



One
Shinhan

Excellence beyond comparison

Shinhan Financial Group

FY2020



RESILIENCE



FUNDAMENTAL



SUSTAINABILITY



HUMAN-TALENT



ECO-SYSTEM



Shinhan Financial Group

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01

Shinhan Financial Group

1-01 **Overview**

1-02 Mission, Vision, and Value Management

1-03 F.R.E.S.H 2020s

1-04 Sustainability Management



Shinhan Financial Group

(as of FY 2020)

Net Income

3.41 Wtn

Total Assets
(Consolidated)

605 Wtn

Total Market Cap.

16.6 Wtn

ROA

0.60 %

ROE

8.43 %

of Employees

30 thousand
(approx.)

- 17 direct subsidiaries, 30 indirect subsidiaries
- Major Shareholders (Common Shares)
 - Korea National Pension Service 9.81%¹
 - BlackRock Fund Advisors 5.63%²
 - SFG ESOP 4.80%³
 - Centennial Investment Limited 3.96%³
 - BNP Paribas SA 3.62%³
 - Supreme, L.P. 3.62%³
 - Citi Bank [ADR Dept.] 2.88%³

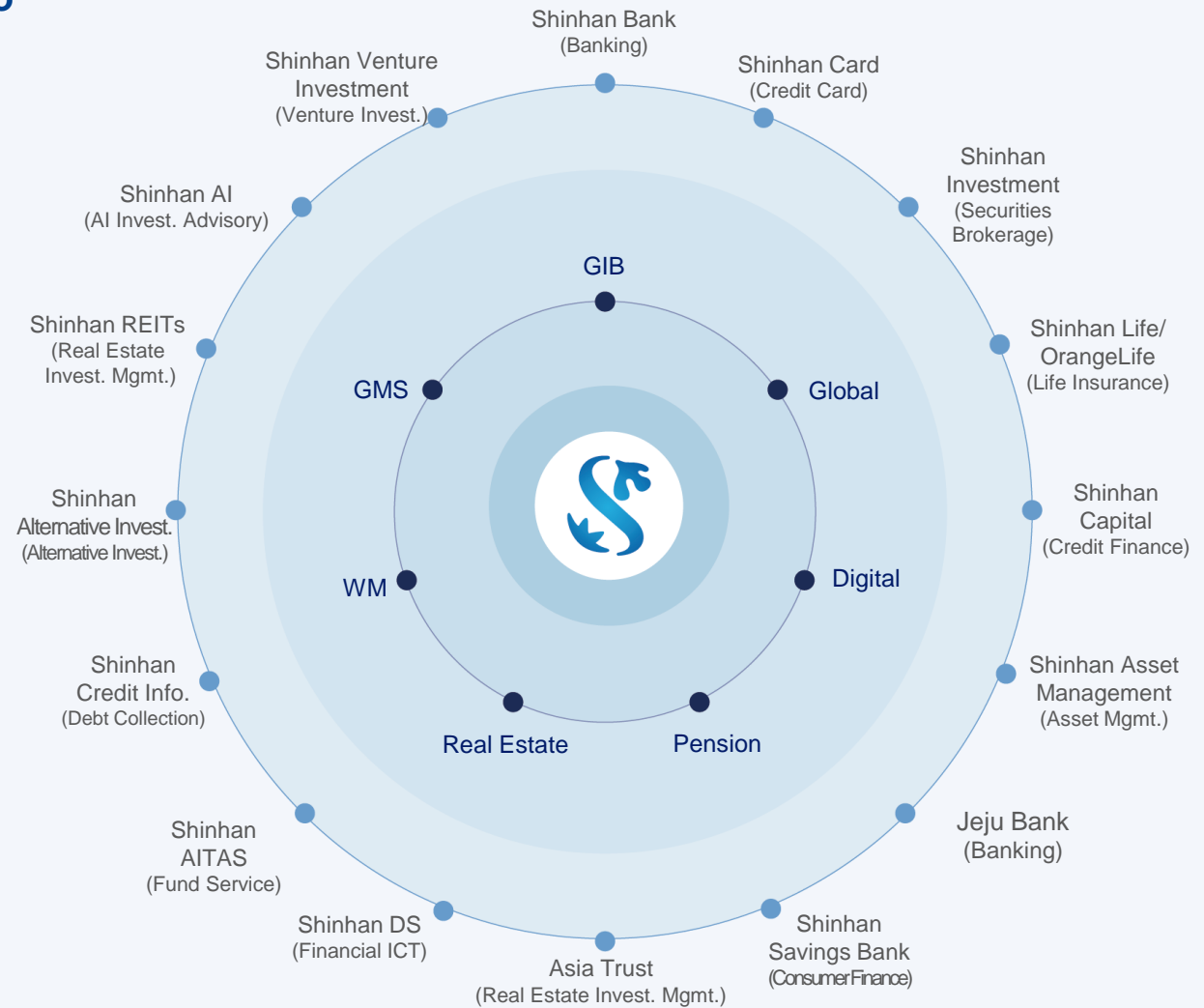
NOTE 1 Based on the Large equity ownership disclosure by NPS with the Financial Supervisory Service (FSS) on FEB. 7, 2020

NOTE 2 Based on the Large equity ownership disclosure by BlackRock with the FSS on Sep. 27, 2018

NOTE 3 As of end of FY2020

SFG at a Glance

Well-diversified Business Portfolio

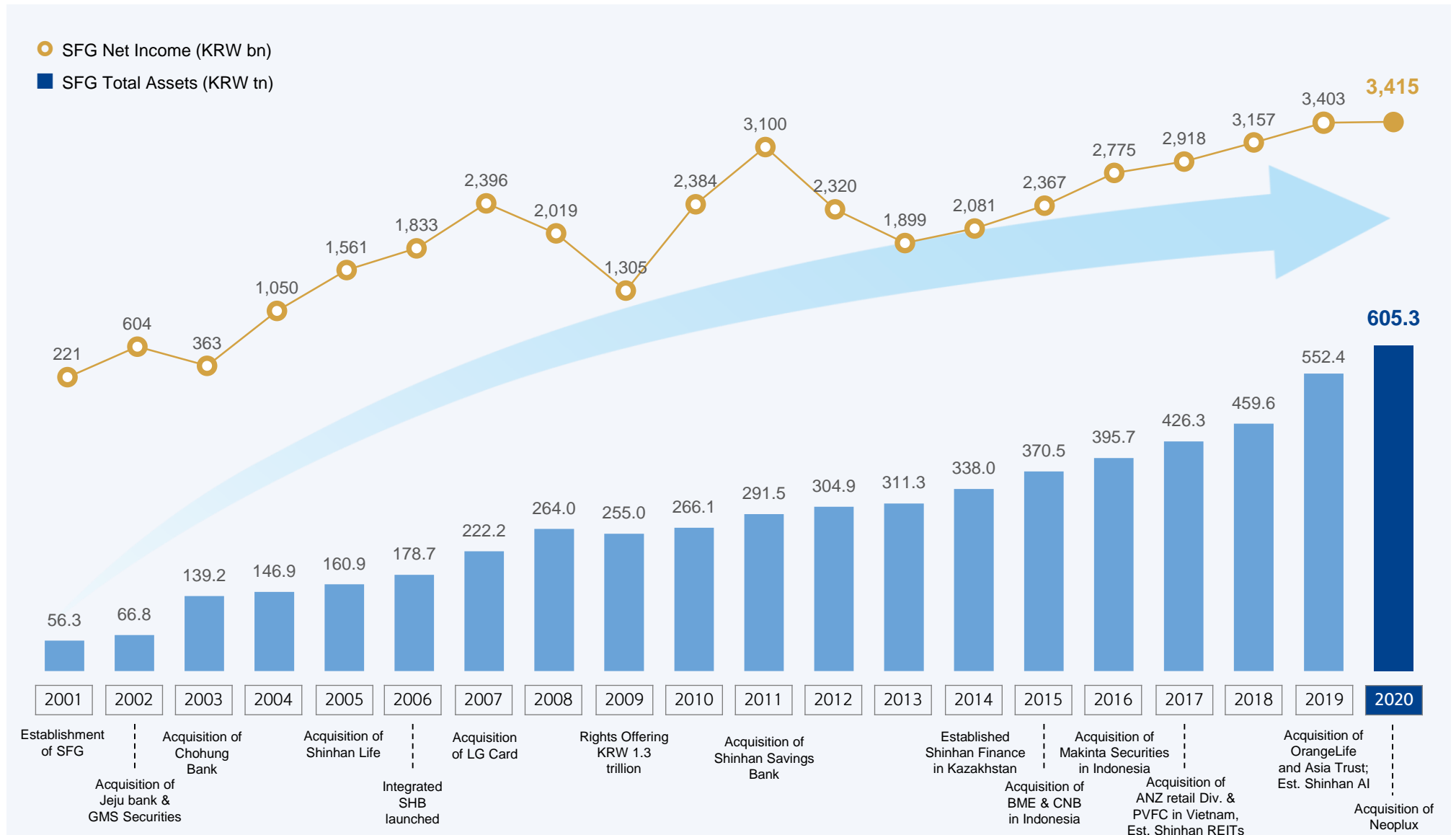


Top 500 Banking Brand

Ranking	Company	Country
1	ICBC	CN
9	JP Morgan	US
37	DBS Group	SG
46	Mizuho Financial Group	JP
56	Shinhan Financial Group	KR

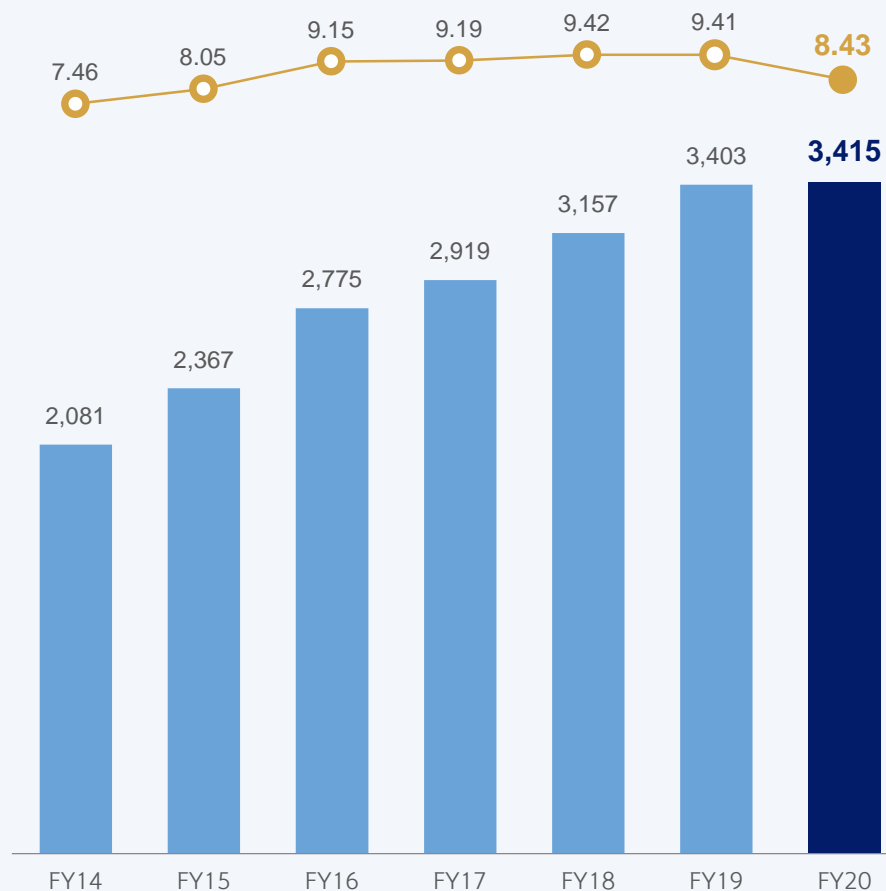
* Source: BrandFinance (Feb. 2021)

Continuous Growth Through Business Diversification



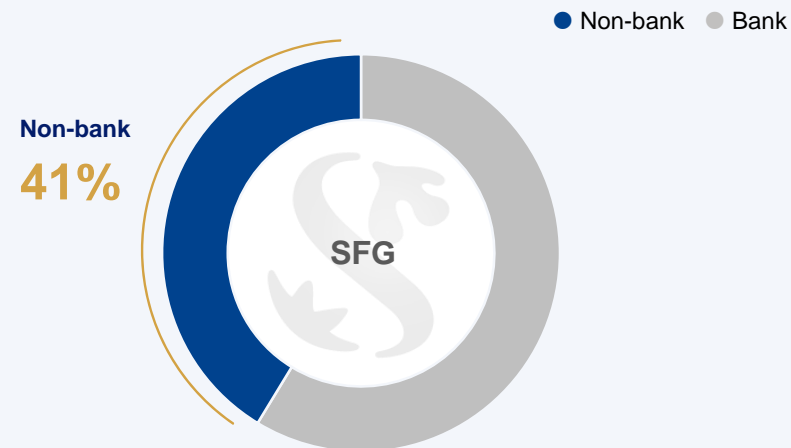
Consistent Net Income Growth

○ ROE (%)
■ Net Income (KRW bn)



Diversified Profit Base

Net Income Contribution by Non-bank Subsidiaries (FY2020)



Customer Base

SFG serves **19.14 million** active customers.

(Unit: thousand persons)

Name of Subsidiary	No. of Active Customers
Shinhan Bank	10,730
Shinhan Card	13,557
Shinhan Investment Corp.	1,250
Shinhan Life	2,822
Total	19,141

* Excluding overlapping customers (as of FY2020)

SFG's Major Affiliates

Leading Financial Group in Korea



(as of FY 2020)

Shinhan Bank	Shinhan Card	Shinhan Investment	Shinhan Life	OrangeLife ²⁾	Shinhan Capital	Shinhan Asset Management ³⁾	Jeju Bank	
100%	100%	100%	100%	100%	100%	100%	75.31%	
Top Commercial Bank in Korea	No.#1 Credit Card Company in Korea	Major Securities Firm in Korea	Life Insurance Co. with Strengths in Telemarketing	Highly Profitable Life Insurance Company	Specializes in facility leases & installment financing	Major Asset Management Firm in Korea	The Leading Local Bank in Jeju	
Total Assets 517.1 Wtn.	Total Assets 34.9 Wtn.	Total Assets 71.9 Wtn.	Total Assets 36.8 Wtn.	Total Assets 33.8 Wtn.	Total Assets 8.9 Wtn.	Total Assets 58.9 Wtn.	Total Assets 6.6 Wtn.	
Total Equity 27.7 Wtn.	Total Equity 6.4 Wtn.	Total Equity 4.4 Wtn.	Total Equity 2.5 Wtn.	Total Equity 3.2 Wtn.	Total Equity 1.2 Wtn.	Total Equity 170.6 Wbn.	Total Equity 509.4 Wbn.	
Shinhan Savings Bank	Asia Trust ²⁾	Shinhan DS	Shinhan AITAS	Shinhan Credit Information	Shinhan Alternative Invest.	Shinhan REITs	Shinhan AI	Shinhan Venture Investment ⁴⁾
100%	60%	100%	99.8%	100%	100%	100%	100%	100%
Major Savings Bank in Korea	Major Market Player in Real Estate Trust	Specialized IT Service Provider for Financial Corp.	No.# 1 Fund Service Company in Korea	Expertise in debt collection & credit research	Private Equity Fund & Alternative Investment	Real Estate Investment Management Firm	AI-based Investment Advisory Firm	Venture Capital investment Firm
Total Assets 1.8 Wtn.	Total Assets 49.7 Wtn.	Total Assets 95.1 Wbn.	Total Assets 87.4 Wbn.	Total Assets 27.8 Wbn.	Total Assets 5.5 Wtn.	Total Assets 2.3 Wtn.	Total Assets 42.9 Wbn.	Total Assets 0.5 Wtn.
Total Equity 206.8 Wbn.	Total Equity 174.6 Wbn.	Total Equity 24.2 Wbn.	Total Equity 75.2 Wbn.	Total Equity 17.0 Wbn.	Total Equity 14.9 Wbn.	Total Equity 44.0 Wbn.	Total Equity 41.0 Wbn.	Total Equity 59.9 Wbn.

