicators, along with quantitative goals, were upgraded to be reflected in the Group company evaluations, and it was decided to communicate them internally and externally.

Fifth, the agenda item of 'Group strategy of diversity,' which requires resolution of the Board, was approved. To establish the Group's clear indicators of 'diversity' and strengthen execution power, the committee decided to establish goals related to

nurturing female talent and the 'Shinhan Financial Group's principles of diversity and inclusion.' The committee members approved Shinhan Financial Group's mid- to-long term goals for the ratio of female managers (executives, department heads) after reviewing their appropriateness. They carefully checked the scope, direction, and wording of the declaration for the principles of diversity and inclusion, actively suggested revising opinions, and approved the principles.

(4) 4th meeting of the ESG Strategy Committee in 2021: November 18, 2021 (Thu)

[Date of notice: November 11, 2021 (Thu)]

Items	Activities of directors					Whether or not approved
	Kwak Su-keun	Lee Yoon-jae	Yoon Jaewon	Choi Jae-boong	Cho Yong-byoung	
1. Name of director	Kwak Su-keun	Lee Yoon-jae	Yoon Jaewon	Choi Jae-boong	Cho Yong-byoung	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
A. Report of performance of sustainable management (ESG) in 3Q 2021	No particular comments					
B. Report of production of the Group ESG disclosure materials	No particular comments					
4. Resolutions						
(No resolutions)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

In the first agenda item of the 4th ESG Strategy Committee meeting of 2021 ('ESG performance in the third quarter of 2021'), major ESG activities were reported through the ESG strategy platform and dashboard. In particular, at the official Finance Day event of COP (Conference of the Parties) 26 of the UNFCCC (UN Framework Convention on Climate Change) held in Glasgow, UK in November, the CEO of Shinhan Financial Group, the only Asian private financial company to be invited there, presented 'Zero Carbon Drive,' Shinhan Financial Group's asset carbon neutral strategy, to explain the progress and significance of the activity. In addition, through a separate TFT this year, the carbon emissions, measured by PCAF (Partnership for Carbon Accounting Financials) based on financial assets for 2020, and the reduction target figures and target management, based on SBTi (Science Based Targets initiative), were reported.

In the second agenda item ('Report on the production of the Group ESG disclosure materials'), the status of production of the 2021 disclosure materials was reported based on Shinhan's existing ESG disclosure merits. The results of research on the recent global trend of legislating ESG disclosure laws were explained, and the guidance of the committee members were collected on the points of differentiation.

C. Evaluation

Under Article 9 (Subcommittee) Paragraph 4 of the Company's Internal Code of Corporate Governance, the ESG Strategy Committee evaluates reasonableness of the agenda for resolutions and reports, degree of managerial information provided, role of the Committee, etc. once a year in connection with its operations. It then refers to the evaluation results in its operations.

For the purpose of evaluation, main subject, criteria and method, refer to the contents on this Annual Report II. Board of directors and 4. Evaluation of the Board and directors - A. Evaluation of the Board.

According to the evaluation of the ESG Strategy Committee (2021), the committee's operation and role performance are excellent (grade 5). In the future, the Company will further advance the ESG drive system to revitalize ESG-specific policies and businesses based on its main business and will promote sustainable growth with stakeholders based on sincerity and execution. To this end, the Company will build Shinhan Financial Group's global ESG leadership by reflecting the insights and decisions of the ESG Strategy Committee and implementing the strategies.

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XII. Subsidiary Management Committee

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XII. Subsidiary Management Committee

1. Roles

The Company composes and operates the Subsidiary Management Committee consisting of 3 to 5 directors (1/2 or more of the total members are independent directors) including the CEO as the director in order to deliberate on the qualifications of the subsidiary's CEO, matters related to management leadership evaluation, etc.

2. Composition

On March 25, 2021, the CEO and four independent directors were elected as members of the Subsidiary Management Committee, and the CEO served as chairman in accordance with Article 4 of the Subsidiary Management Committee Regulation.

<Before General Meeting of Shareholders in March of 2021>

Name	Executive/Non-Executive/ Independent	Title	Date of election	End of term
Cho Yong-byoung	Executive director	Chairman	March 26, 2020	March 25, 2021
Byeon Yang-ho	Independent director	Member	March 26, 2020	March 25, 2021
Lee Yoon-jae	Independent director	Member	March 26, 2020	March 25, 2021
Huh Yong-hak	Independent director	Member	March 26, 2020	March 25, 2021
Park Ansoon	Independent director	Member	March 26, 2020	March 25, 2021

<After General Meeting of Shareholders in March of 2021>

Name	Executive/Non-Executive/ Independent	Title	Date of election	End of term
Cho Yong-byoung	Executive director	Chairman	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Byeon Yang-ho	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Park Ansoon	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Sung Jae-ho	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022
Kwak Su-keun	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022

3. Related to the management succession of CEO of the subsidiary companies

A. Internal code on the management succession of CEO of the subsidiary companies

The Company established the Subsidiary Management Committee Regulation on May 10, 2004 for setting forth the matters of composition and operation of the Subsidiary Management Committee. Based on the foregoing, at its meeting on February 26, 2015, the Board revised the Subsidiary Management Committee Regulation to reflect the CEO succession plan of the Model Corporate Governance for Financial companies (enforced on December 24, 2014), thereby minimizing risks in the subsidiaries' CEO succession process. On May 21, 2020, in order to strengthen independence of the subsidiaries' boards of directors and support responsible management by the subsidiaries' CEOs, the Company revised the Subsidiary Management Committee Regulation so that the subsidiaries' boards of directors take charge of the selection criteria and deliberation functions regarding candidates for subsidiaries' executives other than CEOs which used to be the job of the Subsidiary Management Committee. On March 25, 2021, the Subsidiary Management Committee was incorporated as a subcommittee to further

strengthen the committee's operational transparency. Key parts of the Subsidiary Management Committee Regulation include the qualifications of subsidiaries' CEOs, the grounds and timing of the start and end of the CEO succession procedure, the procedure of candidate recommendation and CEO succession, the selection, qualification check and management of the candidates for subsidiaries' CEOs, emergency succession plan, etc.

B. Procedure of recommendation for CEO candidate of subsidiary company and management succession

The Company prepared the CEO succession program of the subsidiary company in 2011 for stable CEO succession and the CEO succession plan of the subsidiary company is managed at all times to operate transparent and sound corporate governance. The Subsidiary Management Committee establishes the CEO succession plan of the subsidiary company and reports the appropriateness of the CEO succession plan at least once a year to the BOD.

The Subsidiary Management Committee considers qualification, legal requirements and others to select the candidate pool for CEO of a subsidiary company, and deliberates the candidate pool of the CEO of the subsidiary company on the basis of consideration on the strategic role required as the CEO of the subsidiary company at the time of succession.

The CEO of the subsidiary company, a financial company, must satisfy the requirements on the qualification of the executive officers as set forth under Article 5 of the Act on the Corporate Governance of Financial Companies and Article 7 of the Enforcement Decree of the same Act. The same Act and its Enforcement Decree state that the following persons cannot be an executive officer: A minor, a person under adult guardianship, or a person under limited guardianship, a person declared bankrupt but not yet reinstated, a person in whose case five years have not passed yet since imprisonment without labor or heavier punishment to which he/she was sentenced was completely executed, a person who was sentenced to the suspension of imprisonment without labor or heavier punishment, and is still in the period of suspension, a person in whose case five years have not passed yet since a fine or heavier punishment to which he/she was sentenced under this Act or any other finance-related statute was completely executed, a Revocation of permission or authorization for, or registration, etc. of, business under a finance-related statute or measure of timely correction or administrative disposition of the Act on the Structural Improvement of the Financial Industry as a person who serves and served as an executive officer or an employee of a financial company in which case five years have not yet passed, a person in whose case the period specified by Presidential Decree not exceeding five years for each category of sanctions has not yet passed since a sanction was taken against him/her under any finance-related statute for his/her conduct as an executive officer or an employee following the Act or pertinent laws and regulations on finance, or a person specified by Presidential Decree, by whom public interest and sound management of the relevant financial company or credit order are likely to be undermined.

Furthermore, following Article 8 of the Subsidiary Management Committee Regulation, the Subsidiary Management Committee is equipped with sense of ethics, competency to realize Shinhan value, work expertise, competency of organizational management to share the vision of the Company, and it recommends the person who is capable of this effort for public benefit and sound management as the CEO candidate of the subsidiary companies.

The Subsidiary Management Committee comprehensively deliberates the candidate pool to commence the succession procedure before the expiration of the term for the CEO of the subsidiary companies to complete the candidate recommendation. Management Recommendation Committee for subsidiary companies that is a financial company reviews the satisfaction of qualifications outlined in applicable laws and internal regulations regarding the CEO candidate recommended by the Subsidiary Management Committee to recommend to the meeting of shareholders of the applicable subsidiary companies and the recommended CEO candidate is elected as the CEO through the resolution of the meeting of shareholders and BOD for the applicable subsidiary companies.

In addition, in order to strengthen the sustainable management system, the Company selects the candidate pool for CEO of the subsidiary companies and develops them as the CEO candidates of the subsidiary companies in the future. Various elements of

development program, such as insight on financial business, decision making for enterprise point of view, strategy execution/driving force, leadership, internal and external influence etc., are implemented by obtaining the approval of the Subsidiary Management Committee, and the result of the management outcome and development activities of the candidate pool is regularly reviewed and evaluated, and in recommending the CEO of subsidiary companies, the result of the candidate pool evaluation is considered.

In the meantime, in the event that the CEO of subsidiary company is unable to perform its duties, due to unexpected accident, sudden health issue or similar, the CEO of subsidiary company is recommended through the accelerated succession process that quickens the procedure of the CEO succession plan in accordance with Article 8 of the Subsidiary Management Committee Regulation. In addition, in the event that the election is delayed by having the unavoidable cause in natural disaster, material cause of disqualification to the person scheduled for election, or an accident, the cause and the person acting on behalf of CEO until the election and company operation plan, election schedule of CEO for the subsidiary company are required to disclose.

C. Status of management for CEO candidate of subsidiary company

The Subsidiary Management Committee selects candidates for the subsidiaries' CEOs according to the subsidiary CEO succession plan, and reports to the Board at least once a year on the selection of candidates and verification of their qualifications in accordance with Article 7 of the Subsidiary Management Committee Regulation. In order to establish a sustainable management system through stable CEO succession, the Company selects candidates (long list) for subsidiaries' CEOs and trains them as candidates for future subsidiary CEOs. At the 1st meeting of 2021 (March 3), the Subsidiary Management Committee selected a total of 44 candidates (long list) by expanding the scope of candidates (long list) to all executives at or above the vice president or vice bank president level in the subsidiaries to which the subsidiary CEO succession plan applies, or in the holding company as of the year end. The Company conducts activities to train such candidates throughout the year. Being in charge of managing the candidates for the CEO, the Subsidiary Management Committee regularly operates the deliberation and evaluation procedures for management performance and development activities of the candidates (long list). In addition, in accordance with Article 3 of the Subsidiary Management Committee Regulation, the committee may use recommendations from outside (shareholders, stakeholders and external advisory organizations, etc.) if necessary. Practical support for candidate management is provided by the Shinhan Leadership Center in the holding company.

<Status of candidate pool of CEO for subsidiary company>

Classification	Number of candidates	Recommendation channel
Internal	44 persons	In the Subsidiary Management Committee on March 3, 2021, the candidate pool was selected in accordance with the CEO succession plan of the subsidiary companies

D. Status of supporting department for succession of CEO of subsidiary company

The Company operates Shinhan Leadership Center to support the works related to the CEO succession of CEO for the subsidiary companies. Shinhan Leadership Center consists of a total of 10 persons for team manager and team members, and they carry out the affairs of development of management leader in operation of CEO succession plan, remuneration and evaluation of outcome by top management, establishment and execution of scheme for personnel policy of Group. Following Article 37 of the Internal Code of Corporate Governance, Shinhan Leadership Center is in charge of the affairs of management of CEO candidate pool, evaluation and verification, support of evaluation work of CEO candidate and other CEO succession support works.

In addition, following Article 7 of the Subsidiary Management Committee Regulation, Shinhan Leadership Center carries out

the practical procedure to report to the BOD with the contents of verification if the qualification for selecting the CEO candidate as well as the appropriateness of CEO succession plan by the Committee

<Status of operation for the supporting department for succession work of CEO>

- Name of department: Shinhan Leadership Center
- Number of employees: 10 persons
- Contents of operation

Date	Contents of operation	Remarks
March 3, 2021	Practical support related to the evaluation of subsidiary CEOs' leadership (2020) Practical support related to the establishment of an evaluation system for subsidiary executives' leadership (2021) Support of practical affairs related to deliberation of criteria for candidate pool in CEO succession of subsidiary companies in 2021	The 1st Subsidiary Management Committee
May 13, 2021	Practical support related to the evaluation and deliberation of the subsidiary CEO succession candidates (long list) for 2020 Support of practical affairs related to report of development plan for candidate pool in CEO succession of subsidiary companies in 2021	The 2nd Subsidiary Management Committee
November 18, 2021	Support of practical affairs related to appropriateness inspection of CEO succession plan of subsidiary companies Support of practical affairs related to evaluation of leadership for top management of subsidiary companies	The 3rd Subsidiary Management Committee
December 9, 2021	Practical support related to deliberation of the selection of candidates for succession to the CEO of a subsidiary Practical support related to deliberation of the selection of the candidates short list of the subsidiary CEO	The 4th Subsidiary companies Management Committee
December 16, 2021	Support of practical affairs related to deliberation of top management candidates of subsidiary companies	The 5th Subsidiary companies Management Committee

4. Activities

A. Overview

In 2021, a total of 5 Subsidiary Management Committee meetings were held, and all 9 resolution agenda items submitted were approved. At the 1st meeting of 2021 (March), The Subsidiary Management Committee selected a total of 44 candidates (long list) for subsidiaries' CEO succession. At its 3rd meeting (November 2021), the committee reviewed the adequacy of the subsidiary CEO succession plan and reported to the Board. In December 2021, at its 4th and 5th meetings, the committee recommended CEO candidates for Shinhan Financial Investment, Shinhan Asset Management (traditional asset division and alternative investment division), Jeju Bank, Asia Trust, Shinhan DS, Shinhan Aitas, Shinhan Credit Information, Shinhan REITs Management, and Shinhan AI.

B. Meetings held

(1) 1st meeting of the Subsidiary Management Committee in 2021: March 3, 2021 (Wed)

Items	Activities of directors					Whether or not approved
	Cho Yong-byoung	Park Ansoon	Byeon Yang-ho	Lee Yoon-jae	Huh Yong-hak	
1. Name of director	Cho Yong-byoung	Park Ansoon	Byeon Yang-ho	Lee Yoon-jae	Huh Yong-hak	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters	(No agenda to report)					Not applicable
4. Resolutions						
A. No. 1 agenda item (Matter of leadership evaluation for the CEOs of subsidiaries for 2020)	Concur	Concur	Concur	Concur	Concur	Approved
B. No. 2 agenda item (Matter of establishment of leadership evaluation system for the executives of subsidiaries for 2021)	Concur	Concur	Concur	Concur	Concur	Approved
C. No. 3 agenda (Matter of evaluation of the election of the candidate pool for management of the succession of subsidiary companies in 2021)	Concur	Concur	Concur	Concur	Concur	Approved

The 1st Subsidiary Management Committee meeting of 2021 had all 5 members in attendance for a quorum. The committee deliberated and resolved Agenda Item #1 (matter of leadership evaluation for the CEOs of subsidiaries for 2020), and Agenda Item #2 (matter of establishment of leadership evaluation system for the executives of subsidiaries for 2021), and Agenda Item #3 (Matter of evaluation of the election of the candidate pool for management of the succession of subsidiary companies in 2021). All 44 executives at or above the vice president or vice bank president level in the subsidiaries to which the subsidiary CEO succession plan applies were selected as candidates (long list) for subsidiaries' CEO succession for 2021.

(2) 2nd meeting of the Subsidiary Management Committee in 2021: May 13, 2021 (Thu)

Items	Activities of directors					Whether or not approved
	Cho Yong-byoung	Park Ansoon	Byeon Yang-ho	Sung Jae-ho	Kwak Su-keun	
1. Name of director	Cho Yong-byoung	Park Ansoon	Byeon Yang-ho	Sung Jae-ho	Kwak Su-keun	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters	A. Establishment of the development plan for training candidate pool of CEO succession of the subsidiary companies in 2021					No particular comments
4. Resolutions						
A. No. 1 agenda (Matter of evaluation of the candidate pool for CEO succession of the subsidiary companies in 2020)	Concur	Concur	Concur	Concur	Concur	Approved

The 2nd Subsidiary Management Committee meeting of 2021 had all 5 members in attendance for a quorum. The committee deliberated and resolved Agenda Item #1 (Matter of evaluation of the candidate pool for CEO succession of the subsidiary companies in 2020). In addition, the committee received reports on the development plan for training candidate pool of CEO succession of the subsidiary companies in 2021.

(3) 3rd meeting of the Subsidiary Management Committee in 2021: November 18, 2021 (Thu)

Items	Activities of directors					Whether or not approved
	Cho Yong-byoung	Park Ansoon	Byeon Yang-ho	Sung Jae-ho	Kwak Su-keun	
1. Name of director	Cho Yong-byoung	Park Ansoon	Byeon Yang-ho	Sung Jae-ho	Kwak Su-keun	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
(No agenda to report)	Not applicable					
4. Resolutions						
A. No. 1 agenda (Matter of inspection of the appropriateness for CEO succession plan of the subsidiary companies)	Concur	Concur	Concur	Concur	Concur	Approved
B. No. 2 agenda (Matter of evaluation of the top management leadership of the subsidiary companies)	Concur	Concur	Concur	Concur	Concur	Approved

The 3rd Subsidiary Management Committee meeting of 2021 had all 5 members in attendance for a quorum. As the first agenda item was "checking the adequacy of the subsidiary CEO succession plan", the committee checked whether the subsidiary CEO succession plan faithfully reflected internal and external regulations such as the Act on Corporate Governance of Financial Companies, Supervisory Regulation on Corporate Governance of Financial Companies and the Company's governance regulations reflecting the foregoing, and verified whether the above procedures of the subsidiary CEO succession plan were properly operated throughout the year. In addition, the committee also checked whether candidates (long list) for the subsidiary CEO succession met the qualifications of the subsidiary CEO succession plan. Based on the results of checking, the committee was of the opinion: "the subsidiary CEO succession plan is properly established in line with the purposes of business continuity secured through stable CEO succession and the sustainable development of subsidiaries." As for the second agenda item "Leadership evaluation for the subsidiaries' management," the committee deliberated and approved the results of the leadership evaluation for the management, excluding the CEO, of the subsidiaries.

(4) 4th meeting of the Subsidiary Management Committee in 2021: December 9, 2021 (Thu)

Items	Activities of directors					Whether or not approved
	Cho Yong-byoung	Park Ansoon	Byeon Yang-ho	Sung Jae-ho	Kwak Su-keun	
1. Name of director	Cho Yong-byoung	Park Ansoon	Byeon Yang-ho	Sung Jae-ho	Kwak Su-keun	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
(No agenda to report)	Not applicable					
4. Resolutions						
A. No. 1 agenda (Matter of selection of subsidiary CEO candidates (long list))	Concur	Concur	Concur	Concur	Concur	Approved
B. No. 2 agenda item (Matter of selection of subsidiary CEO candidates (short list))	Concur	Concur	Concur	Concur	Concur	Approved

The 4th Subsidiary Management Committee meeting of 2021 had all 5 members in attendance for a quorum. As for the first agenda item "Selection of Subsidiary CEO Succession Candidates," the committee deliberated and approved the CEO candidates of 9 subsidiaries where the CEO's term expired between the end of 2021 and March 2022. As for the second

agenda item "Selection of candidates (shortlist) for subsidiary CEOs," the committee deliberated and selected 3 to 5 candidates (shortlist) for each of the 9 subsidiaries subject to review in the first agenda item.

(5) 5th meeting of the Subsidiary Management Committee in 2021: December 16, 2021 (Thu)

Items	Activities of directors					Whether or not approved
	Cho Yong-byoung	Park Ansoon	Byeon Yang-ho	Sung Jae-ho	Kwak Su-keun	
1. Name of director	Cho Yong-byoung	Park Ansoon	Byeon Yang-ho	Sung Jae-ho	Kwak Su-keun	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	Attended	
3. Comments on reported matters						
(No agenda to report)	Not applicable					
4. Resolutions						
A. No. 1 agenda (Matter of deliberation for CEO candidates of the subsidiary companies)	Concur	Concur	Concur	Concur	Concur	Approved

The 5th Subsidiary Management Committee meeting of 2021 had all 5 members in attendance for a quorum. As for the first agenda item "Deliberation of subsidiary CEO candidates," the committee deliberated on the shortlist of candidates, for each company, selected at its 4th meeting of 2021, based on the 'Group-wide qualifications' and 'by-company qualifications' of the subsidiary CEO succession plan. The final CEO candidate for each company was recommended after deliberation based on the 'required strategic competence.' Subject to the recommendation are 9 companies including Shinhan Financial Investment, Shinhan Asset Management, Jeju Bank, Asia Trust, Shinhan DS, Shinhan Aitas, Shinhan Credit Information, Shinhan REITs Management, and Shinhan AI. Due to the merger with Shinhan Alternative Asset Management, the committee recommended, to Shinhan Asset Management, one candidate each as CEO of the traditional asset division and the alternative asset division.