1) Based on Consolidated Financial Statements, Trust A/C and AUM are included in Total Assets.

2) Orange Life Insurance joined SFG on Feb. 1, 2019, and Asia Trust joined SFG on May 2, 2019.

3) Renamed from *Shinhan BNP Paribas Asset Management* on Jan. 15, 2021.

4) Shinhan Venture Investment joined SFG on Sep. 29, 2020 (corp. figures are as of 3Q 2020)
Renamed from *Neoplux* on Jan. 11, 2021.

01

Shinhan Financial Group

1-01 Overview

1-02 Mission, Vision, and Value Management

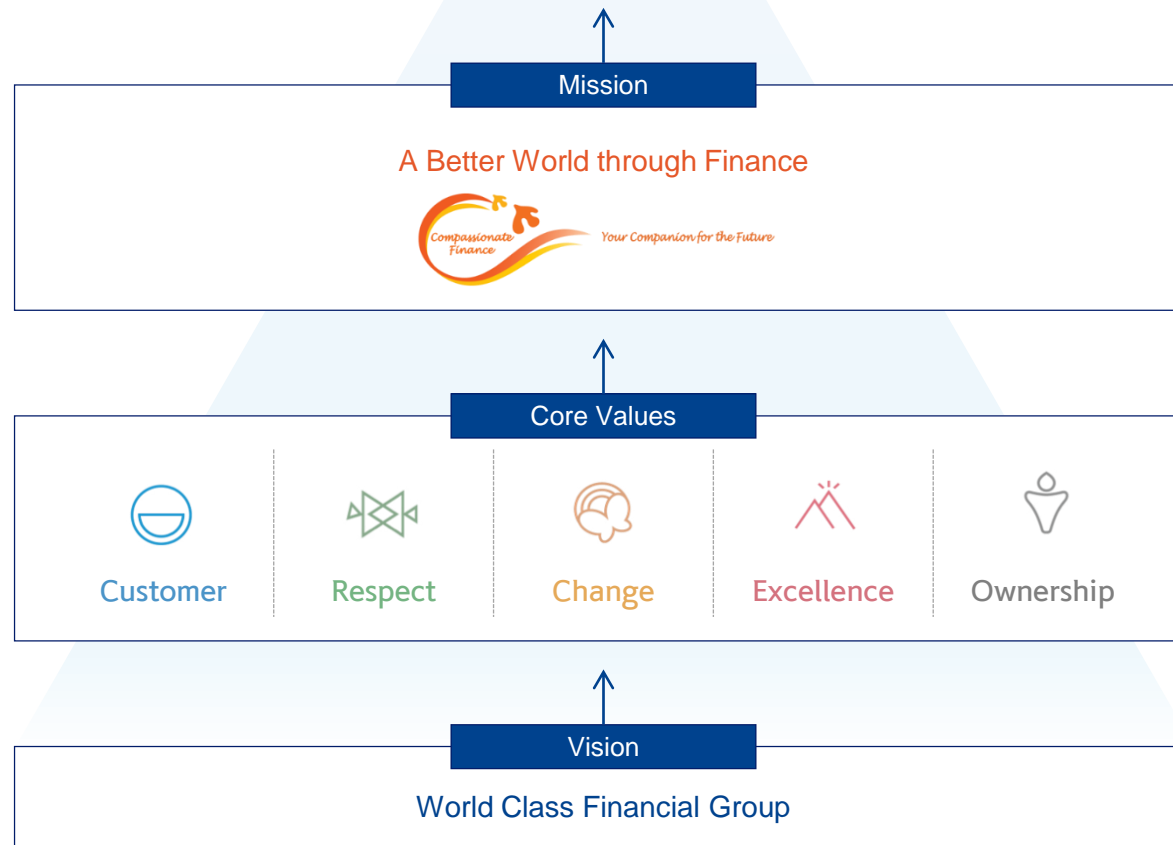
1-03 F.R.E.S.H 2020s

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Value Management System

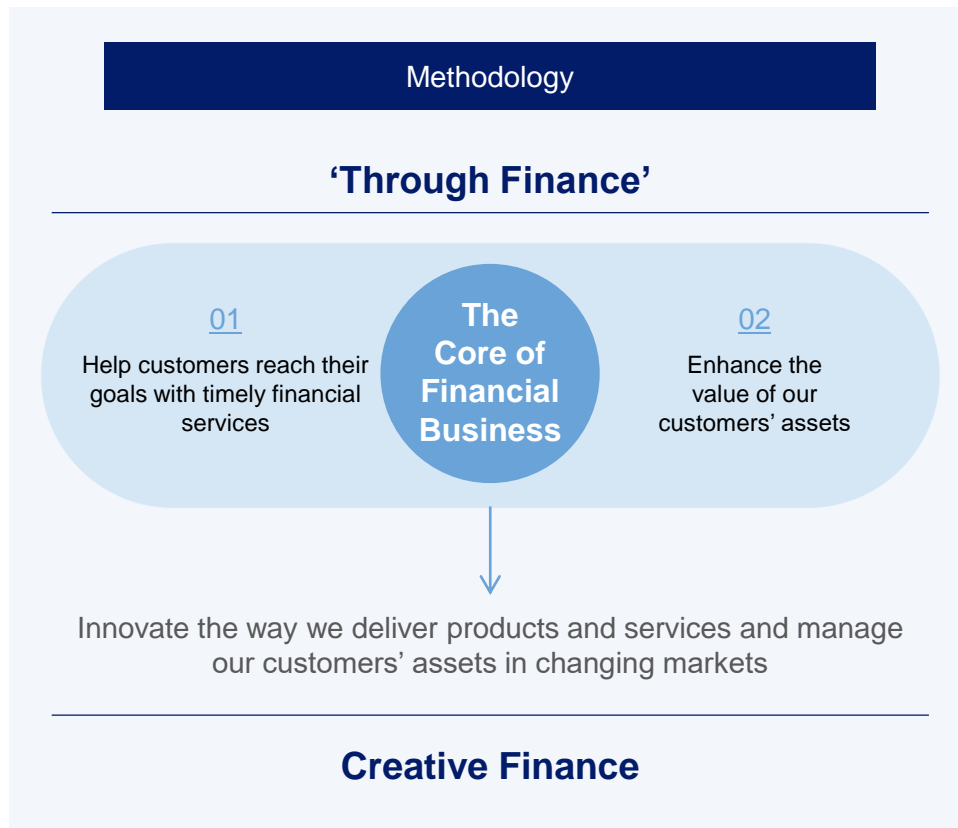
Shinhan WAY

“Shinhan WAY” is the value system and guiding principle for all Shinhan employees’ thoughts and actions.



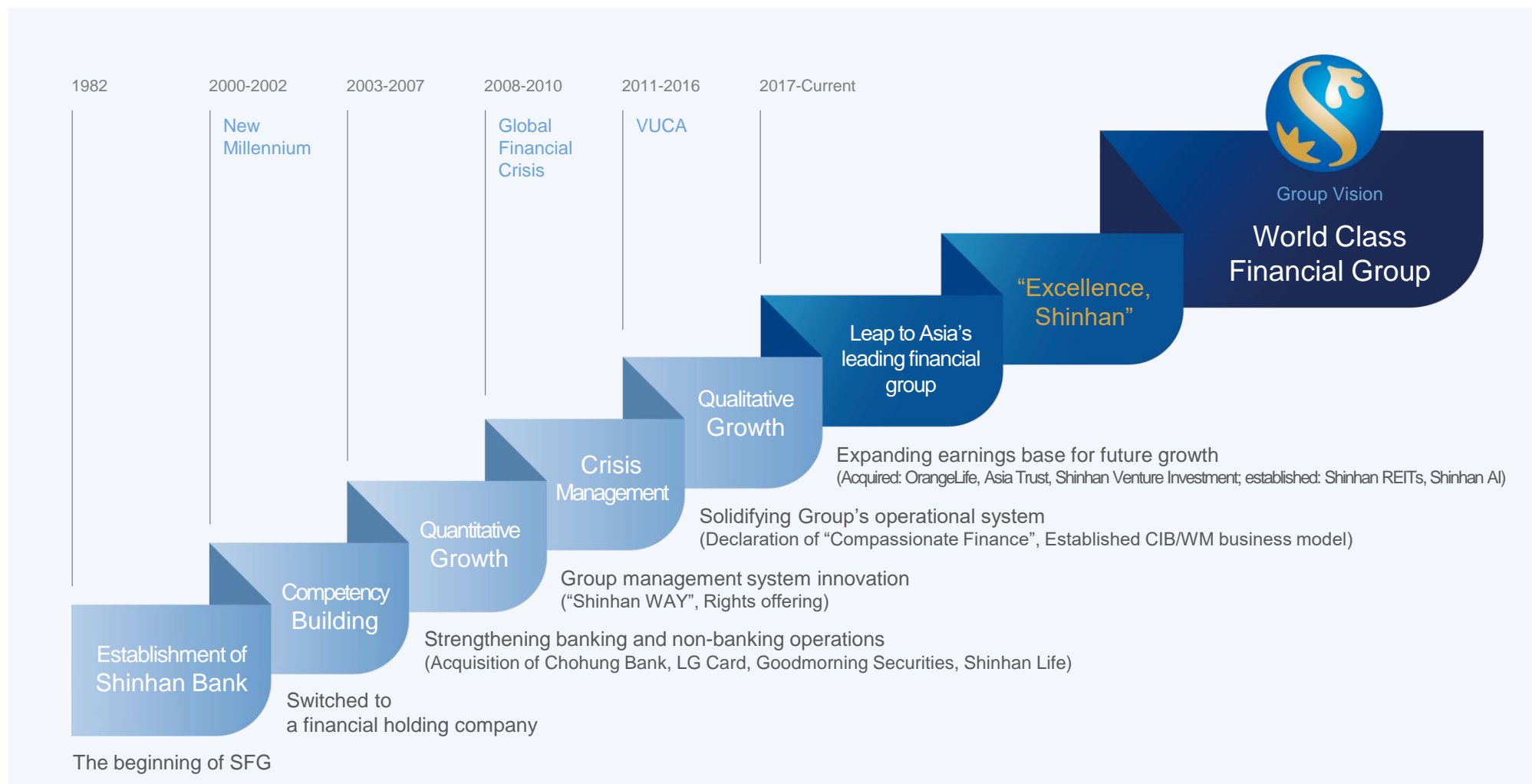
Compassionate Finance, Your Companion for Future

“Promote a virtuous cycle of shared prosperity with creative financial services”



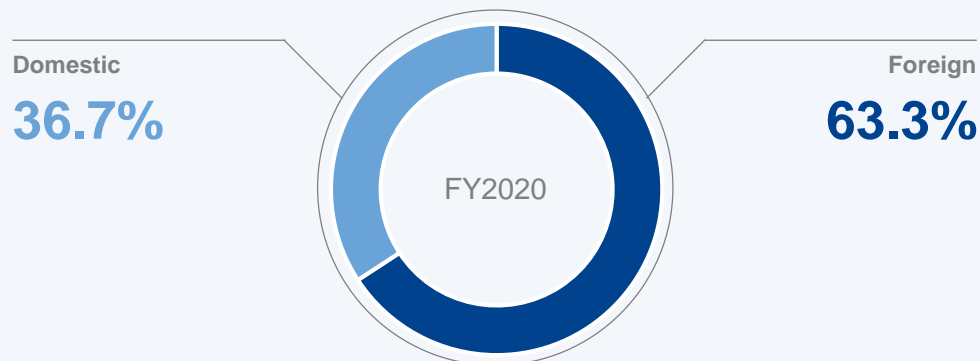
Shinhan's History & Vision

SFG will embody **“Excellence”** while it progress towards its vision, **“World Class Financial Group”**, through accumulated experiences and success in overcoming external headwinds.



Stable Corporate Governance

Shareholders



Major Shareholders

(as of FY2020)

Company	Ownership (%)
Korea National Pension Service	9.81
BlackRock Fund Advisors ¹⁾	5.63
SFG ESOP	4.80
CENTENNIAL INVESTMENT LIMITED	3.96
BNP Paribas SA	3.62
SUPREME, L.P.	3.62
Citibank N.A. (ADR dept.)	2.88
The Government of Singapore	1.89
Vanguard Total Int'l Stock Index	1.24
Peoples Bank of China	1.11

¹⁾ Based on the Large equity ownership disclosure by BlackRock Fund Advisors with the FSS on Sep. 27, 2018

CEO & Subsidiary Management



CHO Yong-byoung
CEO, Shinhan Financial Group

Experiences

- 2015 CEO, Shinhan Bank
- 2013 CEO, Shinhan BNPP AM
- 2009 Deputy CEO, Shinhan Bank

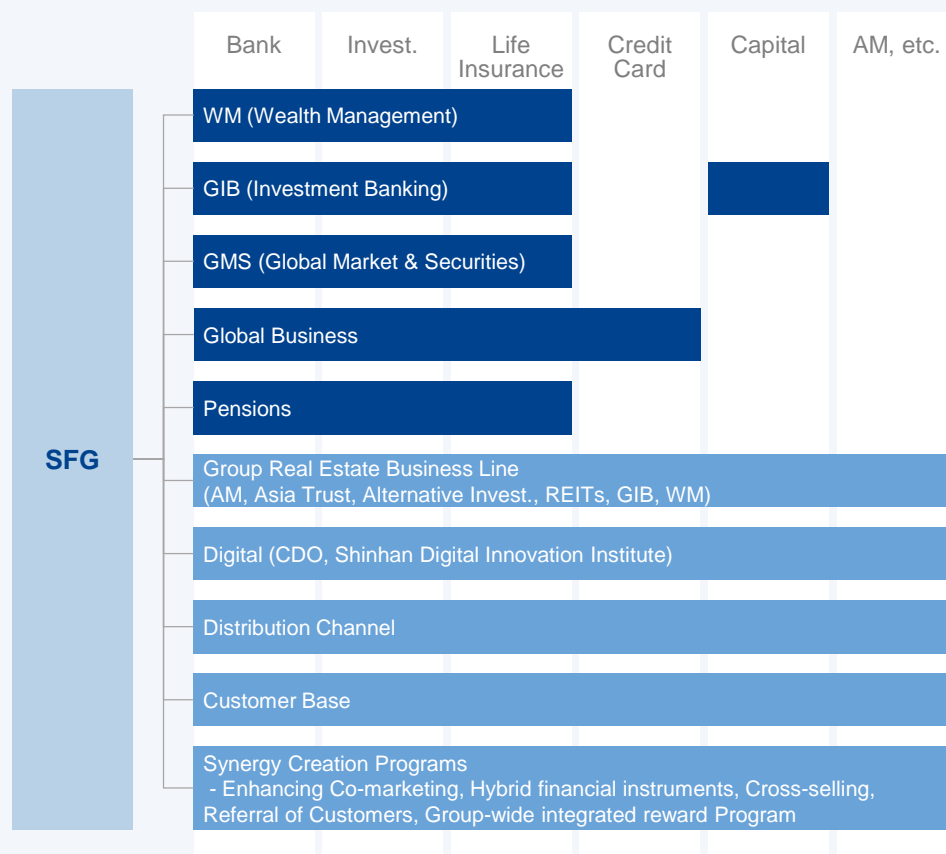
SFG Subsidiaries' CEOs (as of FY2020)

- | | |
|--|--|
| 01. Shinhan Bank: JIN Ok-dong | 10. Asia Trust: BAE Il Geu |
| 02. Shinhan Card: LIM Young-jin | 11. Shinhan DS: YI Sunny |
| 03. Shinhan Invest.: LEE Young-chang | 12. Shinhan AITAS: CHOI Byeong Wha |
| 04. Shinhan Life: SUNG Dai Gou | 13. Shinhan Credit Info.: LEE Ki Jun |
| 05. OrangeLife: LEE Young-jong | 14. Shinhan Alternative Invest.: KIM Hee-song |
| 06. Shinhan Asset Mgmt.: LEE Chang Goo | 15. Shinhan REITs: NAM Koong Hun |
| 07. Shinhan Capital: JEONG Woon-jin | 16. Shinhan AI: BAE Jin Soo |
| 08. Jeju Bank: SEO Hyun-joo | 17. Shinhan Venture Invest.: LEE Dong Hyun |
| 09. Shinhan Savings Bank: KIM Young-pyo | |

Customer-centric “One Shinhan” Model

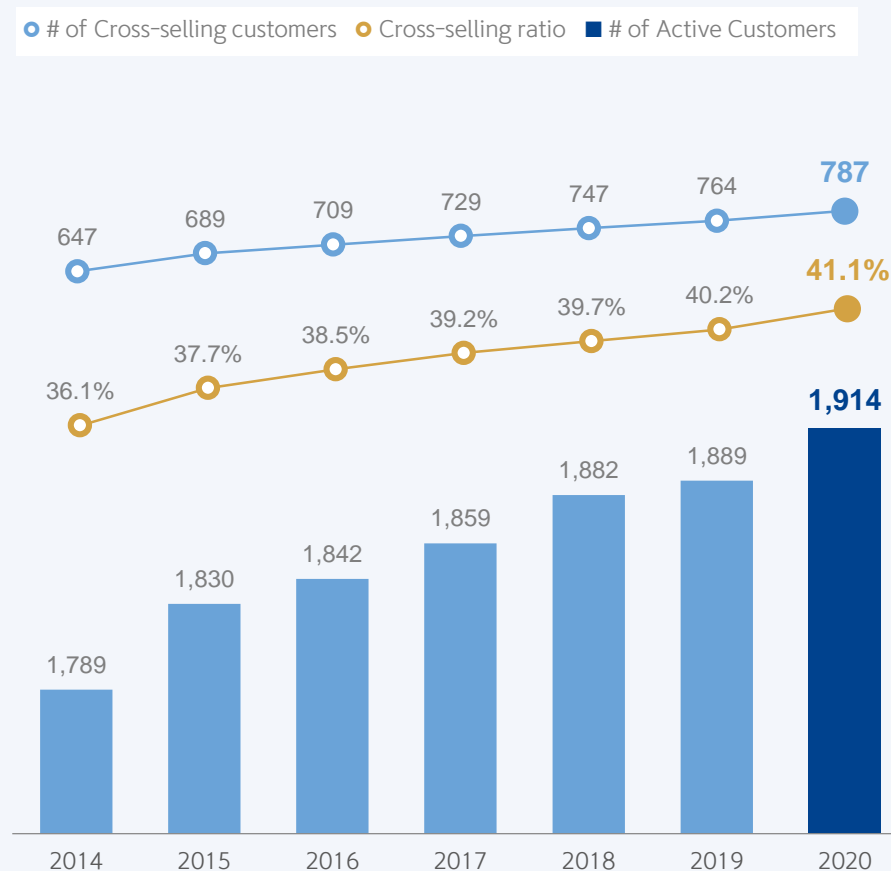
‘One Shinhan’ business model focuses on providing the very best products and services to clients by establishing Group-wide collaborative system under customer-centered business structure.

One Shinhan Business Model



Increasing Active Customers

(Unit: 10 thousand persons)



01

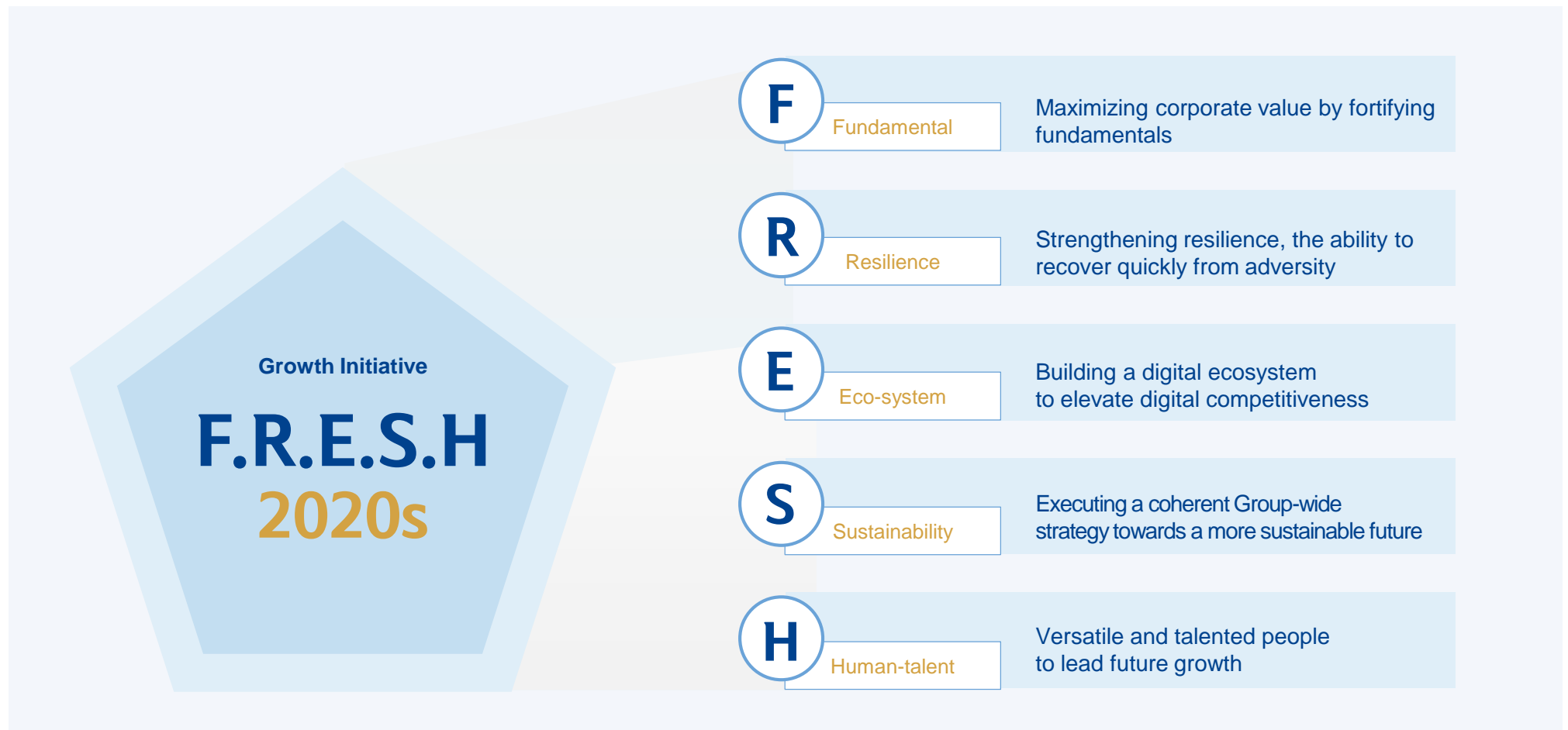
Shinhan Financial Group

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F.R.E.S.H 2020s

Amidst a highly volatile external environment, SFG has newly set “F.R.E.S.H 2020s” as its growth initiative to realize unrivaled growth, embody “Excellence, Shinhan”, and progress towards “World Class Financial Group”

Initiative for a Differentiated Growth



For a precise and efficient implementation, the guide for “F.R.E.S.H 2020s” initiative lays out four strategies and three core competency building tasks.

The Guide for “F.R.E.S.H 2020s”: 4 Strategies & 3 Core Competencies



SFG is implementing “Optimal Growth” strategy to strengthen both bank and non-bank subsidiaries by finding new growth drivers to maximize the Group’s value.

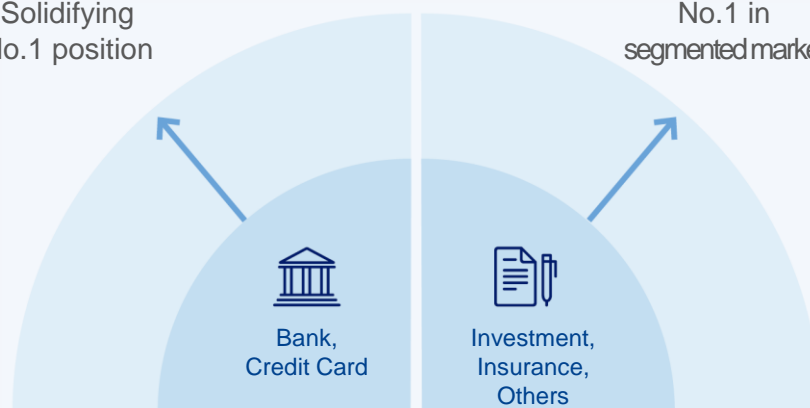
Optimal Growth Strategy

Organic + Inorganic Growth
to maximize the Group’s value

No. 1

Solidifying
No.1 position

No.1 in
segmented market



Key Elements for Optimal Growth



SFG Global Networks: 20 Countries, 242 Networks

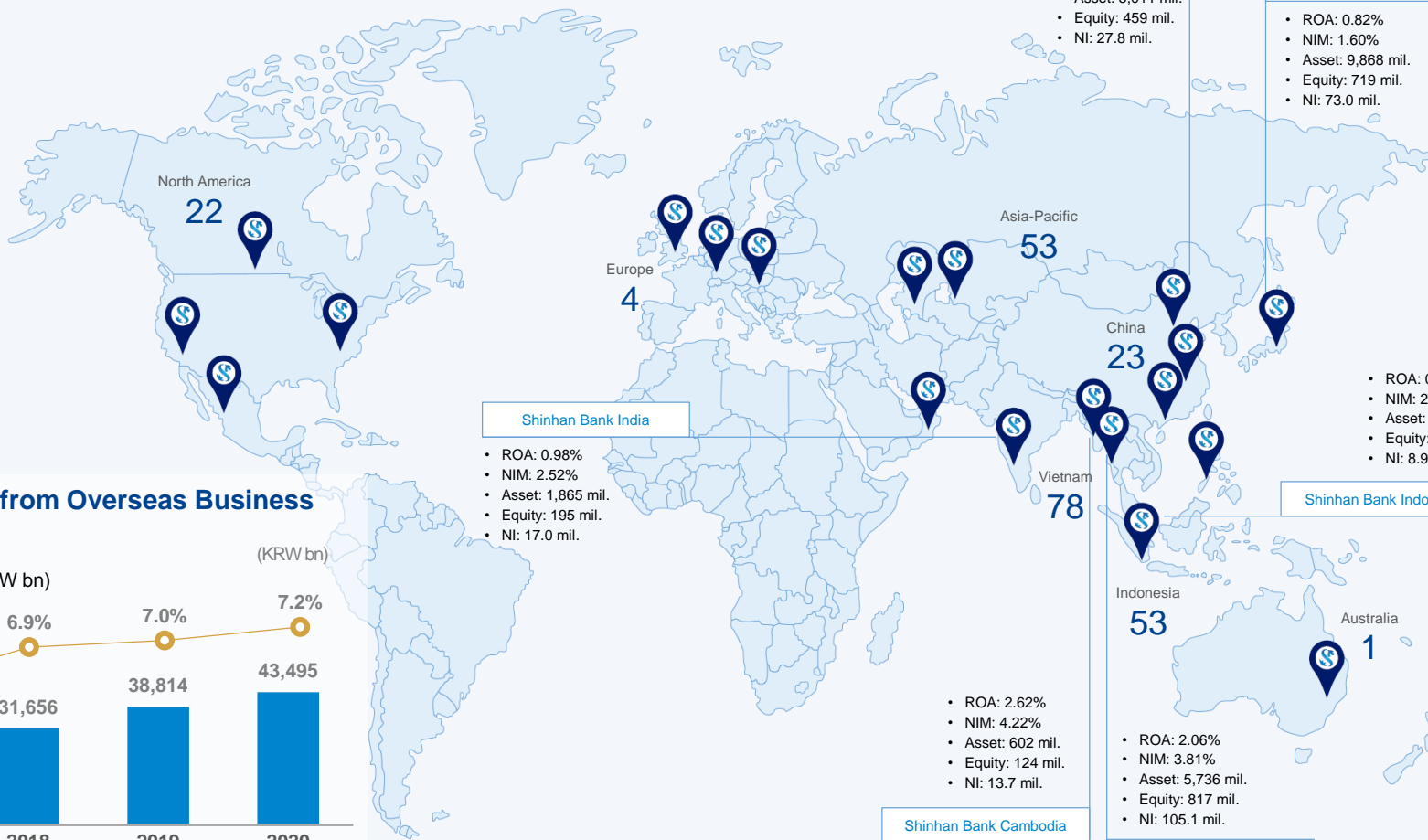
(as of FY 2020, USD)