C. Evaluation

Under Article 8 (Evaluation of the Board's performance, etc.) of the Company's Internal Code of Corporate Governance, the Subsidiary Management Committee evaluates reasonableness of the agenda for resolutions and reports, degree of managerial information provided, role of the Committee, etc. once a year in connection with its operations. It then refers to the evaluation results in its operations.

For the purpose of evaluation, main subject, criteria and method, refer to the contents on this Annual Report II. Board of directors and 4. Evaluation of the Board and directors - A. Evaluation of the Board.

As a result of the evaluation of the Subsidiary Management Committee in 2021, the operation and role of the Committee is confirmed as at an extremely outstanding level.

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XIII. Group Executive Committee

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XIII. Group Executive Committee

1. Roles

The Company deliberated and stipulated for main issues of Group in accordance with Article 2 of the Operation Regulation of Group Executive Committee, and for supporting the decision making of CEO that represents Group with deliberation and stipulation of main issues and it established and operated Group Executive Committee.

The Group Executive Committee deliberates the following matters from the agenda subject to present to the BOD of the Company.

- (1) Matter of direction of Group's vision/strategy and establishment of management plan and budget
- (2) Agenda required to adjust understanding or cooperation between subsidiary companies and business division for strategic execution of Group
- (3) Agenda required for sharing and stipulation with subsidiary companies and others, including various management status for each business field and subsidiary companies and others
- (4) Agenda related to the system jointly applied by business fields and subsidiary companies and others
- (5) Agenda related to the brand strategy of the Group level
- (6) Other agenda acknowledged are required by CEO and Chairman

Matters reported to the Group Executive Committee are shown as follows.

- (1) Result of promotion and execution of main matters from various businesses of business fields and subsidiary companies
- (2) Trend of financial market
- (3) Other agenda acknowledged as necessary by CEO

2. Composition

The Group Executive Committee is composed of CEO and CEO of each subsidiary companies in accordance with Article 3 of the Operation Regulation of Group Executive Committee. In addition, any person acknowledged as required by the heads of main business divisions of Group and top management of holding company (CMO, CFO, CSSO etc.), and Group Chief Risk Officer (CRO) may attend, and the Head of Business Management Team 1 attends as a coordinator of the Committee. The chairman of the meeting is CEO, and if CEO is vacated or absent, a member designated by CEO acts on behalf of such duties.

3. Stipulation procedure (operation status)

The Group Executive Committee is held weekly in accordance with the convening of the chairman and it may be adjusted, if necessary. Time, date and place of the meeting are designated by the Chairman and the coordinator notifies the date, time and place of the meeting to each member and attendee in advance.

The CEOs of all subsidiaries of the Group (including members of the Group Executive Committee), through the secretary, may submit discussion/reports matters for the meeting, and the CEO may have the Group Risk Council present opinions at the meeting regarding the aforesaid discussion matters that he/she deems as requiring review of risk management.

4. Activities

A total of 11 Group Executive Committee meetings were held in 2021 to discuss key issues of the Group. The key issues include the direction of operation of major bodies of meeting for 2021, an exposure management plan for commercial real estate, the result of the Group brand competitiveness diagnosis and the direction of strategic task operation, plan for the operation of digital bodies of meeting, Group's key risks and responses, responses to the reinforcement of liquidity and soundness regulation; how to build a financial big data dam, Group/Group company status and future CCR operation plan from an innovative culture perspective, fundamentals check as compared to competitors, sharing of economic and financial market prospects for 2021; sharing of feedback on the selected management leaders and the evaluation plans for management leaders of subsidiaries for 2021; plan to enhance shareholder value from a resilience point of view, MZ customer base expansion plan from the fundamental aspect, discussion of issues related to the formulation of a management plan, Group management plan for 2022.

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XIV. Group Risk Management Council

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XIV. Group Risk Management Council

1. Roles

The Group Risk Management Council of the Company stipulates on matters related to the pertinent risk of Group for maintaining the risk policy and strategy consistently for the subsidiary companies and Group in accordance with Article 2 of the Group Risk Management Council Regulation and it resolves the matters required for the professional manager of policies set forth by the Risk Management Committee. The Risk Management Committee of the Company delegated the Group exposure limit and management to the Group Risk Management Council for the high risk territory in order to maintain the risk management of Group in the 4th Risk Management Committee of 2010 held on August 25, 2010, and the Group Risk Management Council set the Group exposure limit on high risk territory for each year and report the status of management to the Risk Management Committee. The 1st Group Risk Management Council of 2016 held on January 20, 2016 modified the name of the high risk territory to the core management territory. In addition, the 4th Risk Management Committee of 2015, held on December 10, 2015, delegated setting and management of exposure limit for each country related to international loan and investment works of Group to the Group Risk Management Council, and the Group Risk Management Council sets the Group exposure limit for each country is for each year and reports the management status.

The Group Risk Management Council resolves the following matters.

- (1) Matters on the setting of exposure limits such as countries, critical areas, individual companies and affiliates.
- (2) Matters on implementation of the Group's integrated crisis analysis.
- (3) Decision-making related to the Group's non-retail credit rating system, excluding those subject to approval under the Financial Supervisory Service's Internal Ratings-Based Approach.
- (4) Other matters deemed necessary by the chairperson.

The Group Risk Management Council deliberates the following matters.

- (1) Decide the level of risk that the Company and each subsidiary can bear
- (2) Result of the Group's integrated stress test, and the related capital management plan and funding plan
- (3) Matters on risk disclosure policy
- (4) Other matters deemed necessary by the chairperson.

The Group Risk Management Council stipulates the following matters.

- (1) Matter of operation of the risk measurement system of Group and subsidiary companies
- (2) Matters requiring the stipulation jointly regarding the risk management of the Group level
- (3) Matter of risk management related to fund support of the subsidiary companies
- (4) Matters requested by the Group Executive Committee as the matter determined as necessary for the review on risk management on Article 43 (3) pursuant to Article 43 (4) of the Internal Code of Corporate Governance
- (5) Other matters set forth by the Chairman

2. Composition

In accordance with Article 3 of the Group Risk Council Regulation, the Group Risk Council consists of the Company's risk manager, subsidiaries' risk managers under the Corporate Governance Act, and the head of Shinhan Bank's corporate credit review division. The chair of the Group Risk Council is the Company's risk manager, and the chair may designate a subsidiary's executive in charge of the relevant matters, not the risk manager, attend the council meeting, depending on the agenda.

<Composition of the Group Risk Management Council of the Company>

Name	Group company	Title	Date of election for responsible person for risk management	End of term	Remarks
Bang Dong-kwon	Shinhan Financial Group	Responsible person for risk management	January 1, 2020	December 31, 2021	Chairman
Kim Im-geun	Shinhan Bank	Responsible person for risk management	January 1, 2020	December 31, 2021	Responsible persons of risk management for the key subsidiary companies
Kim Ji-on	Shinhan Bank	Head of Corporate Credit Review Division	January 1, 2020	December 31, 2021	Appointment date: Date of appointment as head of division
Song Joo-young	Shinhan Card	Responsible person for risk management	January 1, 2018	December 31, 2021	
Kim Beong-kook	Shinhan Investment Corp.	Responsible person for risk management	January 1, 2020	December 31, 2021	
Jung Bong-hyun	Shinhan Life Insurance (Shinhan Life)	Responsible person for risk management	July 6, 2017	December 31, 2021	July 1, 2021: Company name changed to Shinhan Life after the merger between Shinhan Life and Orange Life
Kwak Woo-hong	Shinhan Capital	Responsible person for risk management	March 20, 2020	March 31, 2022	
Meong Jung-wan	Shinhan Asset Management	Responsible person for risk management	July 28, 2016	January 31, 2022	
Jang Woo-cheon	Jeju Bank	Responsible person for risk management	January 1, 2019	December 31, 2022	
Kang Hyuk	Shinhan Savings Bank	Responsible person for risk management	March 28, 2019	March 27, 2023	
Jang Rae-gwan	Asia Trust	Responsible person for risk management	May 2, 2019	May 1, 2023	
Cho Yeong-sik	Shinhan Alternative Investment Management	Responsible person for risk management	July 29, 2021	July 28, 2023	

3. Stipulation procedure (operation status)

The Group Risk Management Council of the Company is held once each quarter following Article 4 of the Group Risk Management Council Regulation in principle, and when the Chairman acknowledges as necessary, or upon request by a member, it is convened from time to time. The Council resolves with the attendance of majority members and resolves with majority of attending members. The resolution on matters delegated from the Risk Management Committee reports the contents to the Risk Management Committee and it is notified in electronic document to the subsidiary companies risk management department.

4. Activities

The Group Risk Management Council was held a total of 10 times in 2021, and it resolved the matters delegated by the Risk Management Committee, such as setting the exposure limit of Group in the core management areas and others and it stipulated the matters related to pertinent risks of Group.

At the 1st meeting of 2021 (February 2), the Group Risk Council approved a plan for the Group's integrated stress testing (proposed) as of the end of 2020. The council received reports on the risk-adjusted performance evaluation indicators (proposed) for 2021, and reports on the top 3 operational risks for each subsidiary for the first half of 2021. In addition, the council received reports on the main direction of the project to build the Group's operational risk management system and received periodic reports for the fourth quarter of 2020.

At the 2nd meeting of 2021 (March 12), the Group Risk Council resolved to set the Group's by-country exposure limit as delegated by the Risk Management Committee.

At the 3rd meeting of 2021 (May 6), the Group Risk Council reviewed the results of the Group's integrated stress testing and the resulting capital management plan and contingency funding plan (matters requiring resolution of the Risk Management Committee), and received reports on the project to build the integrated ESG risk management system and the project for the Group's recovery and resolution plan. In addition, the council received reports on the credit risk monitoring plan for each business group for 2021 and the periodic report for the first quarter of 2021.

At the 4th meeting of 2021 (June 11), the Group Risk Council discussed the application, to be submitted to the supervisory authority after approval by the Risk Management Committee, for approval of changes in the Group's credit risk internal ratings-based approach, and reviewed Shinhan Life's minimum capital adequacy ratio for 2021 and the risk limit for 2021 revised due to merger between Shinhan Life and Orange Life (matters requiring resolution of the Risk Management Committee). In addition, the council received an interim report on the building of the Group's operational risk management system and received reports on the validation for the application for approval of changes in the Group's credit risk internal ratings-based approach.