of Countries

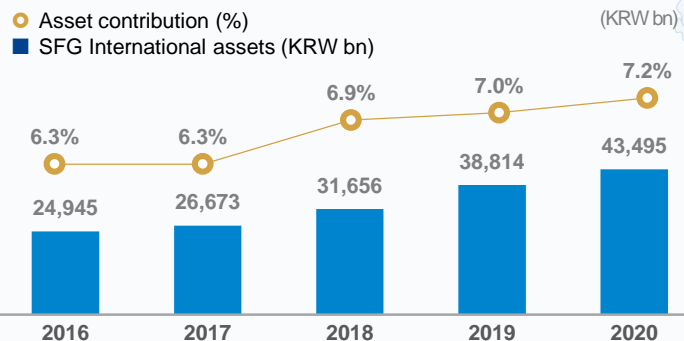
20

of Networks

242



Asset Contribution from Overseas Business



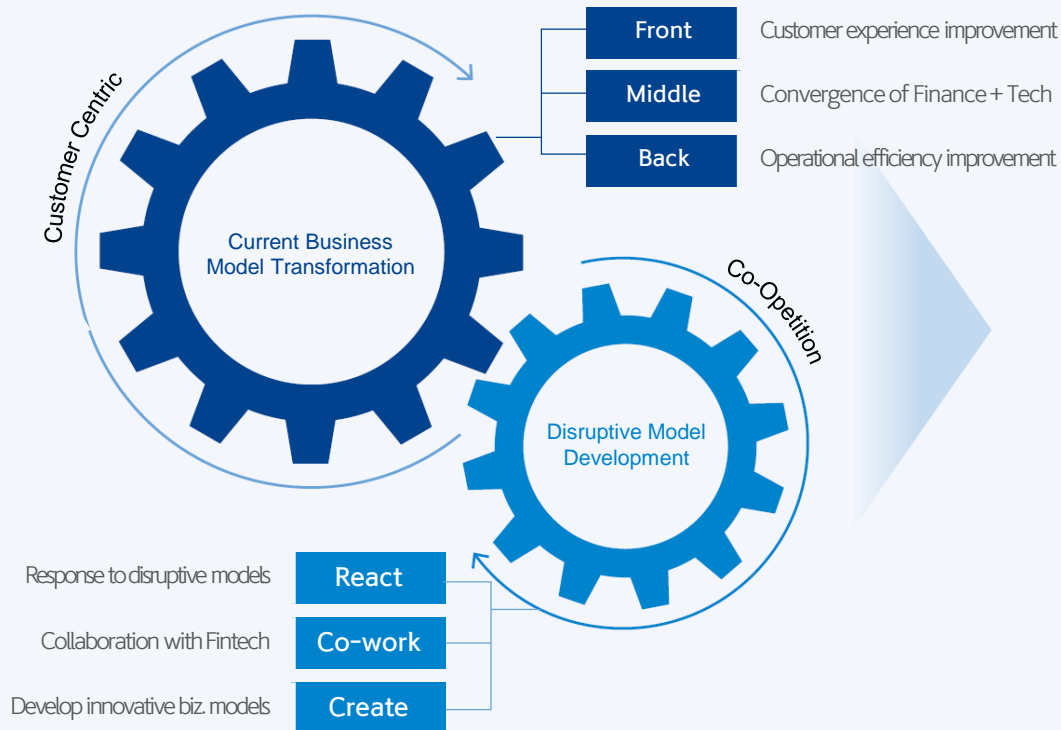
NOTE KRW converted from F/X rates at the end of the respective periods



Under efforts for a comprehensive Digital Transformation, SFG has been implementing “2 Tracks + 5Cs” strategy to achieve business innovation by upgrading the Group’s digital capacity, represented by “5Cs”.

SFG Digital Transformation Strategy Framework

2 Tracks for Business Innovation



5 Cs for the Group’s Readiness

Core Tech	01. Digital Technology	AI/IoT, Blockchain, Open Innovation, Cloud, DX(Digital Experience)
Capability	02. HR development	Digital specialists training program, Education
	03. Recruiting, academy coop.	Securing professionals, Industry and academy cooperation
Culture	04. Work Culture	Agile, Test & Learn, Magnanimity to new trials and failures
	05. Organization	Chief Digital Officer(CDO), Matrix system, Shinhan digital campus
Collaboration	06. Platform	Renewal financial platform, Connect non-financial platform
	07. Partnership, Joint venture	Partnership with ICT / retail leaders, Construct Digital ecosystem
Change Management	08. Intellectual property	'Digital Shinhan' intellectual property
	09. Change Management	Define strategic destination, 'To-Be', Prioritization of plans, Communications
	10. Regulatory reform	Improvement of company regulations, Persuade authorities

Current Business Model Transformation

Front

Improve Customer Experience

- Understand customers on an individual level
- Providing excellent customer experience through a single view, seamless omni channel



Middle

Develop Digitally Innovative Products/Services

- Development of new innovative mobile-based digital products and services using convergent technology

Shinhan FacePay
Payment system using facial recognition technology



Back

Improve Operational Efficiency

- Optimization of channel, risk management, underwriting model, FDS, RPA, chatbot, etc.

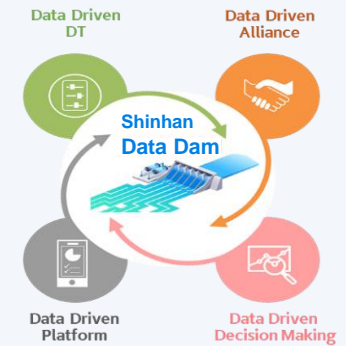


Disruptive Model Development

Respond

Respond to Regulatory/Environmental Changes

- Enhancing the competitiveness of data-based products/services and platforms
 - Acquired "MyData" permit
 - Building a Group data dam



Collaborate

Collaboration with Fintech/Startups

- Cooperation with other industry leaders
- Discovering collaborative models with fintech/startups and strengthening investments (SI Fund)

Shinhan Future's Lab
Fostering start-ups and exploring collaborative models (in and out of Korea)



Create

Develop Innovative Biz Models

- Shinhan's unique digital business model development
- Connecting life platform via digital technology

Shinhan AI "NEO"
AI-based investment advisory services



3rd-Party Partnerships

Strengthening collaboration with new players

Advancing digital competitiveness and developing new business models through collaboration with 3rd parties.

SFG Major Alliances

Global ICT



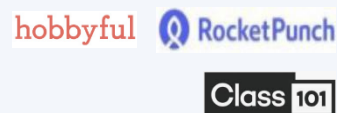
Telecom



Healthcare



Education



Electronics



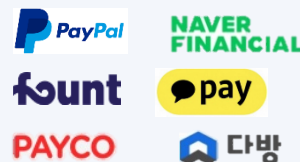
Commerce



Lifestyle



Finance



Creating Fintech Ecosystem

Shinhan Future's Lab

Shinhan Future's Lab is an Industry-first Fintech support program. Shinhan reinforces its alliances by nurturing and investing in promising start-ups.

Country	Program (year)	No. of Companies	Related Fields
Korea	1~5 (2015~2019)	111	P2P, AI, VR/AR etc.
	6-1, 6-2 (2020)	55	Data Analytics, Health Tech etc.
Vietnam	1 (2017)	5	Payment, e-Wallet etc.
	2 (2018)	6	P2P, small investments, etc.
	3 (2019)	10	Chatbot, Face recognition etc.
Indonesia	4 (2020)	19	InsureTech, Logistics, Ed Tech
	1, 2 (2020)	8	Robo-Advisor, cyber security etc.

214 coop. models

Shinhan Future's Lab Development

Investment of 36.0 Wbn in 57 Future's Lab companies

- Direct Investment : 26.6 Wbn
- Indirect Investment : 9.3 Wbn

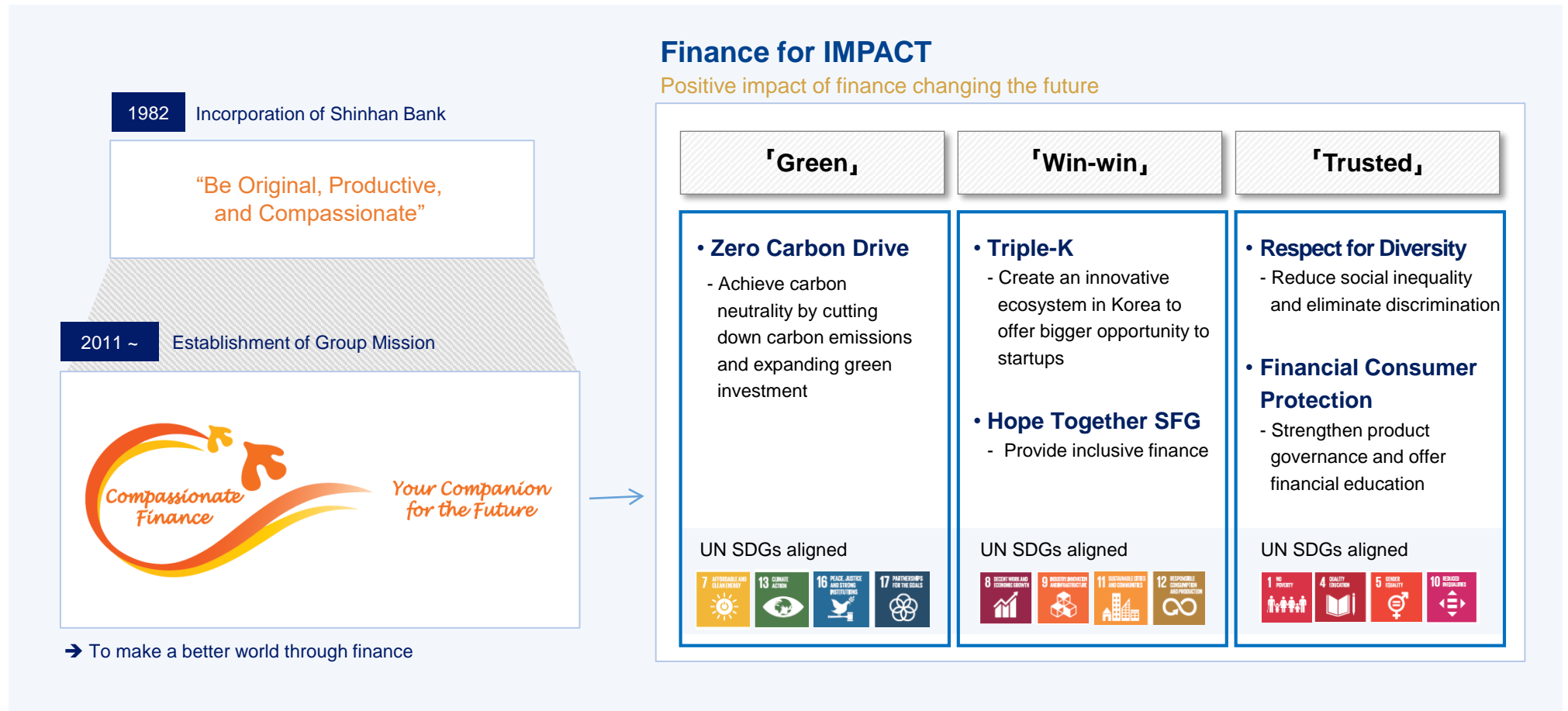
Launched "One-Shinhan Future's Fund" (investing 25Wbn for 5yrs)

- Successfully launched 2nd Fund (10.1Wbn, Jun. 2020)
- 1st Fund (10.8Wbn, Jun. 2019)

Established "Shinhan Future's Lab Indonesia" (Sep. 2019)

- Fostering 8 companies in 2020

SFG has established the Group Mission based on Shinhan Bank’s founding spirit. Under the Group mission, “Compassionate Finance”, SFG has adopted “Finance for IMPACT” as the principle of its ESG management, and set three strategic directions – Green, Win-win, and Trusted.



Global ESG Initiatives

Shinhan Financial Group has been partaking in major global sustainability management initiatives, and joined hands with global financial authorities and companies to raise the awareness of ESG at home and abroad.

Major Global ESG Initiatives



Global Initiatives

NZBA (Net-Zero Banking Alliance)	Apr. 2021
VBA (Value Balancing Alliance)	Mar. 2021
SBTi (Science Based Target initiative)	Nov. 2020
PCAF (Partnership for Carbon Accounting Financials)	Nov. 2020
Equator Principles	Sept. 2020
UNEP FI PSI (Principles for Sustainable Insurance)	Feb. 2020
UNEP FI PRB (Principles for Responsible Banking)	Sept. 2019
TCFD (Taskforce on Climate-related Financial Disclosure)	Sept. 2018
UN Global Compact	May 2008
UNEP FI (UN Environment Programme Finance Initiative)	Jan. 2008
CDP (Carbon Disclosure Project)	Mar. 2007





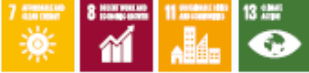
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Shinhan's ESG Strategy

SFG has adopted “Finance for IMPACT” as the principle of its ESG management, and set three strategic directions – Green, Win-win, and Trusted. More specifically, SFG has identified five IMPACT tasks: ① Zero Carbon Drive, ② Triple-K, ③ Hope Together SFG, ④ Diversity, and ⑤ Consumer Protection.

ESG Principle	Finance for IMPACT Positive impact of finance changing the future		
Strategic Directions	Green	Win-win	Trusted
5 IMPACT Tasks	<p>Zero Carbon Drive</p> <p>Achieve carbon neutrality by cutting down carbon emissions and expanding green investment</p>	<p>Triple-K</p> <p>Create an innovative ecosystem in Korea to offer bigger opportunity to startups</p> <p>Hope Together SFG</p> <p>Provide inclusive finance</p>	<p>Respect for Diversity</p> <p>Reduce social inequality and eliminate discrimination</p> <p>Consumer Protection</p> <p>Strengthen product governance and offer financial education</p>
Goals	<p>Cut down CO₂ emissions within the Group asset portfolio to zero</p> <p>0 Carbon</p>	<p>Nurture 10 unicorns by discovering and fostering innovative companies</p> <p>10 Unicorns</p>	<p>Ensure all stakeholders of the Group to be 100% satisfied</p> <p>100% Satisfaction</p>
Alignment with UN SDGs			

Shinhan's ESG Governance

Shinhan Financial Group has a multi-layered ESG governance in place to ensure working-level cooperation, C-level discussion and monitoring, as well as Board-level oversight on a wide range of ESG-related issues.

Shinhan's ESG Driving System



Climate Initiative Zero Carbon Drive

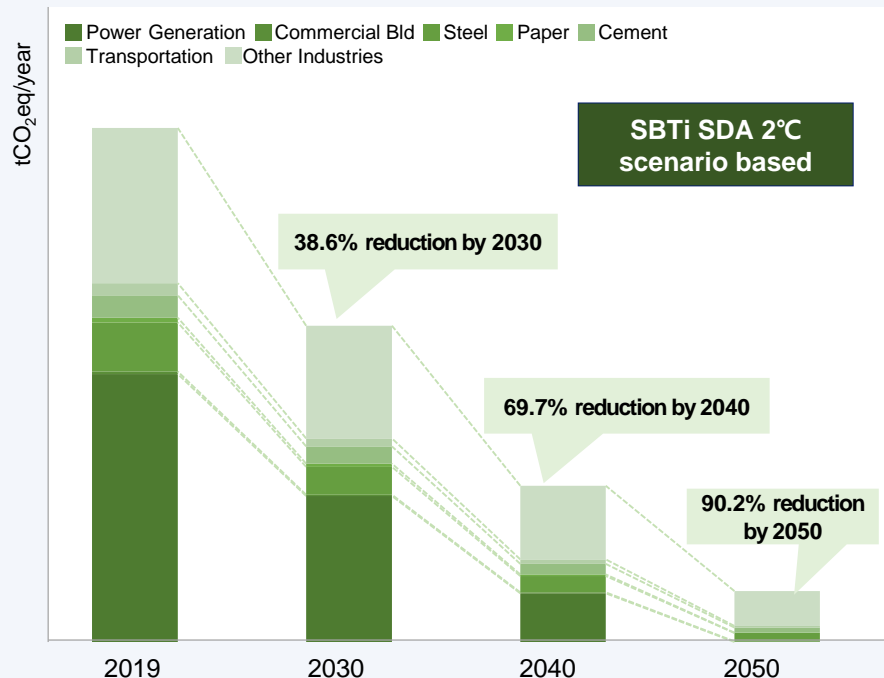
Zero Carbon Drive is SFG's climate initiative towards achieving carbon neutrality. Under this initiative, SFG plans to reduce its own CO2 emissions by 2043 to net-zero, and to reduce its financed emissions to net-zero by 2050. Moreover, SFG will Provide 30Wtn in green financings by 2030 with a focus in new and renewable energy.

Zero Carbon Drive

Carbon Emissions Reduction Target¹



38.6% reduction by 2030, **net-zero by 2050**

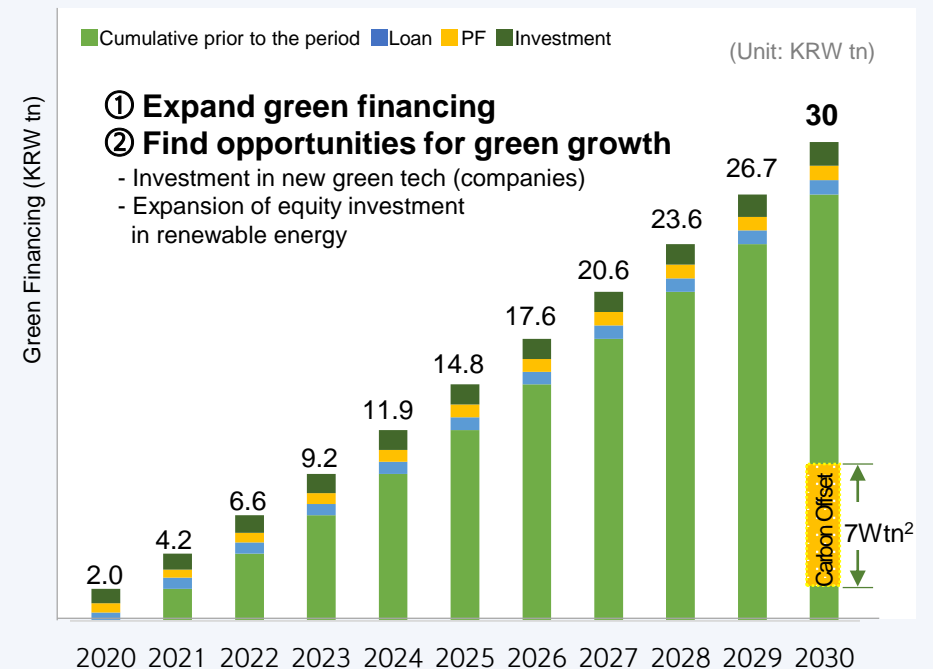


NOTE 1 Carbon emission reduction target for SFG's asset portfolio

Green Financing Target (Carbon Offset)



Providing KRW 30 trillion in green financing by 2030



NOTE 2 The carbon offset target is the proportion of renewable energy PFs on solar/wind power, and the estimated amount of CO₂ reduction levels are based on levels that can be achieved without any reduction efforts

Promoting Innovation Triple-K Project

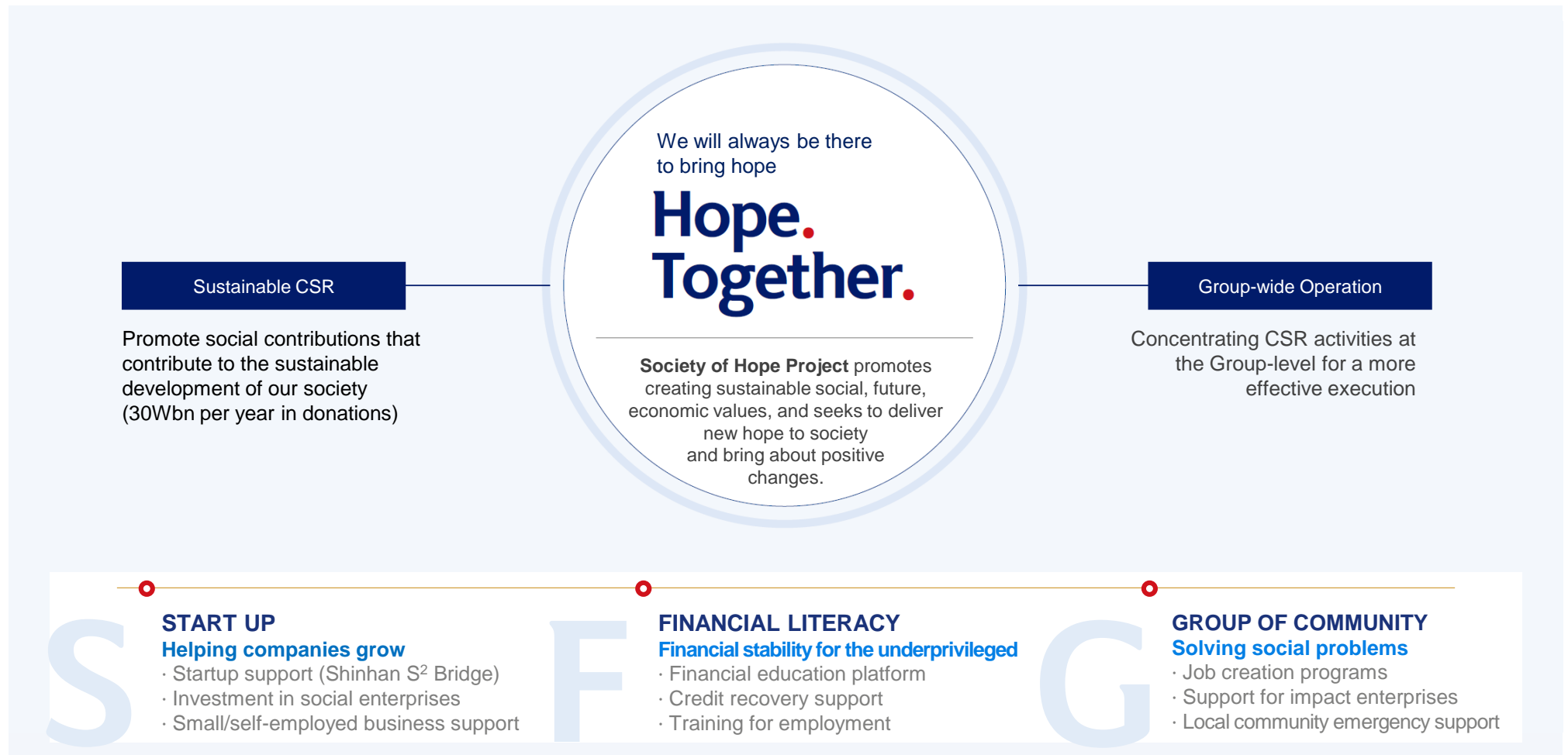
SFG launched 'Triple-K Project', under which the Group plans to invest KRW 2.1 trillion in startups by year 2023. With this Project, the Group aims to help around 2,000 venture firms, and among the 2,000 venture firms, the Group seeks to foster 10 Unicorn enterprises with more than US\$1 billion in total assets.

Triple-K Project



SFG is committed to providing support to individuals, communities, and society through finance. Under the slogan, ‘Opportunity for all. Hope. Together. SFG’, we aim to expand inclusive finance by focusing on three major areas:

- ① **S** Start-ups, ② **F** Financial literacy, and ③ **G** Group of community.



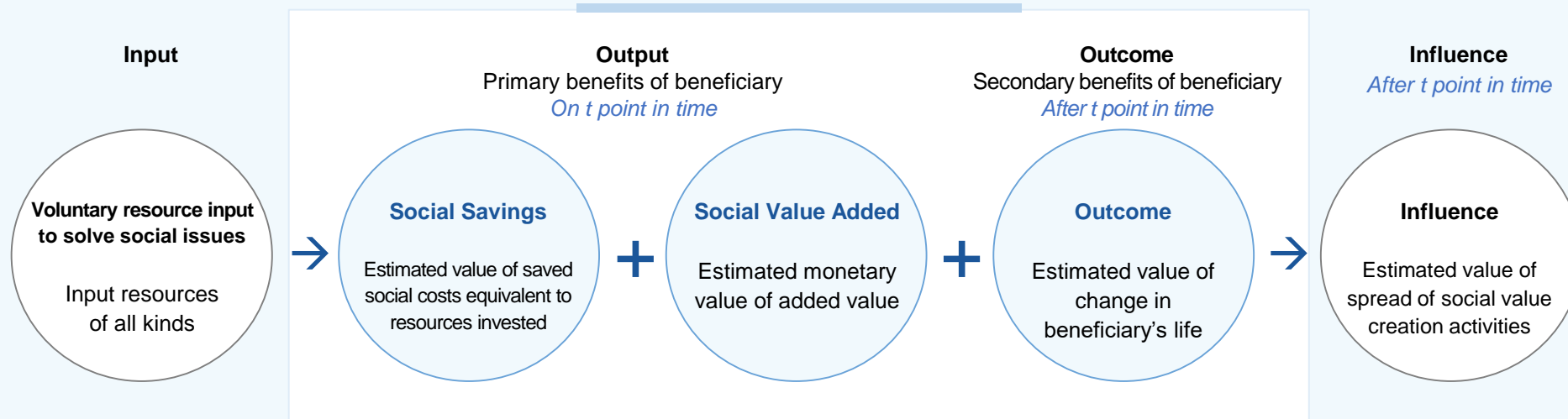
Quantifying Social Impact **Shinhan SVMF**

In collaboration with the Center for Global Business Ethics and Responsibility of Yonsei University, SFG has developed the Shinhan Social Value Measurement Framework (SVMF) to better quantify the social value created from Group's ESG programs. With SVMF, we aim to measure and manage our ESG-related activities and to create greater value.

Shinhan Social Value Measurement Framework



Measuring Social Value



Total Social Value
= Output + Outcome + ε
= (Social Savings + Social Value Added) + Outcome + ε

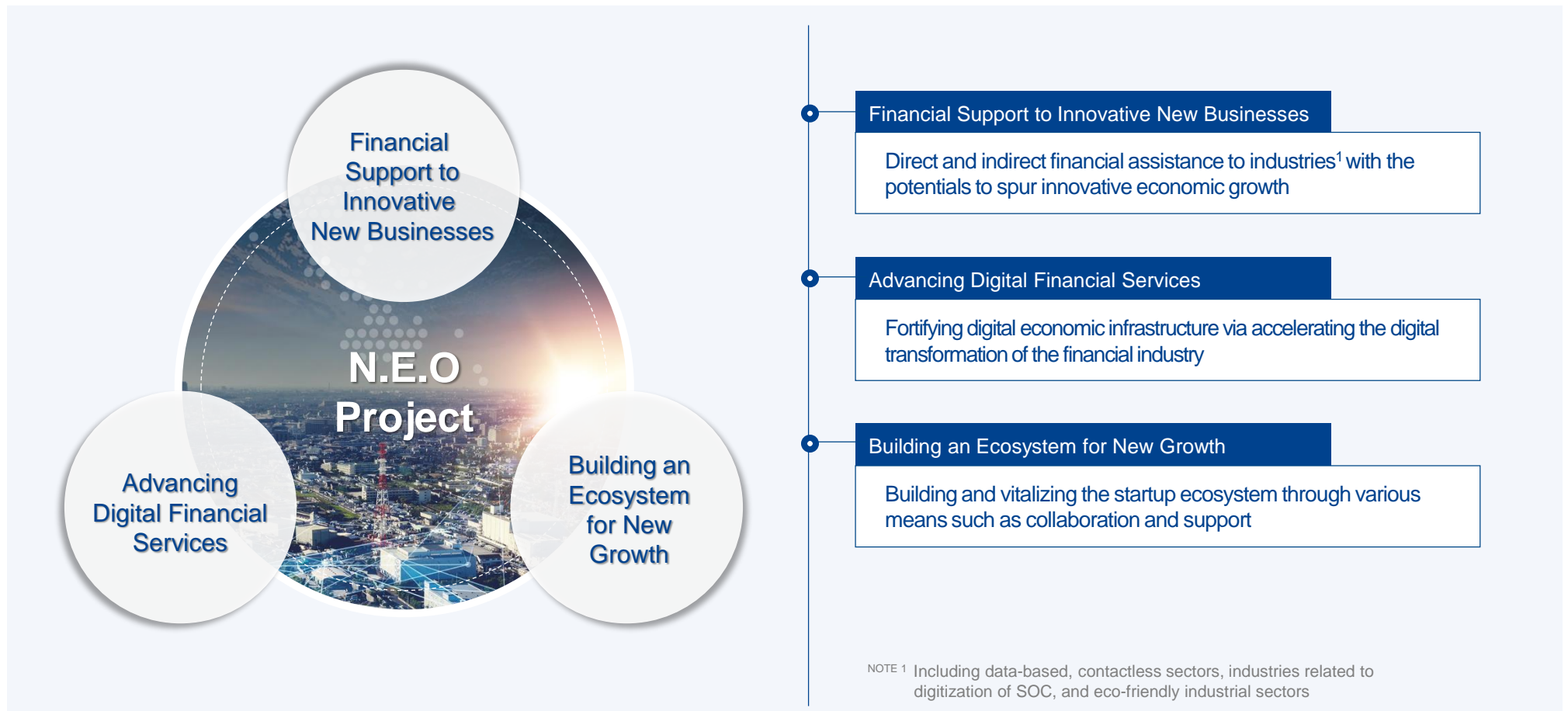
- Output : Primary benefits of beneficiary resulting from ESG programs (*t point in time*)
- Social Savings : Value of social cost reductions resulting from invested personnel and material resources
- Social Value Added : Estimated monetary value of added value created by beneficiary based on invested personnel and material resources
- Outcome : Secondary benefits of beneficiary resulting from ESG programs (*after t point in time*)
- ε : Adjusted value for external effects

* Based on cost-based approach, market-based approach, and income-based approach.

Shinhan N.E.O Project

SFG has launched “N.E.O Project”, through which it will provide financial support to innovative new businesses while advancing digital financial services. With “N.E.O Project”, SFG will fully assume the role as a leading financial group to spur economic growth whilst capturing new opportunities of growth in the post-pandemic era.

N.E.O (New Economic growth supporting Operations) Project



Cultivating Female Leaders

In efforts to encourage the long-term development of female talents and evolving them into leaders at every level of the Group's operations, SFG introduced a program called "SHeroes," which offers a wide range of opportunities for its female employees such as training, mentoring, and networking.

SHeroes

New Female Executives and Department Heads

18 persons

NOTE Number of SHeroes graduates who have been promoted to managerial positions



SHeroes Programs



Mid-term Goals & Key Tasks



Build foundations

Full Implementation

Build a healthy cycle

- Build a platform to foster female leaders

- More support for developing competencies

- Continuous cycle of fostering female leaders

Guide to Fostering Female Leaders

- R.O.S.E**
- **R**elationships (Strengthen relationships)
 - **O**pportunity (Offer diverse career opportunities)
 - **S**egmentation (Define targets)
 - **E**nvironment (Create an environment for gender equality)

NOTE 'SHeroes' refers to Shinhan (SH)'s female (She) heroes (Heroes).

Customer-centric Product Governance

SFG has reshaped its product governance to strengthen customer protection, and has overhauled its organizational structure so that checks and balances function is intact throughout the full lifecycle of its financial products.