At the 5th meeting of 2021 (June 23), the Group Risk Council decided to set the limits on credit exposure for individual companies and the Group for 2021 and received reports on the results of the stress testing based on the Financial Supervisory Service's scenario and the improvement (proposed) of top operational risk for the second half of 2021.

At the 6th meeting of 2021 (August 9), the Group Risk Council decided to conduct the Group's integrated stress testing (proposed) as of the end of June 2021, received reports on the results of top 3 operational risk checks for each Group company for the second half of 2021, and received reports on the progress of the project for the Group's recovery and resolution plan and the project to build the integrated ESG risk management system. In addition, the council received reports on the approval of changes in the Group's credit risk internal ratings-based approach and received periodic reports for the second quarter of 2021.

At the 7th meeting of 2021 (September 29), the Group Risk Council discussed the Group's recovery and resolution plan (proposed) (matter requiring resolution of the Board), and received reports on the main directions of the development of valuation methodologies and screening processes for companies with intangible assets.

At the 8th meeting of 2021 (November 12), the Group Risk Council deliberated on the results of the Group's integrated stress testing and the resulting capital management plan and contingency funding plan (matters requiring resolution of the Risk Management Committee), received reports on the Basel III regulation (market, liquidity, large exposure) response and risk data efficiency project, and received periodic reports for the 3rd quarter of 2021.

At the 9th meeting of 2021 (December 3), the Group Risk Council deliberated on the minimum capital adequacy ratio and risk

limit for 2022 and received reports on the direction of the Group's risk management strategy for 2022 and the results of the Group's cost of capital (COC) rate calculation for 2022. In addition, the council received reporting on the Group's internal capital adequacy evaluation, and reports on the results of periodic validation for the Group's credit risk-weighted asset calculation system, integrated stress testing, non-retail credit evaluation model and PD (probability of default), and default management system, with all validation performed by the Model Verification Team.

At the 9th meeting of 2021 (December 22), the Group Risk Council selected key management areas and set the Group's exposure limit for 2022 (matters delegated by the Risk Management Committee).

<Contents of hosting the Group Risk Management Council meeting>

Sequence	Date	Meeting agenda	Whether or not approved
The 1st in 2021	February 2, 2021	[Resolution] Implementing the comprehensive stress testing of Group as of the end of 2020 (proposed)	Approved
		[Report] Setting the outcome evaluation index for risk adjustment in 2021 (proposed)	
		[Report] Top-3 operation risk for each subsidiary companies in the first half of 2021	
		[Report] Report of the main direction of the project to build the Group's operational risk management system	
		[Report] Matter of regular report of 4Q 2020	
The 2nd in 2021	March 10, 2021	[Resolution] Report of results of by-country risk analysis and setting of the Group's by-country exposure limit (proposed)	Approved
The 3rd in 2021	May 6, 2021	[Deliberation] Result of integrated stress testing for Group and ensuing equity management plan and contingency plan	Deliberation completed
		[Report] Report of the project to build the integrated ESG risk management system	
		[Report] Report of the project for the Group's recovery and resolution plan	
		[Report] Report of the credit risk monitoring plan for each business group for 2021	
		[Report] Matter of regular report of 1Q 2021	
The 4th in 2021	June 11, 2021	[Consultation] Matter of application of approval to modify the internal ratings-based approach of Group credit risk	Consultation completed
		[Deliberation] Setting of Shinhan Life's minimum capital adequacy ratio for 2021	Deliberation completed
		[Deliberation] Matter of revision of the risk limit in 2021	Deliberation completed
		[Report] Interim report of building of the Group's operational risk management system	
		[Report] Results of validation for the application for approval of changes in the Group's credit risk internal ratings-based approach	
The 5th in 2021	June 23, 2021	[Resolution] Setting the limit of credit exposure of individual enterprises and affiliated companies in 2021 (proposed)	Approved
		[Report] Report of results of stress testing based on the Financial Supervisory Service's scenario	
		[Report] Report of improvement (proposed) of top operational risk for the second half of 2021	

Sequence	Date	Meeting agenda	Whether or not approved
The 6th in 2021	August 9, 2021	[Resolution] Group's integrated stress testing (proposed) as of the end of June 2021	Approved
		[Report] Top operational risk for each Group company for 2021	
		[Report] Interim report of the project for the Group's recovery and resolution plan	
		[Report] Interim report of the project to build the integrated ESG risk management system	
		[Report] Result of approving change in the Group's credit risk internal ratings-based approach	
		[Report] Matter of regular report of 2Q 2021	
The 7th in 2021	September 29, 2021	[Consultation] Group's recovery and resolution plan (proposed)	Consultation completed
		[Report] Report of main directions of the development of valuation methodologies and screening processes for companies with intangible assets	
The 8th in 2021	November 12, 2021	[Deliberation] Result of integrated stress testing for Group and ensuing equity management plan and contingency plan	Deliberation completed
		[Report] Result of Basel III regulation (market, liquidity, large exposure) response and risk data efficiency project	
		[Report] Matter of regular report of 3Q 2021	
The 9th in 2021	December 3, 2021	[Deliberation] Matter of setting the minimal equity capital ratio in 2022	Deliberation completed
		[Deliberation] Matter of setting the risk limit in 2022	Deliberation completed
		[Report] Direction of risk management strategy of Group in 2022	
		[Report] Report of calculating the Group's risk cost of capital (CoC) applicable in 2022	
		[Report] Report of evaluation on the appropriateness of internal capital for Group	
		[Report] Report of result of regular reasonableness verification for calculation system of credit risk added-weight assets for Group	
		[Report] Report of result of verification for regular reasonableness of integrated stress testing for global business	
		[Report] Report of results of periodic validation for the Group's non-retail credit evaluation model and PD	
		[Report] Report of results of periodic validation for the Group's default management system	
The 10th in 2021	December 22, 2021	[Resolution] Selection of key management areas and setting of the Group's exposure limit for 2022	Approved

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XV. Recommendation of Supervisory Authority and Improvement Plan



XV. Recommendation of Supervisory Authority and Improvement Plan

The Company was notified of the results of the Financial Supervisory Service's comprehensive inspection (2019) in October 2020 and completed summary reporting on the Financial Supervisory Service's requirements for action in 2021. The Company was notified of the results of the Financial Supervisory Service's sector inspection on disclosure adequacy (2020) on July 26, 2015, in which a fine of KRW 74 million was imposed on the Company and caution (equivalent) was imposed on four current and former executives.

In addition, the Company was notified of the results of the Financial Supervisory Service's sector inspection on risk management status assessment (2020) in February 2021 and completed summary reporting on the Financial Supervisory Service's requirements for action in 2021. The requirements for action are as follows.

Requirements for action in the sector inspection on risk management status assessment

* Precaution on management (2 cases)

- Inadequate risk-weighted asset calculation for Shinhan Card

When a subsidiary expects changes in its portfolio due to the launch of new products with different risk characteristics from the existing products or due to acquisition of other companies' assets, it shall carefully review, in advance, whether the BIS capital adequacy ratio calculation method is appropriate, and reinforce the process (e.g., initiating approval process for change of internal model) if necessary.

- Unreasonable method of country risk calculation

When determining the country of the alternative investment beneficiary certificates invested in by a subsidiary, improve the system to manage the country exposure of such certificates based on the country of the underlying asset investment.

* Precaution on management (1 case)

- Precaution in the task of stress test for internal capital

As for stress test, it is necessary to test both the available capital and the risk amount of new subsidiaries.



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[Annual Report on Remuneration System]

I. Remuneration Committee

II. Remuneration System

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I. Remuneration Committee

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I. Remuneration Committee

1. Overview

The basic operating principle of the Company's Remuneration Committee is that it shall execute its fiduciary duty toward the Company's remuneration policy and achieve harmony between the remuneration system for the executives, etc. and the Company's performance and risk structure so that a sound, performance-based corporate culture will be established.

The Remuneration Committee, a subcommittee under the Board, is governed by the Remuneration Committee Regulation, one of the Company's internal regulations. The committee has been run since May of 2004 when it was established under Article 48, Paragraph 1, Subparagraph 5 of the Articles of Incorporation and Article 13, Paragraph 1, Subparagraph 6 of the Board of Directors Regulation. The name of the Committee was modified from the existing 'Remuneration Committee' to the 'Remuneration Committee' by reflecting the contents of the Act on the Corporate Governance of Financial Companies in March 2017.

Under Article 3 of the Remuneration Committee Regulation, a Remuneration Committee member who is an independent director cannot serve over 2-years consecutively. However, exceptions may be made if there are unavoidable circumstances, such as inconsistencies in the time of term expiration or existence of a concern that it may significantly interfere with the composition of the committee when the term of office is restricted. As of the end of 2021, all committee members have served less than 2-years.

In connection with the obligation to preserve documents on the Remuneration Committee's activities, minutes that state the agenda, proceedings, results, objecting members, and the grounds of objection in the committee meetings are prepared and kept under Article 9 of the Remuneration Committee Regulation. Article 57 of the Internal Code of Corporate Governance requires that details about the establishment and operations of the Remuneration Committee and about activities by the risk management and compliance monitoring departments shall be documented and preserved.

2. Composition

A. Overview

Under Articles 3 and 4 of the Remuneration Committee Regulation and Article 15 of the Internal Code of Corporate Governance, the Company's Remuneration Committee consists of between 3 and 5 directors. An independent director serves as the chairman and independent directors account for a majority of the members so that the committee can be run independently from the management.

As of the end of 2021, the Remuneration Committee consists of 4 members (Lee Yong-guk, Sung Jae-ho, Byeon Yang-ho and Bae Hoon), and all the members including Chair Lee Yong-guk were independent directors, thus meeting the independence requirement in the composition of the Remuneration Committee.

At least 1 Committee member shall have experience working for a financial company or in the areas of corporate finance or accounting, thus contributing to the committee's expertise. At least 1 Risk Management Committee member shall participate so that the aspect of the Company's risk management can sufficiently be reflected in the operations of the Remuneration Committee.