Shinhan's Product Governance



System

Organizational overhaul to allow customer-centered checks and balances of financial products and services.

Shinhan Bank

- Newly established "Customer Protection Group" and appointed its Head as the CCO (Chief Compliance Officer)

Shinhan Investment

- Newly established "Customer Protection Division" and appointed its Head as the CCO

Process

Reshaped the entire process (develop-sales-review), and the KPIs for the sales channel to reflect Customers' Investment Return over product sales.

Product Development

- CCO holds veto rights
- Supervision by Customer protection committee

Marketing and Sales

- Appointed CPOs(Consumer Protection Officer)
- Shinhan Bank introduced 'Temporary Termination of Sales' policy
- Shinhan Investment introduced 'Pre-sales Happy Call' system









Post- Sales Review

- Regular monitoring and review on investment products
- Disclosure of the details on the management of private funds

ESG-related Recognitions

SFG is included in major ESG and SRI indices at home and abroad, and are targeted for investment by socially responsible fund investors who selectively invest in top ESG companies. We are also recognized and evaluated by various global investors and research firms as a leading company in ESG initiatives.

ESG-related Evaluations

Institution	Index title	Grade / Score	Benchmark Index	Award / Certification
 Korea Corporate Governance Service	Corporate Governance Grades	Grade: A+	KRX ESG Leaders 150 KRX Governance Leaders 100 KOSPI200 ESG Index, etc.	Received A+ grade for 6 consecutive years (2015~2020)
 MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM	DJSI	Ranking : 11th	DJSI World DJSI Asia-Pacific DJSI Korea	Included in DJSI World index for the first time among Korean financial groups for 8 consecutive years
	Global 100	Asia Banking Sector: 1st Total: 84th	Global 100	Selected Global 100 Most Sustainable Corporations by Davos Forum for 9 consecutive years
	CDP	Leadership A	–	Included in the Honors Club for 7 consecutive years, Hall of Fame for 3 consecutive years
 ESG Research	MSCI ESG	Grade: AA	MSCI ACWI ESG MSCI EM ESG MSCI Korea ESG	Received AA Grade for 5 consecutive years
	ISS Quality Score	Grade: 1	–	–
	Daeshin Corporate Governance Inst.	The Best Company among Korean financial groups	–	–
 ESG Information, Analytics & Investment	Sustainvest	Grade : AA		The only Korean financial institution to receive the highest(AA) grade

02

Companies in the Group

-
- | | | | |
|------|----------------------|------|--------------------------|
| 2-01 | Shinhan Bank | 2-10 | Asia Trust |
| 2-02 | Shinhan Card | 2-11 | Shinhan DS |
| 2-03 | Shinhan Investment | 2-12 | Shinhan AITAS |
| 2-04 | Shinhan Life | 2-13 | Shinhan Credit Info. |
| 2-05 | OrangeLife | 2-14 | Shinhan Alternative Inv. |
| 2-06 | Shinhan Capital | 2-15 | Shinhan REITs Mgmt. |
| 2-07 | Shinhan Asset Mgmt. | 2-16 | Shinhan AI |
| 2-08 | Jeju Bank | 2-17 | Shinhan Venture Inv. |
| 2-09 | Shinhan Savings Bank | | |

02

Companies in the Group Shinhan Bank

-
- | | | | |
|------|----------------------|------|--------------------------|
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| 2-03 | Shinhan Investment | 2-12 | Shinhan AITAS |
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| 2-07 | Shinhan Asset Mgmt. | 2-16 | Shinhan AI |
| 2-08 | Jeju Bank | 2-17 | Shinhan Venture Inv. |
| 2-09 | Shinhan Savings Bank | | |

Overview

(As of FY2020)

Shinhan Bank Overview

Shinhan Bank is a leading commercial bank in Korea.

Total Asset (including Trust A/C)

517.1 KRW tn¹⁾

FY 2020 Net Income

2.08 KRW tn²⁾

Rating Agency	F/C LT Debt Rating
Moody's	Aa3
S&P	A+
Fitch Ratings	A

1) Total Asset: Banking Account (Consolidated) + Merchant Banking Account + Trust Account

2) Net Income: Consolidated basis

Network

1,020

(as of FY2020)

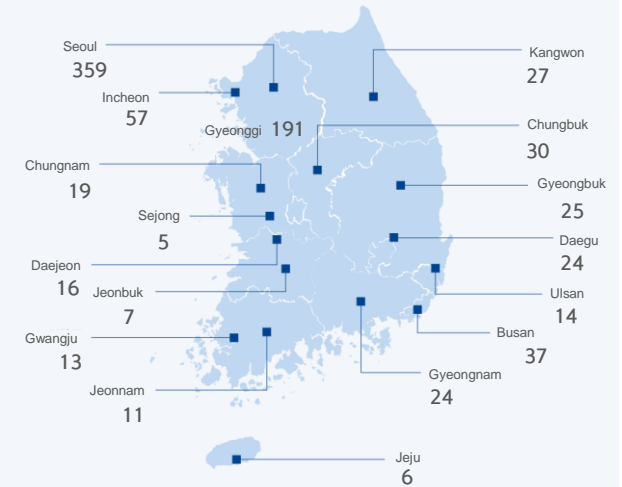
Domestic

860

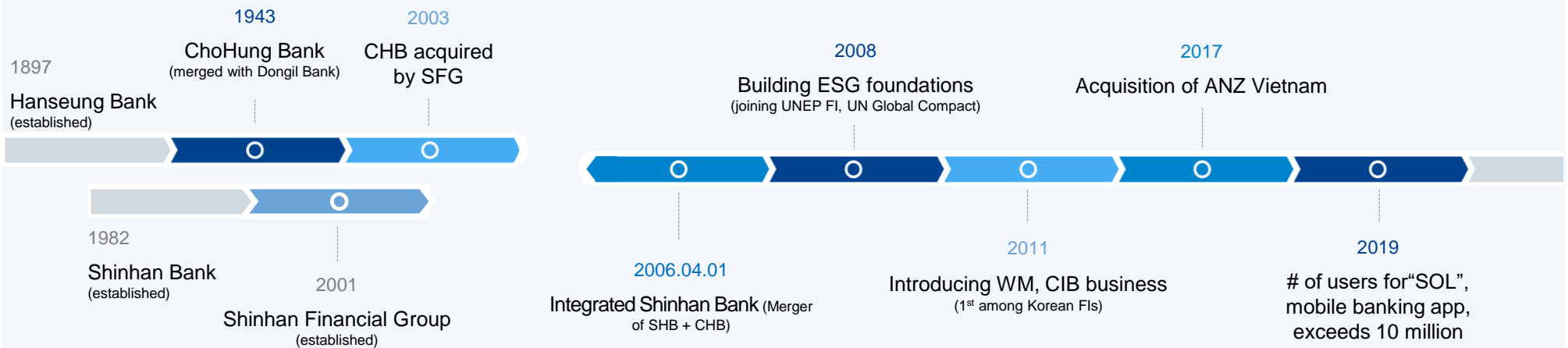
Overseas

160

* Including local subsidiaries, branches, and offices



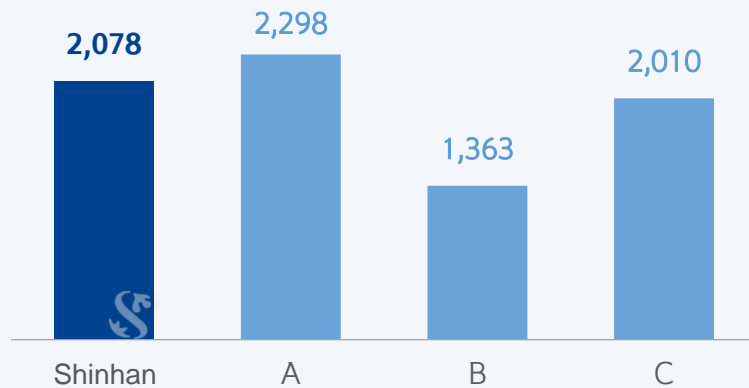
Key Milestones



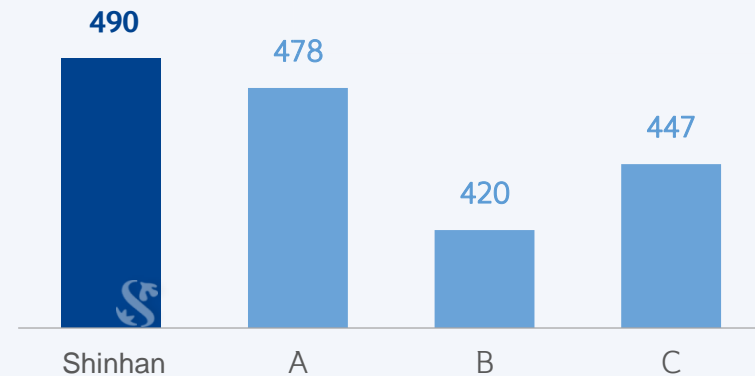
Market Position

(As of FY2020)

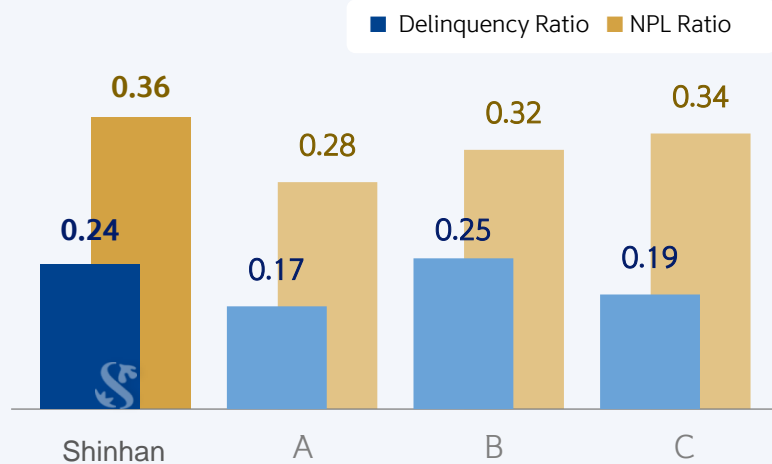
Consolidated Net Income (Unit: KRW bn)



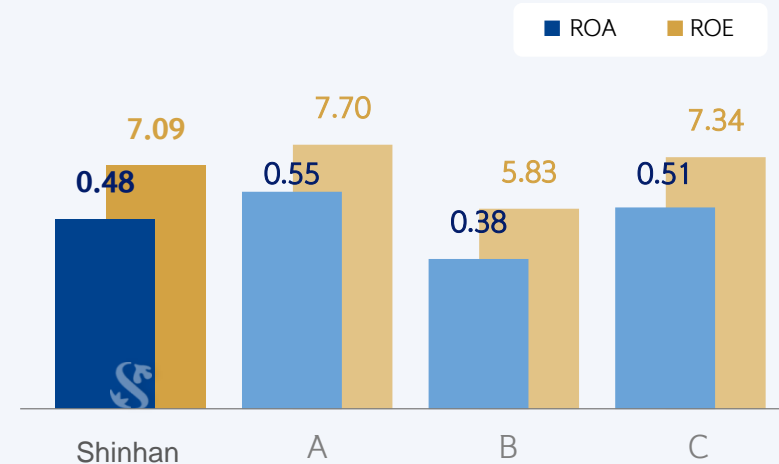
Total Assets (Unit: KRW tn)



Asset Quality (Unit: %)



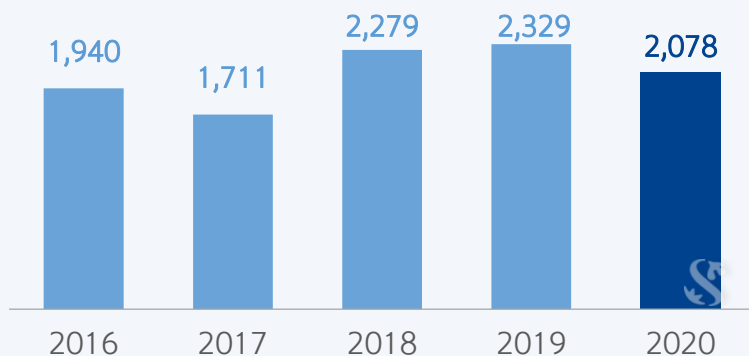
ROA, ROE (Unit: %)



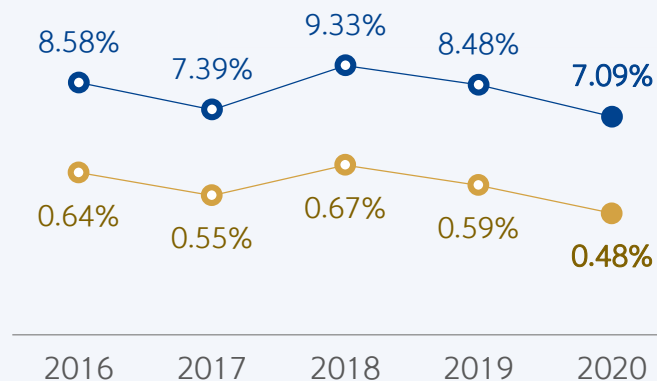
Financial Highlights

(As of FY2020)

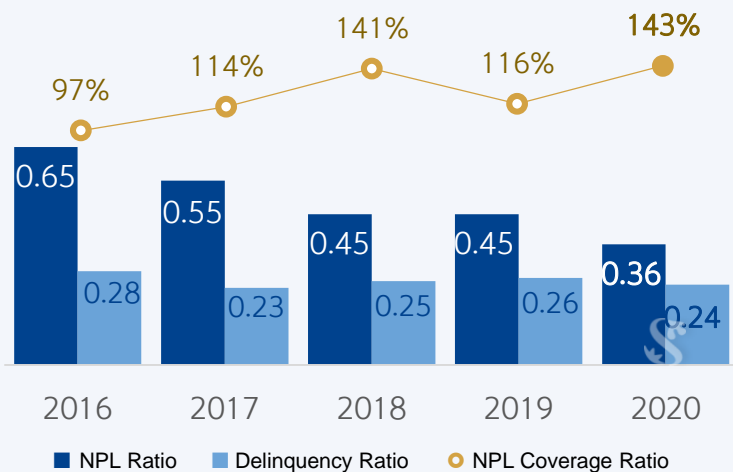
Consolidated Net Income (Unit: KRW bn)



ROA, ROE (Unit: %)



Asset Quality (Unit: %)



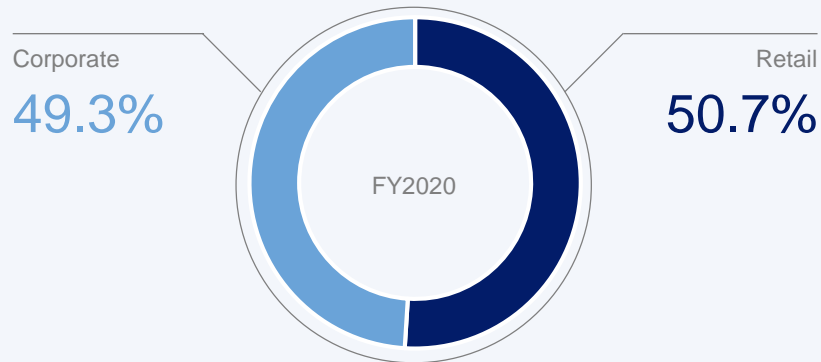
Capital Adequacy (Unit: %)



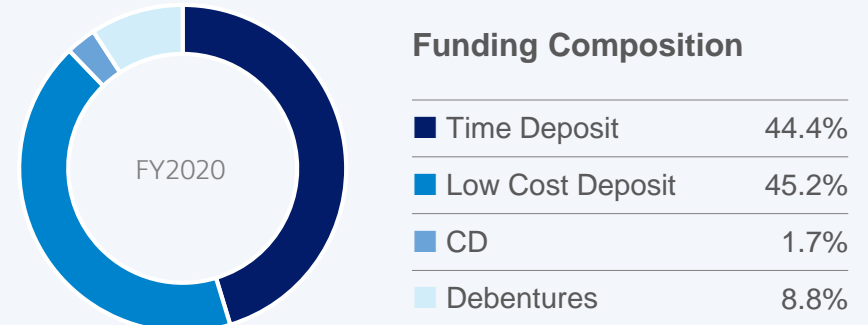
Competitive Edge

(As of FY2020)

Balanced Loan Portfolio



Stable Funding Base



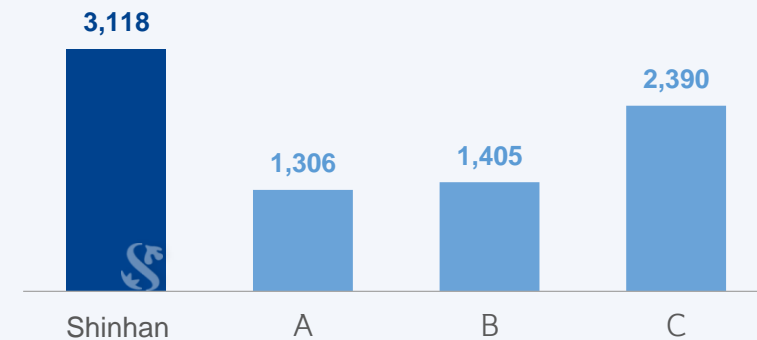
Stable Cost Management

| Cost to Income Ratio (CIR) Comparison (%)



Competitiveness in Overseas Business

| Overseas Business Net Income Comparison (KRW mil.)



02

Companies in the Group Shinhan Card

-
- | | | | |
|------|----------------------|------|--------------------------|
| 2-01 | Shinhan Bank | 2-10 | Asia Trust |
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| 2-03 | Shinhan Investment | 2-12 | Shinhan AITAS |
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| 2-08 | Jeju Bank | 2-17 | Shinhan Venture Inv. |
| 2-09 | Shinhan Savings Bank | | |

Shinhan Card Overview

Shinhan Card is the No. 1 credit card company in Korea which encompasses the strengths of both the credit card division of a bank as well as an independent credit card company.

Merits of Credit Card Division under Bank

- Attract new customers through the bank's channel
- Secure diversified funding sources and stable liquidity management under holding company

No. 1 Credit Card in Korea



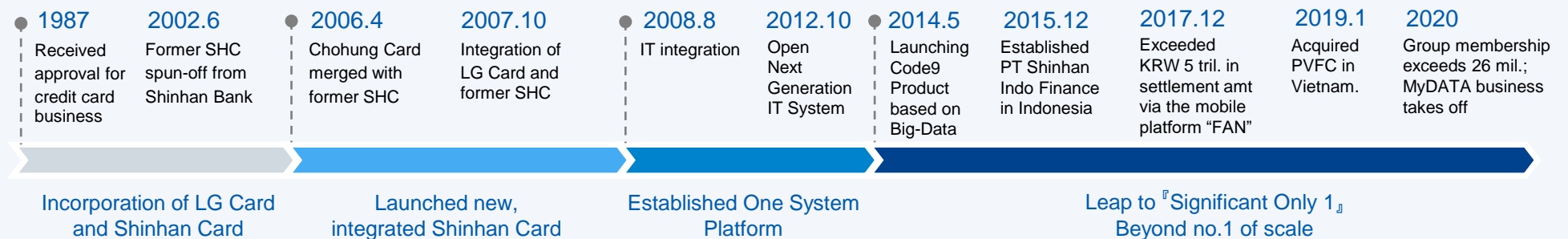
Shinhan Card

- Retains efficient decision making process, marketing expertise;
- Benefits from the high credit rating of SFG and Shinhan Bank as well as direct liquidity access;
- Utilize Shinhan Bank's distribution channels to attract new customers

Merits of Mono-line Credit Card Company

- Ability to focus on the card business only with greater expertise
- Efficient decision-making process
- Active marketing activities

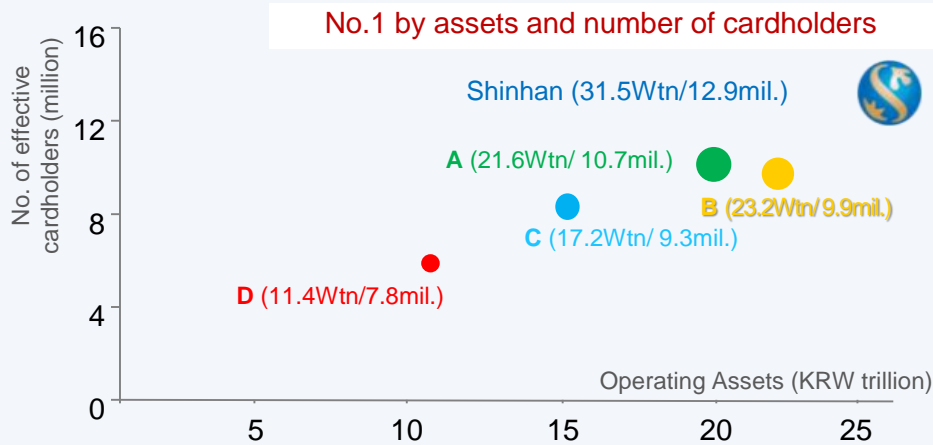
Key Milestones (Incorporation Date: 1996.08.26)



Market Position

(As of FY2020)

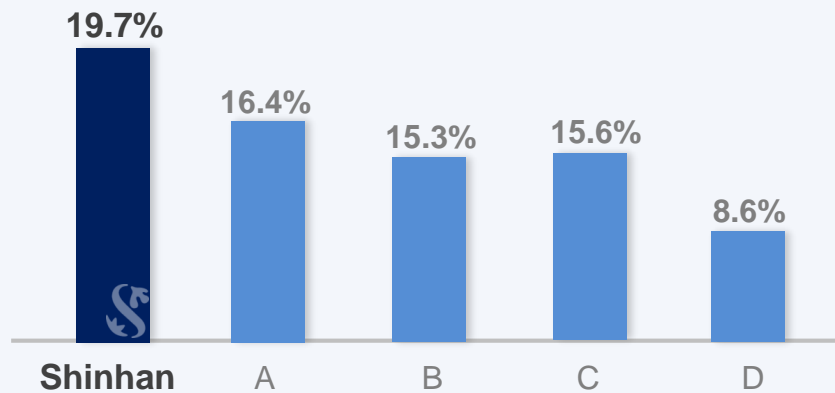
Operating Assets and Cardholders



Credit Rating

	Shinhan Card	A	B	C	D
Domestic	AA+	AA+	AA+	AA	AA-
Moody's	A2	-	A2	-	-
S&P	A-	-	-	BBB	-
Fitch	-	-	-	BBB	-

M/S by Credit Purchase Volume



Bona fide No.1 Credit Card Company in Korea



- (DEC. 2020) **Presidential Award** at the **44th National Productivity Awards**
- (DEC. 2020) **Prime Minister's Citation** in the **Innovative Finance** sector on the 5th Financial Day
- (DEC. 2020) Award from the Minister of Culture, Sports and Tourism at the '**2020 Mecenat Awards**'
- (DEC. 2020) **Award for "Best Chief Executive Officer"**, and **Grand Prize for Digital Innovation** at 'Korea's Management Awards'
- (DEC. 2020) **Grand Prize** at '**2020 Korea Social Media Awards**' from the Minister of Science, Technology and Information

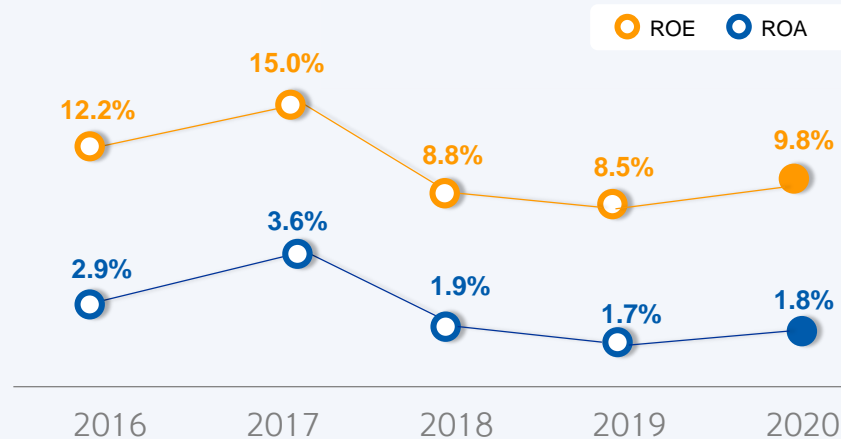
Financial Highlights

(As of FY2020)

Operating Revenue & Net Income (KRW bn)



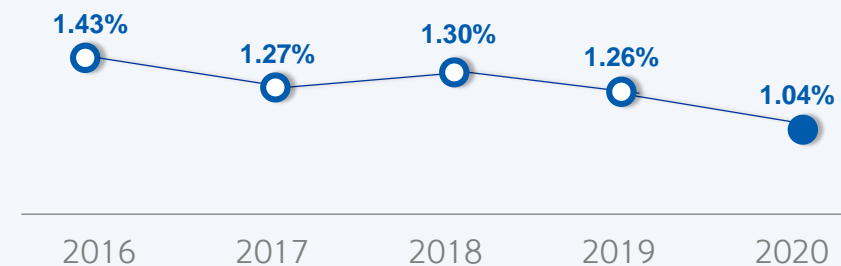
ROA, ROE (%)



Adjusted Equity Capital Ratio (%)



Delinquency Ratio¹⁾ (%)



NOTE 1) 1 month and over delinquent

02

Companies in the Group Shinhan Investment

-
- | | | | |
|------|---------------------------|------|--------------------------|
| 2-01 | Shinhan Bank | 2-10 | Asia Trust |
| 2-02 | Shinhan Card | 2-11 | Shinhan DS |
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| 2-08 | Jeju Bank | 2-17 | Shinhan Venture Inv. |
| 2-09 | Shinhan Savings Bank | | |

Overview

(As of FY2020)

Shinhan Investment Overview

Shinhan Investment Corp. is taking a lead in the Korean securities industry by combining its firm and stable corporate governance and financial structure with advanced management skills.

Total Asset

46.7 KRW tn

FY2020 Net Income

154.8 KRW bn¹⁾

Rating Agency	F/C LT Debt Rating
Moody's	A3
S&P	A-

1) Consolidated basis

Network

126

(as of FY2020)

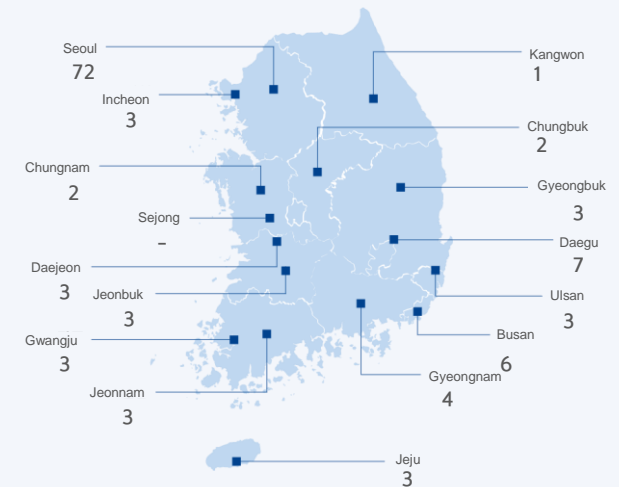
Domestic

118

Overseas

7

* Including local subsidiaries, branches, offices, and PWM Lounges



Key Milestones

1973
Incorporation of
Hyosung Securities

1983
Renamed to
Ssangyoung Securities

1993
Incorporated subsidiary
in New York

2002
Renamed to
Good Morning Shinhan Securities

2007
Incorporated subsidiary
in Hong Kong

2016
Established subsidiaries in
Vietnam and Indonesia

2019
Service Quality Index(KS-SQI),
1st within the industry

(As of FY2020)

IB League Table Rankings

* June 2020 (Source: the bell)

	2018	2019	2020
ABS	2 nd	2 nd	4 th
Corp. Bonds	5 th	6 th	6 th
IPO	4 th	9 th	12 th

Best Corporate Marketing

(Source: Hankyung)

	2018	2019	2020
1 st Half	1 st	1 st	3 rd
2 nd Half	2 nd	2 nd	3 rd

Market Share in Brokerage

	2018	2019	2020
Equities	5.9%	5.6%	7.4%
Futures	9.6%	18.8%	14.3%
Options	6.8%	6.3%	7.8%

Rank by AUM from Corporates

	Rank	AUM
1	N	54 Wtn
2	Shinhan Investment	48 Wtn
3	M	47 Wtn
4	H	35 Wtn

(Source: KOFIA, as of June. 2020)

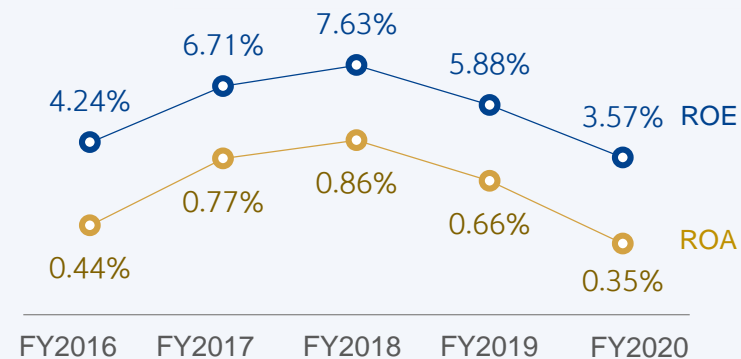
Financial Highlights

(As of FY2020)

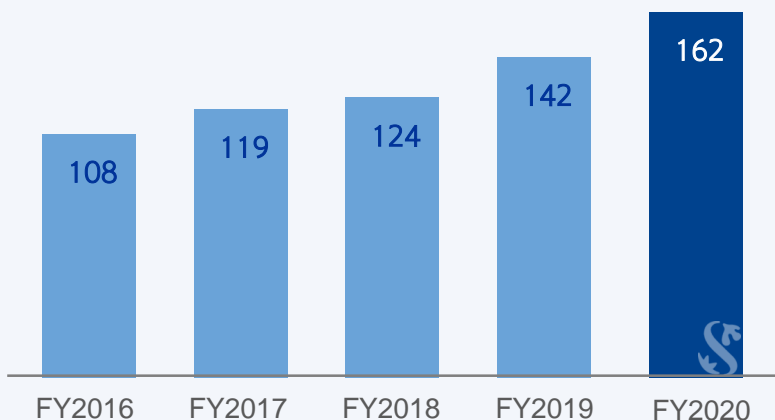
Consolidated Net Income (Unit: KRW bn)