B. Members

<Before General Meeting of Shareholders in March of 2021>

Name	Executive/ Non-Executive/ Independent	Title	Date of election	End of term	Experience working for a financial company or in an area related to finance or accounting in a corporation	Whether a member of Risk Management Committee
Huh Yong-hak	Independent director	Chairman	March 26, 2020	March 25, 2021	Yes	Yes
Sung Jae-ho	Independent director	Member	March 26, 2020	March 25, 2021		
Yoon Jaewon	Independent director	Member	March 26, 2020	March 25, 2021	Yes	

<After General Meeting of Shareholders in March of 2021>

Name	Executive/ Non-Executive/ Independent	Title	Date of election	End of term	Experience working for a financial company or in an area related to finance or accounting in a corporation	Whether a member of Risk Management Committee
Lee Yong-guk	Independent director	Chairman	March 25, 2021	Date of General Meeting of Shareholders in March 2022		Yes
Sung Jae-ho	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022		
Byeon Yang-ho	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022	Yes	Yes
Bae Hoon	Independent director	Member	March 25, 2021	Date of General Meeting of Shareholders in March 2022	Yes	

3. Rights and responsibility

A. Overview

Pursuant to Article 8 of the Remuneration Committee Regulation, the Remuneration Committee of the Company may demand the executive officer and relevant employees attend the Committee to receive support on professional and independent decision making or request the necessary data, and it may have outside personnel to listen to its opinion in the Committee. In addition, it may request advice from professional outside institutions, if necessary.

However, the members shall not disclose to outside for information of experience on officer and employee of the Committee and the Company or use the information for the benefit of a third party during the time of employment or after resignation.

B. Deliberation and resolution on matters regarding the determination and payment method of remuneration

The Remuneration Committee of the Company deliberate the matters on the decision of remuneration and payment method in the 1st Remuneration Committee of 2021. It determines the remuneration including the base payment and performance remuneration on the top management of the Company and it deliberates and resolves the payment method of remuneration.

C. Deliberation and resolution on matters regarding the preparation and disclosure of Annual Report on the experience payment

The Remuneration Committee of the Company deliberated the matters on preparation and disclosure of the annual report on the experience payment in the 1st Remuneration Committee in 2021. It deliberated on contents of preparation and subject of preparing the annual report of remuneration system, and resolved that the Company shall disclose it on the websites of the Company and the Korea Federation of Banks twenty (20) days before the annual general meeting of shareholders, and if the Company fails to disclose matters on performance compensation at such timing, it may additionally disclose the same by the 15th of the month following the month in which the date of the Remuneration Committee's performance compensation resolution belongs.

D. Deliberation and resolution of matters regarding design and operation of the remuneration system and evaluation of appropriateness of design and operation

The Remuneration Committee of the Company deliberated and resolved performance evaluation system and experience system (proposed) of the top management of the Company in the 1st in 2021, evaluated the adequacy of the design and operation of the Company's executive remuneration system, management of remuneration-related risks, and establishment of a compliance monitoring system for the previous year, and confirmed that the Company's remuneration system properly complied with related external regulations such as the Corporate Governance Act.

E. Deliberation and resolution of matters regarding decision-making procedure on experience policy

The decision-making process for the Company's remuneration policy operates in accordance with 'D. (1) Decision-making process,' and there was no change related to the remuneration policy decision-making process during 2021.

F. Constant inspection of remuneration system of financial company, relativity with financial status and risks, and compliance with the laws and regulations

The Remuneration Committee of the Company confirmed if the experience system is related to the finance status and risk of the Company in the 1st and 2nd Remuneration Committee in 2021, and it checked on compliance of the Act on the Corporate Governance of Financial Companies regarding the remuneration related risk management and compliance audit system at the time of evaluating the appropriateness of design and operation of the remuneration system of the previous year as implemented in the 1st Remuneration Committee in 2021.

G. Independently implementing the annual experience evaluation from the top management in order to check if the remuneration system of the finance company complies with the laws and regulations.

The Remuneration Committee of the Company implemented independently from the top management with the evaluation of appropriateness of design and operation of the remuneration system as set forth from the independent regulation in the 1st Remuneration Committee in 2021 and it has confirmed that the remuneration policy and operation of the Company has complied with the pertinent independent regulations, such as the Act on the Corporate Governance of Financial Companies.

H. Scope of application for the remuneration policy of the Remuneration Committee

(1) Applying to executive officer and Financial investment managers

(2) Overseas: Not applicable

I. Determination of subject person of variable remuneration of executive officers and front office personnel

The Company defined under Article 6 of the Remuneration Committee Regulation to determine the subject person requiring the deliberation and resolution for the committee from Financial investment managers from the Remuneration Committee,

and the subject persons for variable remuneration at the 1st Remuneration Committee in 2021, were determined as follows.

Classification	No. of personnel (December 31, 2021)	Title
Executive officers, etc.	13 persons	Chairman, deputy president, executive director, division manager
Financial investment managers	0 person	-

4. Contents of Remuneration Committee activities and evaluation

A. Decision-making procedure

The Remuneration Committee of the Company requires the Chairman to convene the Committee, and the applicable contents are notified to each member at least 7 days prior to the meeting. However, the convening procedure of all members may be skipped but there were no cases of skipping the convening procedure in 2021.

After the notice of meeting date, the presented agenda of the Remuneration Committee is sufficiently acknowledged through the procedure of the separate advance explanation to members of the Remuneration Committee, and the opinions of independent directors are gathered and reflected in the Committee agenda when making the advance explanation.

The resolution of the Committee is made with the majority consent of registered members and it restricts the exercise of voting right for any party having interests in the resolution of the Committee. Furthermore, participating in the meeting of the Committee by the telecommunication to send and forward the voice at the same time is permitted.

B. Overview

The Remuneration Committee of the Company deliberates and resolves matters delegated by the BOD and it manages the evaluation experience system to be soundly established and operated for top management and others of holding companies. The Remuneration Committee of 2021 held a total of 3 meetings and it processed the decision of performance evaluation and remuneration system for top management of the Company in 2021, deliberation of performance evaluation and remuneration (proposed) for top management of the Company in 2020, agenda on appropriateness evaluation of design and operation of the remuneration system in 2020, and others.

Furthermore, the Company processed the advance session on the main agenda to individual members each time the Remuneration Committee is held to enhance the sense of understanding of the Remuneration Committee agenda to listen to various opinions in the procedure.

C. Meetings held

(1) 1st meeting of the Remuneration Committee in 2021: March 3, 2021 (Wed)

[Date of notice: February 23, 2021 (Tue)]

Items	Activities of members			Whether or not approved
1. Name of director	Huh Yong-hak	Sung Jae-ho	Yoon Jaewon	
2. Attendance status and reason if absent	Attended	Attended	Attended	
3. Comments on reported matters				
(No agenda to report)	Not applicable			
4. Resolutions				
A. Matter of evaluation of CEO strategic task for Group in 2020	Concur	Concur	Concur	Approved
B. Matter of establishment of outcome evaluation system of the subsidiary companies in 2021	Concur	Concur	Concur	Approved
C. Matter of outcome evaluation of the subsidiary companies in 2020	Concur	Concur	Concur	Approved
D. Matter of establishment of outcome evaluation system of the subsidiary companies in 2021	Concur	Concur	Concur	Approved
E. Matter of establishment of remuneration system of top management of the Company in 2021	Concur	Concur	Concur	Approved
F. Matter of evaluation of appropriateness for design and operation of remuneration system in 2020	Concur	Concur	Concur	Approved
G. Matter of preparation and notification of the annual report of the remuneration system in 2020	Concur	Concur	Concur	Approved

The 1st Remuneration Committee meeting had all members in attendance for a quorum and passed resolutions on a total of 7 agenda items. The committee performed evaluation of the Group CEO's strategic tasks for 2020, and it deliberated and resolved the performance evaluation system and remuneration system for the management for 2021. Furthermore, the committee deliberated and approved the performance evaluation for subsidiaries (proposed) for 2020 and the performance evaluation system for subsidiaries for 2021. In addition, it evaluated adequacy of the remuneration system design and operation for 2020 to assess whether the Company's remuneration system properly complies with external laws and regulations such as the Corporate Governance Act.

(2) 2nd meeting of the Remuneration Committee in 2021: March 17, 2021 (Wed)

[Date of notice: March 9, 2021 (Tue)]

Items	Activities of members			Whether or not approved
1. Name of director	Huh Yong-hak	Sung Jae-ho	Yoon Jaewon	
2. Attendance status and reason if absent	Attended	Attended	Attended	
3. Comments on reported matters				
(No agenda to report)	Not applicable			
4. Resolutions				
A. Matter of outcome evaluation and remuneration of top management of the Company in 2020	Concur	Concur	Concur	Approved
B. Finalization of the performance indicators of long-term performance remuneration	Concur	Concur	Concur	Approved

The 2nd Remuneration Committee had all members in attendance for the quorum and it resolved a total of 2 agenda items. The committee deliberated on and decided the performance evaluation and remuneration (proposed) of the Company's management for 2020, and the finalization (proposed) of the performance indicators of the long-term performance remuneration granted in 2017.

(3) 3rd meeting of the Remuneration Committee in 2021: March 25, 2021 (Thu)

[Date of notice: March 18, 2021 (Thu)]

Items	Activities of members				Whether or not approved
1. Name of director	Lee Yong-guk	Sung Jae-ho	Byeon Yang-ho	Bae Hoon	
2. Attendance status and reason if absent	Attended	Attended	Attended	Attended	
3. Comments on reported matters					
(No agenda to report)	Not applicable				
4. Resolutions					
A. Matter of appointment of the Chair of the Remuneration Committee	Concur	Concur	Concur	Concur	Approved

The 3rd Remuneration Committee was the first Remuneration Committee held after the general meeting of shareholders that all new members attended to make the quorum, and director Lee Yong-guk was elected as the Chair of the Remuneration Committee.

D. Evaluation

Under Article 8 (Evaluation of the Board's performance, etc.) of the Company's Internal Code of Corporate Governance, the Remuneration Committee evaluates reasonableness of the agenda for resolutions and reports, degree of managerial information provided, role of the Committee, etc. once a year in connection with its operations. It then refers to the evaluation results in its operations.

For the purpose of evaluation, main subject, criteria and method, refer to the contents on this Annual Report II. Board of directors and 4. Evaluation of the Board and directors - A. Evaluation of the Board.

According to the evaluation of the Remuneration Committee for 2021, the level of operation and performance of the committee was average.

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II. Remuneration System

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II. Remuneration System

1. Important matters

A. Measurement of performance, and linking between performance and remuneration

(1) Key Performance Indicators of the Company's executives

Financial performance indexes of the Company's CEO include Group KPI items including shareholder value related index (total shareholder return ratio), profitability index (ROE, ROA), soundness index (substandard and below loans ratio), risk-related index (RAROC), and efficiency index (total cost-income ratio).

As for non-financial performance indicators, we evaluate the performance of key strategic tasks based on the Group's strategic direction (innovative/open digital transformation, the pursuit of efficient growth, global connection and expansion, creation of sustainable performance, preemptive risk management, establishment of a dynamic organizational system, convergence talent management, etc.)

As for other executives of the Company, Group KPI items and the achievement rate of each executive's key strategic tasks are used as performance indicators. In addition, in the case of executives in charge of risk management, compliance monitoring, and audit that require independence in the execution of duties, we use performance indicators that are not linked to the Company's financial performance, to secure independence.

(2) Key performance indicators of subsidiaries

Group KPIs, subsidiary KPIs, and strategic tasks are performance indicators of subsidiaries.

(3) Linking between the results of company-wide and individual performance measurement and the remuneration for individuals

In the case of executives, the Company uses a remuneration system centered on performance remuneration, with the performance remuneration making up 50% or more of the total compensation, and the result of performance evaluation is reflected in the payment of performance remuneration.

Performance evaluation for annual performance remuneration payment consists of company-wide financial performance (results) and non-quantitative strategic tasks, and an individual's performance grade calculated through the evaluation is reflected in the rate of annual performance remuneration.

Performance evaluation for long-term performance remuneration consists of shareholder value-related indicators, profitability indicators, and soundness indicators, and the evaluation result is reflected in the rate of long-term performance remuneration.

B. Performance remuneration: Deferral, adjustment, and recollection, and the criteria of the payment

(1) Policy on immediate and deferred payment of performance remuneration

The Company's performance remuneration consists of annual and long-term performance remuneration, and the proportion of long-term performance remuneration out of the total performance remuneration is 50% or more for general executives and 60% or more for top management. Annual performance remuneration is paid as a lump sum in cash based on evaluation of the previous year's performance, and long-term performance remuneration is paid in deferral based on evaluation of performance for 4 years after the grant.

(2) Adjustment policy for deferred or paid remuneration

In the performance remuneration, the final quantity of shares for long-term performance remuneration is decided according

to the average performance for 4 years after the grant. The amount of its payment is decided according to the share price at the time of payment. Due to the structure of the Company's long-term performance remuneration, the total amount of long-term performance remuneration can be adjusted if losses occur or goals not met before the payment. The amount can also be automatically adjusted when a decrease in the Company's value leads to a decrease in the share price.

When an executive or employee resigns or retires due to his/her fault, causing material damage to the company or heavy disciplinary sanctions from a regulatory agency, the Company can recollect the performance remuneration, thus adjusting the remuneration.

(3) Payment confirmation criteria of deferred remuneration

As mentioned above, the Company's long-term performance remuneration is granted in a certain number of shares as at the time of grant, and the number of shares varies according to evaluation of performance for 4 years. The final amount of payment is fixed according to the share price as at the end of the final operation period, showing that the amount of deferred payment is fixed only when the final operation period ends.

C. Standards to determine the allocation between cash, stock and other remuneration

(1) Standard and basis to determine the allocation of fixed remuneration amount and variable remuneration amount from the entire remuneration amount

The fixed remuneration of the Company's executives consists of base salary and business allowance, and the variable remuneration whose amount is determined by performance evaluation consists of annual performance remuneration and long-term performance remuneration. The scale (amount) of variable remuneration is determined as a fixed multiple of the base salary by the resolution of the Remuneration Committee each year, and the multiple is different for each executive position.

(2) Payment type of performance remuneration (cash, stock, stock linked product, etc.)

The annual performance remuneration from the performance remunerations of the officer and employee of the Company is paid in cash and the long-term performance remuneration operates on the basis of the Shinhan Financial Group stocks.

(3) Standard and basis to determine the allocation between cash, stock and others from the performance remuneration amount

As mentioned earlier, the annual performance remuneration from the variable remunerations operates in cash and the long-term performance remuneration is operated based on the Shinhan Financial Group stocks, and the ratio of the long-term performance remuneration from the overall variable remuneration is maintained at 50% or more.

(4) Standard and basis to determine the allocation of immediate payment and deferred payment from the performance remuneration amount

The ratio of the long-term performance remuneration paid in deferment from the outcome remuneration is 50% or more for ordinary executive officers and 60% or more for top management.

D. Independence of the performance remuneration system for executives in charge of risk management and compliance monitoring

Performance evaluation for executives in charge of risk management, compliance monitoring, and audit is run in a way not linked to the Company's financial performance in order to prevent conflicts of interest, thus ensuring independence.

Performance of such executives is evaluated and then compensation is determined based on the result.

E. Remuneration system for employees other than executives

(1) Remuneration system to establish performance-based corporate culture

For improvement of productivity, cooperation between labor and management, and sharing of the fruits of operation by enhancing employee ownership through greater ownership mentality among employees, the Company established the Employee Stock Ownership Association of Shinhan Financial Group on December 9, 2002, is operating ESOP, and based on the rate of achieving its performance indicators, pay management incentive each year in the mixture of cash and ESOP.

Each year, payment is made in cash in part and in shares based on the Group's KPI achievement rate. The Company contributed an amount of 787,351,037 won in 2019, acquiring 17,725 shares of ESOP and distributing the same to its employees.

A separate incentive system wherein the amount of remuneration varies based on individual employee's annual performance (goal achievement rate) each year is being run.

(2) Rationalizing the remuneration system

In order to rationalize its remuneration system under the Remuneration Regulation, the Company has simplified the items of remuneration.

Under the Remuneration Regulation, the range of the Company's base salary shall vary by rank according to the value of job/roles, magnitude of responsibility, and performance capacity.

F. Contents of advisory of external expert

The Company grants the authority to request for external advisory to members of the Remuneration Committee in accordance with Article 8 of the Remuneration Committee Regulation, but for the case of 2021, it was not implemented without a separate request.

G. Contents of facilitating the remuneration related insurance

Following Article 65 of the Internal Code of Corporate Governance, the executive officer and employee of the Company are not allowed to facilitate insurance related to personal risk avoidance strategy or remuneration that may damage the risk connectivity of the remuneration system.

H. Main modifications on remuneration system

In 2021, in order to create sound performance, the Company has revamped the system, directly applying the deduction standard to performance remuneration when the performance of tasks such as consumer protection, internal control, and risk management is insufficient, and strengthening the link between performance and compensation.

2. Details of remuneration

A. Total remuneration for executives and employees

(Unit: Person, 100 million won)

Classification	Total remuneration for executives and employees (A) ¹⁾	EBT (earnings before taxes) (B) ²⁾	Ratio (A/B)	Number of executives and employees (C)	Average remuneration for executives and employees (A/C)
Previous year (2020)	255	49,115	0.52%	180	1.42
Current year (2021)	285	47,539	0.60%	197	1.45

Note 1) This is based on earned income in the payment statement of earned income submitted to the tax office under Article 20 of the Income Tax Act as of the end of the corresponding year.

Note 2) State the amount corresponding to FY (t-1) on a consolidated basis for the Group (e.g., for the current year of 2021, state EBT (earnings before taxes) as of the end of 2020).

B. Total remuneration and performance remuneration, by rank

(Unit: Person, 100 million won)

Classification		Executives			Employees		
		CEO	Independent/ non- independent director	Un-registered executive officer	Department head	Manager	Staff, etc.
Previous year (2020)	Total remuneration	13	8	19	43	152	21
	Performance remuneration	5	-	7	12	24	1
	Number of executives and employees	1	12	6	20	119	22
Current year (2021)	Total remuneration	8	8	33	39	169	27
	Performance remuneration	-	-	9	9	26	5
	Number of executives and employees	1	13	8	18	132	25

3. Detailed matters of remuneration of executive officer and Financial investment managers

* Limited to the executive officer and Financial investment managers of the holding company (The details of the executive officer and Financial investment managers of subsidiary companies are included in the Annual Report of the subsidiary companies)

A. Classification of remuneration (based on the amount of applicable year)

(Unit: Person, 100 million won)

Classification		Number of recipient ¹⁾	Base payment ²⁾	Performance remuneration amount ²⁾	
				Subject for deferred payment	
Previous year (2020)	Executive officers, etc.	13	34	43	20
	Financial investment managers	0	0	0	0
Current year (2021)	Executive officers, etc.	Scheduled for additional disclosure on or before April 15			
	Financial investment managers				

Note 1) Record for executive officers (executive officers and heads of division) and employees working as the Financial investment managers with 6 months or longer from the applicable year (hereinafter the same)

Note 2) It includes all monetary sources (allowances, actual expenses and others regardless of its category) paid as the remuneration and it is classified as 'performance-based remuneration' when paid in relation to the outcome as the 'base payment'

B. Type of performance remuneration (based on the amount of the applicable year)

(Unit: 100 million won)

Classification			Performance remuneration amount			
			Cash	Shares ¹⁾	Stock-related instrument ²⁾	Others ³⁾
Previous year (2020)	Executive officers, etc.	43	23	20	0	0
	Financial investment managers	0	0	0	0	0
Current year (2021)	Executive officers, etc.	Scheduled for additional disclosure on or before April 15				
	Financial investment managers					

Note 1) It is evaluated and calculated by the market price (final price) as of the end of fiscal year, and if there is no market price, it is evaluated and calculated by a reasonable method (for example: amount calculated with the evaluation from two or more outside evaluation agencies) set forth by the Company

Note 2) Evaluated and calculated as applicable to stocks (Evaluated and calculated with the fair value as of the end of the year of occurrence)

Note 3) Monetary term for all types excluding the cash, stock, stock linked instrument and others, such as gift certificate, right to use condominium and others

* For the case of the stock-related remuneration even for the type of final payment in cash, it is recorded as 'stock' or 'stock-linked instrument'

C. Classification of deferred remuneration (based on the accumulated amount at the end of applicable year)

(Unit: 100 million won)

Classification			Deferred remuneration amount ¹⁾	
			Payment confirmed	Payment not confirmed
Previous year (2020)	Executive officers, etc.	47	0	47
	Financial investment managers	0	0	0
Current year (2021)	Executive officers, etc.	Scheduled for additional disclosure on or before April 15		
	Financial investment managers			

Note 1) Total deferred remuneration amount accumulated as of the end of the applicable year

* In the event that the payment scale is finalized regardless of the payment from the accumulated deferred remuneration amount at the end of the specific year, it is classified and recorded as the 'payment confirmed', and if it is not finalized, it is recorded as 'payment not confirmed'. In the event that the deferred size is finalized by evaluating during 1/4Q of 2022 for the outcome remuneration amount for 2021, the deferred remuneration amount is included in the accumulated deferred remuneration as of the end of 2021 (hereinafter the same)

D. Classification of deferred remuneration type (based on the accumulated amount at the end of applicable year)

(Unit: 100 million won)

Classification			Performance remuneration amount ¹⁾			
			Cash	Shares	Stock-related instrument	Others
Previous year (2020)	Executive officers, etc.	47	0	47	0	0
	Financial investment managers	0	0	0	0	0
Current year (2021)	Executive officers, etc.	Scheduled for additional disclosure on or before April 15				
	Financial investment managers					

Note 1) Total deferred remuneration amount accumulated as of the end of the applicable year

E. Classification of remuneration of deferred remuneration amount (classify the criteria of accumulated amount of the applicable year for each year of occurrence)

(Unit: 100 million won)

Classification			Deferred remuneration ¹⁾				
			t term	t-1 term	t-2 term	t-3 term	Before
Previous year (2020)	Executive officers, etc.	47	20	17	5	5	0
	Financial investment managers	0	0	0	0	0	0
Current year (2021)	Executive officers, etc.	Scheduled for additional disclosure on or before April 15					
	Financial investment managers						

Note 1) The accumulated deferred remuneration amount at the end of the applicable year is classified for each year of occurrence to record [For example: The accumulated deferred remuneration amount as of the end of 2021 is classified for occurred portion for 2021 (t-1st term), 2020 (t-1st term) and 2019 (t-2nd term)]

F. Adjustment of deferred remuneration

(Unit: 100 million won)

Classification		Adjusted amount of deferred remuneration			Amount exposed to direct and indirect adjustment ⁴⁾
			Direct adjustment ²⁾	Indirect adjustment ³⁾	
Previous year (2020)	Executive officers, etc.	0	0	0	0
	Financial investment managers	0	0	0	0
Current year (2021)	Executive officers, etc.	Scheduled for additional disclosure on or before April 15			
	Financial investment managers				

Note 1) From the accumulated deferred remuneration amount (settlement based) at the time of the end of the previous year of the applicable year, it is the amount reduced in accordance with the direct (decrease, return and others) and indirect (stock price change and others) adjustment.

However, the outcome evaluation and others are reflected to reduce the deferred remuneration, but due to the stock price changes, it is recorded on the same category even for the case where the actual deferred remuneration amount is increased.

Note 2) Record the part reduced in accordance with the direct (decrease, return and others) adjustment of the deferred remuneration

Note 3) Record the decreased part in accordance with the indirect adjustment (stock price change and others) for the deferred remuneration

Note 4) The deferred remuneration amount exposed to potential direct and indirect adjustment (based on accumulated amount at the end of applicable year)

G. Severance pay

(Unit: 100 million won)

Classification		Number of recipients	Amount of severance pay ¹⁾	Highest amount for a person
Previous year (2020)	Executive officers, etc.	0	0	0
	Financial investment managers	0	0	0
Current year (2021)	Executive officers, etc.	Scheduled for additional disclosure on or before April 15		
	Financial investment managers			

Note 1) Excluding the severance pay under the Labor Standards Act



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[Attachment]

Independent director candidates qualification review report

Independent director candidates qualification review report

Name	Comprehensive opinion
Park Ansoon	Qualified
Choi Kyong-rok	Qualified
Byeon Yang-ho	Qualified
Sung Jae-ho	Qualified
Lee Yoon-jae	Qualified
Huh Yong-hak	Qualified
Kwak Su-keun	Qualified
Bae Hoon	Qualified
Lee Yong-guk	Qualified
Choi Jae-boong	Qualified

This Committee confirms the qualifications of the independent director candidate.

March 3, 2021

Shinhan Financial Group

Independent Director and Audit Committee Member
Recommendation Committee

Chairman **Sung Jae-ho**



Review report on independent director candidates standing for re-election

Name	Comprehensive opinion
Park Ansoon	Qualified
Choi Kyong-rok	Qualified
Byeon Yang-ho	Qualified
Sung Jae-ho	Qualified
Lee Yoon-jae	Qualified
Huh Yong-hak	Qualified

This Committee confirms the qualifications of the independent director candidates standing for re-election.

March 3, 2021

Shinhan Financial Group

Independent Director and Audit Committee Member
Recommendation Committee

Chairman **Sung Jae-ho**



Assessment outcome by candidate

Candidate	Park Ansoon	Company	Chairman, Taisei Group Co., Ltd. (located in Japan)
* Compliance with the laws, regulations and codes of qualification for independent director			
Article 382(3) of the Commercial Act.- Requirement of disqualification for independent director of a corporation		Not applicable	
Article 542-8(2) of the Commercial Act.- Requirement of disqualification for independent director of a listed company		Not applicable	
Article 5(1), (2) of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for executive office of a financial company		Not applicable	
Article 6 of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for independent director of a financial holding company		Not applicable	
Article 23(1) of the Internal Code of Corporate Governance- Positive qualification		Qualified	
Article 26(4) of the Internal Code of Corporate Governance - Term limit for independent directors		Not applicable	
* Main category of qualification for independent director			
Relationship between company and candidate		Applicability	Remarks
Relationship with the Company or affiliated company		Not applicable	No particular issue
Relationship with majority shareholder		Not applicable	No particular issue
Relationship with officers		Not applicable	No particular issue
Negative qualification (Main information)		Applicability	Remarks
Loan transaction exceeding 10% of the corporate capital		Not applicable	No particular issue
Advisory transaction and service transaction between the company and applicable person		Not applicable	No particular issue
Concurrent position of director, executive officer and auditor of two or more other companies		Not applicable	No particular issue
Concurrent position of independent director, non-standing auditor, and non-standing auditor for other companies (excluding subsidiary companies)		Not applicable	No particular issue
Positive qualification	Qualification	Remarks	
Expertise	Qualified	Expert in the areas of business management, and international business (professional manager of overseas company)	
Fair judgment, Integrity, Strong work ethics	Qualified		
Diversity, Reasonableness, Efficacy	Qualified		
Evaluation result of independent director standing for re-election	Outstanding competency of independent director for work performance (expected level or higher on the duties)		

Candidate	Byeon Yang-ho	Company		Advisor, VIG Partners	
* Compliance with the laws, regulations and codes of qualification for independent director					
Article 382(3) of the Commercial Act.- Requirement of disqualification for independent director of a corporation				Not applicable	
Article 542-8(2) of the Commercial Act.- Requirement of disqualification for independent director of a listed company				Not applicable	
Article 5(1), (2) of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for executive office of a financial company				Not applicable	
Article 6 of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for independent director of a financial holding company				Not applicable	
Article 23(1) of the Internal Code of Corporate Governance- Positive qualification				Qualified	
Article 26(4) of the Internal Code of Corporate Governance - Term limit for independent directors				Not applicable	
* Main category of qualification for independent director					
Relationship between company and candidate			Applicability	Remarks	
Relationship with the Company or affiliated company			Not applicable	No particular issue	
Relationship with majority shareholder			Not applicable	No particular issue	
Relationship with officers			Not applicable	No particular issue	
Negative qualification (Main information)			Applicability	Remarks	
Loan transaction exceeding 10% of the corporate capital			Not applicable	No particular issue	
Advisory transaction and service transaction between the company and applicable person			Not applicable	No particular issue	
Concurrent position of director, executive officer and auditor of two or more other companies			Not applicable	No particular issue	
Concurrent position of independent director, non-standing auditor, and non-standing auditor for other companies (excluding subsidiary companies)			Not applicable	No particular issue	
Positive qualification		Qualification	Remarks		
Expertise		Qualified	Expert in the areas of finance, business management, and economics (Possessing experiences in government agency in charge of finance and economics, executive in global financial companies)		
Fair judgment, Integrity, Strong work ethics		Qualified			
Diversity, Reasonableness, Efficacy		Qualified			
Evaluation result of independent director standing for re-election		Outstanding competency of independent director for work performance (expected level or higher on the duties)			

Candidate	Sung Jae-ho	Company	Professor, Sungkyunkwan University Law School
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*** Compliance with the laws, regulations and codes of qualification for independent director**

Article 382(3) of the Commercial Act.- Requirement of disqualification for independent director of a corporation	Not applicable
Article 542-8(2) of the Commercial Act.- Requirement of disqualification for independent director of a listed company	Not applicable
Article 5(1), (2) of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for executive office of a financial company	Not applicable
Article 6 of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for independent director of a financial holding company	Not applicable
Article 23(1) of the Internal Code of Corporate Governance- Positive qualification	Qualified
Article 26(4) of the Internal Code of Corporate Governance - Term limit for independent directors	Not applicable

*** Main category of qualification for independent director**

Relationship between company and candidate	Applicability	Remarks
Relationship with the Company or affiliated company	Not applicable	No particular issue
Relationship with majority shareholder	Not applicable	No particular issue
Relationship with officers	Not applicable	No particular issue

Negative qualification (Main information)	Applicability	Remarks
Loan transaction exceeding 10% of the corporate capital	Not applicable	No particular issue
Advisory transaction and service transaction between the company and applicable person	Not applicable	No particular issue
Concurrent position of director, executive officer and auditor of two or more other companies	Not applicable	No particular issue
Concurrent position of independent director, non-standing auditor, and non-standing auditor for other companies (excluding subsidiary companies)	Not applicable	No particular issue

Positive qualification	Qualification	Remarks
Expertise	Qualified	Expert in the areas of legal, and international business (Professor, majoring in international law)
Fair judgment, Integrity, Strong work ethics	Qualified	
Diversity, Reasonableness, Efficacy	Qualified	

Evaluation result of independent director standing for re-election	Outstanding competency of independent director for work performance (expected level or higher on the duties)
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Candidate	Lee Yoon-jae	Company	Former) Secretary to the President for Financial & Economic Affairs
* Compliance with the laws, regulations and codes of qualification for independent director			
Article 382(3) of the Commercial Act- Requirement of disqualification for independent director of a corporation		Not applicable	
Article 542-8(2) of the Commercial Act- Requirement of disqualification for independent director of a listed company		Not applicable	
Article 5(1), (2) of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for executive office of a financial company		Not applicable	
Article 6 of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for independent director of a financial holding company		Not applicable	
Article 23(1) of the Internal Code of Corporate Governance- Positive qualification		Qualified	
Article 26(4) of the Internal Code of Corporate Governance - Term limit for independent directors		Not applicable	
* Main category of qualification for independent director			
Relationship between company and candidate		Applicability	Remarks
Relationship with the Company or affiliated company		Not applicable	No particular issue
Relationship with majority shareholder		Not applicable	No particular issue
Relationship with officers		Not applicable	No particular issue
Negative qualification (Main information)		Applicability	Remarks
Loan transaction exceeding 10% of the corporate capital		Not applicable	No particular issue
Advisory transaction and service transaction between the company and applicable person		Not applicable	No particular issue
Concurrent position of director, executive officer and auditor of two or more other companies		Not applicable	No particular issue
Concurrent position of independent director, non-standing auditor, and non-standing auditor for other companies (excluding subsidiary companies)		Not applicable	No particular issue
Positive qualification	Qualification	Remarks	
Expertise	Qualified	Expert in the areas of economics, finance, and business management (Possessing experiences in government agency in charge of finance and economics, professional manager)	
Fair judgment, Integrity, Strong work ethics	Qualified		
Diversity, Reasonableness, Efficacy	Qualified		
Evaluation result of independent director standing for re-election		Outstanding competency of independent director for work performance (expected level or higher on the duties)	

Candidate	Choi Kyong-rok	Company	CEO, CYS Corporation
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*** Compliance with the laws, regulations and codes of qualification for independent director**

Article 382(3) of the Commercial Act.- Requirement of disqualification for independent director of a corporation	Not applicable
Article 542-8(2) of the Commercial Act.- Requirement of disqualification for independent director of a listed company	Not applicable
Article 5(1), (2) of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for executive office of a financial company	Not applicable
Article 6 of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for independent director of a financial holding company	Not applicable
Article 23(1) of the Internal Code of Corporate Governance- Positive qualification	Qualified
Article 26(4) of the Internal Code of Corporate Governance - Term limit for independent directors	Not applicable

*** Main category of qualification for independent director**

Relationship between company and candidate	Applicability	Remarks
Relationship with the Company or affiliated company	Not applicable	No particular issue
Relationship with majority shareholder	Not applicable	No particular issue
Relationship with officers	Not applicable	No particular issue

Negative qualification (Main information)	Applicability	Remarks
Loan transaction exceeding 10% of the corporate capital	Not applicable	No particular issue
Advisory transaction and service transaction between the company and applicable person	Not applicable	No particular issue
Concurrent position of director, executive officer and auditor of two or more other companies	Not applicable	No particular issue
Concurrent position of independent director, non-standing auditor, and non-standing auditor for other companies (excluding subsidiary companies)	Not applicable	No particular issue

Positive qualification	Qualification	Remarks
Expertise	Qualified	Expert in the area of information technology, business management, and international business (researcher of information technology, professional manager of overseas company)
Fair judgment, Integrity, Strong work ethics	Qualified	
Diversity, Reasonableness, Efficacy	Qualified	

Evaluation result of independent director standing for re-election	Outstanding competency of independent director for work performance (expected level or higher on the duties)
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Candidate	Huh Yong-hak	Company	CEO, First Bridge Strategy Ltd.
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*** Compliance with the laws, regulations and codes of qualification for independent director**

Article 382(3) of the Commercial Act- Requirement of disqualification for independent director of a corporation	Not applicable
Article 542-8(2) of the Commercial Act- Requirement of disqualification for independent director of a listed company	Not applicable
Article 5(1), (2) of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for executive office of a financial company	Not applicable
Article 6 of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for independent director of a financial holding company	Not applicable
Article 23(1) of the Internal Code of Corporate Governance- Positive qualification	Qualified
Article 26(4) of the Internal Code of Corporate Governance - Term limit for independent directors	Not applicable

*** Main category of qualification for independent director**

Relationship between company and candidate	Applicability	Remarks
Relationship with the Company or affiliated company	Not applicable	No particular issue
Relationship with majority shareholder	Not applicable	No particular issue
Relationship with officers	Not applicable	No particular issue

Negative qualification (Main information)	Applicability	Remarks
Loan transaction exceeding 10% of the corporate capital	Not applicable	No particular issue
Advisory transaction and service transaction between the company and applicable person	Not applicable	No particular issue
Concurrent position of director, executive officer and auditor of two or more other companies	Not applicable	No particular issue
Concurrent position of independent director, non-standing auditor, and non-standing auditor for other companies (excluding subsidiary companies)	Not applicable	No particular issue

Positive qualification	Qualification	Remarks
Expertise	Qualified	Expert in the areas of international business, finance, and business management (Executive in global financial companies and professional manager)
Fair judgment, Integrity, Strong work ethics	Qualified	
Diversity, Reasonableness, Efficacy	Qualified	

Evaluation result of independent director standing for re-election	Outstanding competency of independent director for work performance (expected level or higher on the duties)
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Candidate	Kwak Su-keun	Company	Honorary Professor of Accounting, Seoul National University Business School
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*** Compliance with the laws, regulations and codes of qualification for independent director**

Article 382(3) of the Commercial Act.- Requirement of disqualification for independent director of a corporation	Not applicable
Article 542-8(2) of the Commercial Act.- Requirement of disqualification for independent director of a listed company	Not applicable
Article 5(1), (2) of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for executive office of a financial company	Not applicable
Article 6 of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for independent director of a financial holding company	Not applicable
Article 23(1) of the Internal Code of Corporate Governance- Positive qualification	Qualified
Article 26(4) of the Internal Code of Corporate Governance - Term limit for independent directors	Not applicable

*** Main category of qualification for independent director**

Relationship between company and candidate	Applicability	Remarks
Relationship with the Company or affiliated company	Not applicable	No particular issue
Relationship with majority shareholder	Not applicable	No particular issue
Relationship with officers	Not applicable	No particular issue

Negative qualification (Main information)	Applicability	Remarks
Loan transaction exceeding 10% of the corporate capital	Not applicable	No particular issue
Advisory transaction and service transaction between the company and applicable person	Not applicable	No particular issue
Concurrent position of director, executive officer and auditor of two or more other companies	Not applicable	No particular issue
Concurrent position of independent director, non-standing auditor, and non-standing auditor for other companies (excluding subsidiary companies)	Not applicable	No particular issue

Positive qualification	Qualification	Remarks
Expertise	Qualified	Expert in the areas of accounting and business management (Professor of business administration with accounting major)
Fair judgment, Integrity, Strong work ethics	Qualified	
Diversity, Reasonableness, Efficacy	Qualified	

Candidate	Bae Hoon	Company	Representative Attorney, Orbis Legal Profession Corporation
* Compliance with the laws, regulations and codes of qualification for independent director			
Article 382(3) of the Commercial Act.- Requirement of disqualification for independent director of a corporation		Not applicable	
Article 542-8(2) of the Commercial Act.- Requirement of disqualification for independent director of a listed company		Not applicable	
Article 5(1), (2) of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for executive office of a financial company		Not applicable	
Article 6 of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for independent director of a financial holding company		Not applicable	
Article 23(1) of the Internal Code of Corporate Governance- Positive qualification		Qualified	
Article 26(4) of the Internal Code of Corporate Governance - Term limit for independent directors		Not applicable	
* Main category of qualification for independent director			
Relationship between company and candidate		Applicability	Remarks
Relationship with the Company or affiliated company		Not applicable	No particular issue
Relationship with majority shareholder		Not applicable	No particular issue
Relationship with officers		Not applicable	No particular issue
Negative qualification (Main information)		Applicability	Remarks
Loan transaction exceeding 10% of the corporate capital		Not applicable	No particular issue
Advisory transaction and service transaction between the company and applicable person		Not applicable	No particular issue
Concurrent position of director, executive officer and auditor of two or more other companies		Not applicable	No particular issue
Concurrent position of independent director, non-standing auditor, and non-standing auditor for other companies (excluding subsidiary companies)		Not applicable	No particular issue
Positive qualification	Qualification	Remarks	
Expertise	Qualified	Expert in the areas of legal, accounting, and international business (Foreign attorney, foreign certified public accountant)	
Fair judgment, Integrity, Strong work ethics	Qualified		
Diversity, Reasonableness, Efficacy	Qualified		

Candidate	Lee Yong-guk	Company	Clinical Professor, Seoul National University, School of Law
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*** Compliance with the laws, regulations and codes of qualification for independent director**

Article 382(3) of the Commercial Act.- Requirement of disqualification for independent director of a corporation	Not applicable
Article 542-8(2) of the Commercial Act.- Requirement of disqualification for independent director of a listed company	Not applicable
Article 5(1), (2) of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for executive office of a financial company	Not applicable
Article 6 of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for independent director of a financial holding company	Not applicable
Article 23(1) of the Internal Code of Corporate Governance- Positive qualification	Qualified
Article 26(4) of the Internal Code of Corporate Governance - Term limit for independent directors	Not applicable

*** Main category of qualification for independent director**

Relationship between company and candidate	Applicability	Remarks
Relationship with the Company or affiliated company	Not applicable	No particular issue
Relationship with majority shareholder	Not applicable	No particular issue
Relationship with officers	Not applicable	No particular issue

Negative qualification (Main information)	Applicability	Remarks
Loan transaction exceeding 10% of the corporate capital	Not applicable	No particular issue
Advisory transaction and service transaction between the company and applicable person	Not applicable	No particular issue
Concurrent position of director, executive officer and auditor of two or more other companies	Not applicable	No particular issue
Concurrent position of independent director, non-standing auditor, and non-standing auditor for other companies (excluding subsidiary companies)	Not applicable	No particular issue

Positive qualification	Qualification	Remarks
Expertise	Qualified	Expert in the areas of legal, finance, and international business (Attorney specializing in finance, professor of law)
Fair judgment, Integrity, Strong work ethics	Qualified	
Diversity, Reasonableness, Efficacy	Qualified	

Candidate	Choi Jae-boong	Company	Professor, Sung Kyun Kwan University, College of Engineering
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*** Compliance with the laws, regulations and codes of qualification for independent director**

Article 382(3) of the Commercial Act- Requirement of disqualification for independent director of a corporation	Not applicable
Article 542-8(2) of the Commercial Act- Requirement of disqualification for independent director of a listed company	Not applicable
Article 5(1), (2) of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for executive office of a financial company	Not applicable
Article 6 of the Act on Corporate Governance of Financial Companies- Requirement of disqualification for independent director of a financial holding company	Not applicable
Article 23(1) of the Internal Code of Corporate Governance- Positive qualification	Qualified
Article 26(4) of the Internal Code of Corporate Governance - Term limit for independent directors	Not applicable

*** Main category of qualification for independent director**

Relationship between company and candidate	Applicability	Remarks
Relationship with the Company or affiliated company	Not applicable	No particular issue
Relationship with majority shareholder	Not applicable	No particular issue
Relationship with officers	Not applicable	No particular issue
Negative qualification (Main information)	Applicability	Remarks
Loan transaction exceeding 10% of the corporate capital	Not applicable	No particular issue
Advisory transaction and service transaction between the company and applicable person	Not applicable	No particular issue
Concurrent position of director, executive officer and auditor of two or more other companies	Not applicable	No particular issue
Concurrent position of independent director, non-standing auditor, and non-standing auditor for other companies (excluding subsidiary companies)	Not applicable	No particular issue
Positive qualification	Qualification	Remarks
Expertise	Qualified	Expert in the area of information technology (Professor of mechanical engineering in the information technology (IT) field)
Fair judgment, Integrity, Strong work ethics	Qualified	
Diversity, Reasonableness, Efficacy	Qualified	



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