ROA, ROE (Unit: %)

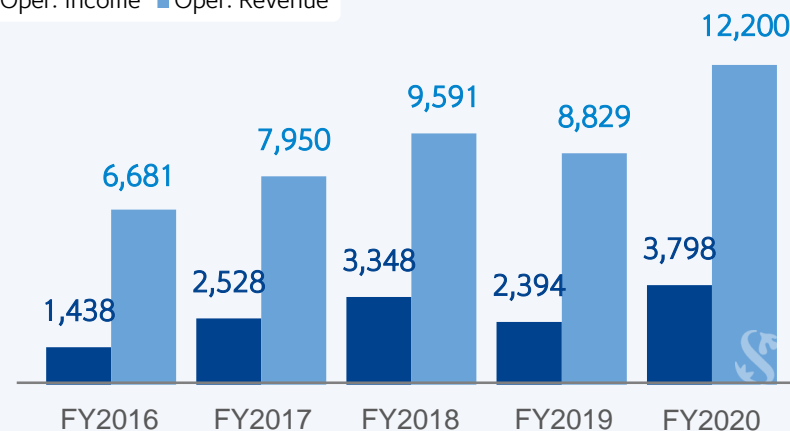


AUM (Unit: KRW tn)



Operating Income, Revenue (Unit: KRW bn)

■ Oper. Income ■ Oper. Revenue



02

Companies in the Group **Shinhan Life**

-
- | | | | |
|-------------|----------------------|------|--------------------------|
| 2-01 | Shinhan Bank | 2-10 | Asia Trust |
| 2-02 | Shinhan Card | 2-11 | Shinhan DS |
| 2-03 | Shinhan Investment | 2-12 | Shinhan AITAS |
| 2-04 | Shinhan Life | 2-13 | Shinhan Credit Info. |
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| 2-06 | Shinhan Capital | 2-15 | Shinhan REITs Mgmt. |
| 2-07 | Shinhan Asset Mgmt. | 2-16 | Shinhan AI |
| 2-08 | Jeju Bank | 2-17 | Shinhan Venture Inv. |
| 2-09 | Shinhan Savings Bank | | |

Overview

(As of FY2020)

Shinhan Life Overview

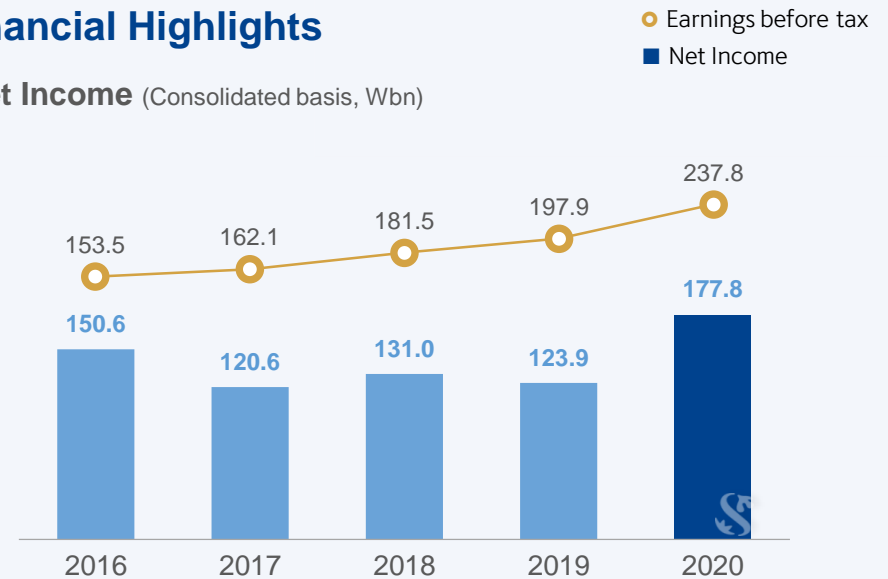
Shinhan Life Insurance provides sophisticated and customized insurance and financial services through diversified channels to meet customer needs.

Key Milestones

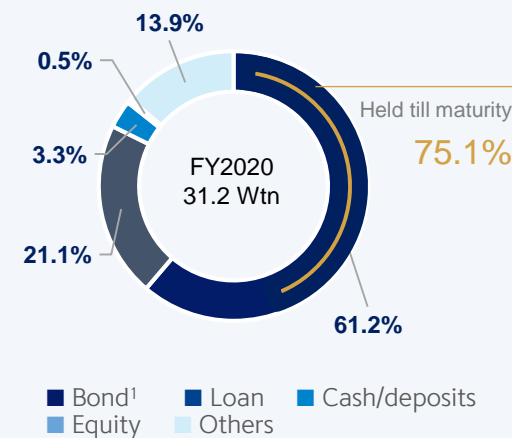
JAN 1990	Shinhan Life Insurance established
JAN 1997	Started Tele-Marketing Sales
SEP 2003	Launched Bancassurance products
DEC 2005	Joined SFG as a subsidiary
JUL 2006	Launched Financial Full-service named as "Tops Club" for the first time in the industry
NOV 2008	Established new internal insurance management system
OCT 2013	Awarded the Excellence Prize in the Knowledge Category by Prime Minister (Ministry of Security & Public Administration)
NOV 2013	Awarded Harmonious Labor-Management Prize (Ministry of Employment and Labor)
JUN 2015	Established the overseas office in Hanoi, Vietnam
DEC 2015	Consumer Centered Management certification acquired from Korea Consumer Agency
FEB 2016	Relocated Headquarters to "Shinhan L Tower"
MAY 2019	Acquired AAA rating for Insurance solvency for 12 years in a row
JUL 2019	Included in Hall of Fame by Korea Service Grand Prix
MAY 2020	Obtained AAA grade from IFSR for 13 consecutive years
JUN 2020	Established Shinhan Financial Plus as a wholly-owned subsidiary

Financial Highlights

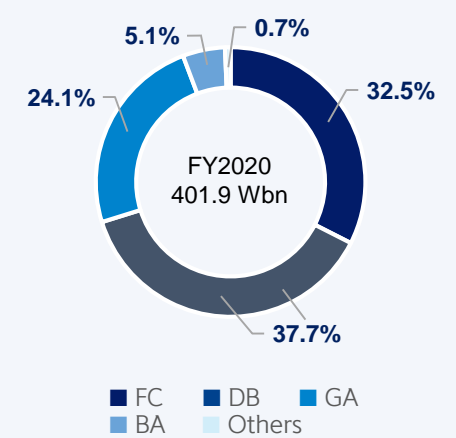
| Net Income (Consolidated basis, Wbn)



| AUM Portfolio (Consolidated basis)



| APE



Financial Highlights

(As of FY2020)

Condensed Income Statements¹⁾

(KRW bn, %)	2017	2018	2019	2020
Operating Income	164.3	186.2	207.8	213.4
Operating Revenue	6,002.2	5,633.7	5,413.2	5,405.9
Operating Expense	5,837.9	5,447.5	5,205.3	5,192.5
Non-operating Income	-2.2	-4.8	-10.0	24.4
Net Income before tax	162.1	181.5	197.9	237.8
Net Income	120.6	131.0	123.9	177.8

1) under K-IFRS standards, separate basis

Asset Composition

(KRW bn)	2017	2018	2019	2020	
General Accounts	Cash & Equivalent	1,171	620	490	1,041
	Securities	18,059	20,668	22,594	23,476
	Loans	5,643	6,137	6,203	6,575
	Others	1,806	1,617	1,595	1,450
Separated Account	3,041	2,783	3,251	4,236	
Total Assets	29,719	31,824	34,134	36,777	

Note) under K-IFRS standards, separate basis

Policies in Force²⁾

(KRW bn, %)	2019	(%)	2020	(%)	
General ³⁾ Account	Individual Insurance	111,733	98.1	111,816	97.0
	Pure Endowment	10,779	9.5	9,679	8.4
	Against Death	92,019	80.8	94,300	81.8
	Endowment	8,934	7.8	7,837	6.8
	Group Insurance	475	0.4	357	0.3
	Sub total	112,207	98.5	112,173	97.3
Separated Account	1,744	1.5	3,082	2.7	
Total	113,952	100.0	115,255	100.0	

2) based on subscription amount of an insurance contracts 3) including variable insurance

Key Financial Indicators

(%)	2017	2018	2019	2020
RBC ⁴⁾	175.4	238.7	227.9	249.5
ROA	0.42	0.43	0.38	0.50
ROE	7.06	7.72	6.49	7.70

4) consolidated, under IAS39 standards

02

Companies in the Group OrangeLife

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- | | | | |
|------|----------------------|------|--------------------------|
| 2-01 | Shinhan Bank | 2-10 | Asia Trust |
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| 2-05 | OrangeLife | 2-14 | Shinhan Alternative Inv. |
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| 2-07 | Shinhan Asset Mgmt. | 2-16 | Shinhan AI |
| 2-08 | Jeju Bank | 2-17 | Shinhan Venture Inv. |
| 2-09 | Shinhan Savings Bank | | |

Overview

(As of FY2020)

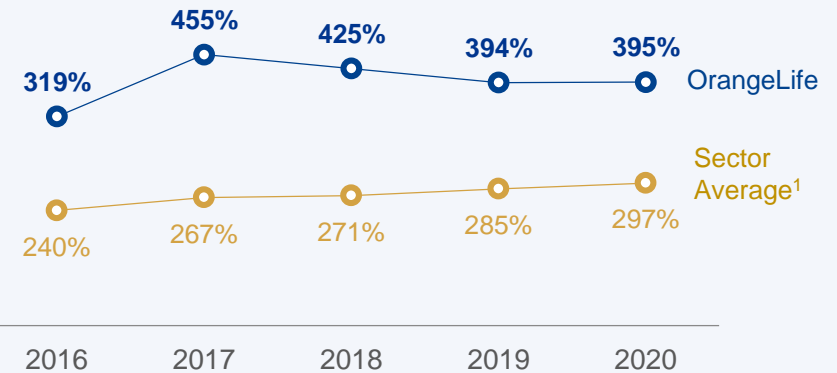
OrangeLife Overview

OrangeLife is a leading insurance company with distinguished global management capability, outstanding financial soundness, competitive FC channel, and dynamic organizational culture.

Key Milestones

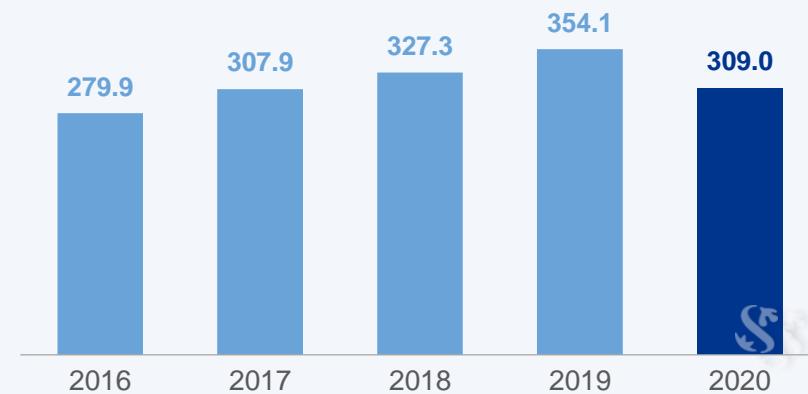
1987.01	Established Life Insurance Company of Georgia (Korea Office)
1991.09	Renamed to Netherlands Life Insurance (Korea Subsidiary)
1999.03	Renamed to ING Life Insurance Korea
2000.06	First Korean life insurer to receive an "A(Excellent)" rating from A.M. Best
2006.03	Received the "Anti-Corruption Merit Commendation" in the group category from the Korea Independent Commission Against Corruption
2008.10	Received the "Silver Tower Order of Industrial Service Merit" from the Ministry of Knowledge Economy
2012.03	Chosen as "Korea's Most Ethical Company" by Fortune Korea
2015.07	Launched the industry's first low cash surrender value product with lower premium
2016.11	Received the Anti-Money Laundering Award by the Prime Minister on the 10th Anti-Money Laundering Day
2017.05	Listed on KOSPI (as #079440.KS)
2018.04	Industry's first to implement an "Agile" organization
2018.09	Renamed to OrangeLife Insurance, Ltd
2019.02	Joined SFG as a subsidiary
2020.06	Received 'AAA (Stable)' rating from NICE Investor Service In the insurer financial strength ratings for 2 consecutive years

RBC (%)



NOTE 1 Sector average of all domestic life insurance companies (2016,2017: 26 companies; 2018-Current: 24 companies)

Protection APE² (KRW bn)



NOTE 2 APE: Annualized Premium Equivalent

Financial Highlights

(As of FY2020)

Condensed Income Statements¹⁾

(KRW bn, %)	2017	2018	2019	2020
Operating Income	450	413	387	382
Operating Revenue	4,342	5,048	4,662	4,456
Operating Expense	3,892	4,635	4,275	4,074
Non-operating Income	2	0	-2	-6
Net Income before tax	452	413	385	376
Net Income	340	311	272	279

1) IAS39 standards for 2017-2018 figures, IFRS9 standards for 2019 figures

Asset Composition⁴⁾

(KRW bn)	2017	2018	2019	2020
Cash & Equivalent	560	539	472	661
Securities	21,864	23,192	23,416	23,904
Loans	2,812	3,239	2,970	3,064
Others	640	651	717	721
Separated Account	5,578	5,123	5,266	5,463
Total Assets	31,455	32,744	32,841	33,814

4) IAS39 standards for 2017-2018 figures, IFRS9 standards for 2019 figures

Policies in Force²⁾

(KRW bn, %)	2019	(%)	2020	(%)	
General ³⁾ Account	Individual Insurance	3,331	79.2%	3,139	78.7%
	Pure Endowment	414	9.8%	303	7.6%
	Against Death	1,941	46.1%	1,966	49.3%
	Endowment	976	23.2%	870	21.8%
	Group Insurance	-	0.0%	-	0.0%
	Sub total	3,331	79.2%	3,139	78.7%
Separated Account	876	20.8%	848	21.3%	
Total	4,207	100	3,988	100	

2) based on subscription amount of an insurance contracts (FSS reporting basis)

3) including variable insurance

Key Financial Indicators

(%)	2017	2018	2019	2020
RBC ⁵⁾	455	425	394	395
ROA	1.10	0.97	0.81	0.66
ROE	8.71	8.37	7.06	5.87

5) KLIA reporting basis

02

Companies in the Group Shinhan Capital

-
- | | | | |
|-------------|------------------------|------|--------------------------|
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| 2-09 | Shinhan Savings Bank | | |

Shinhan Capital Overview

Incorporation Date: April 19, 1991

Networks: Headquarters (Seoul)

Branches (Gangnam, Yeouido, Busan, Ansan, Daejeon)

Main Business Areas:

- Leasing in relation to autos, medical instruments, and other PP&Es
- Installment Financing / Venture Capital / Corporate restructuring financing
- Real Estate PF / Loans / Factoring, etc.

Total Equity

1,191 Wbn.

(Paid-in Capital 180Wbn)

Total Asset

8.9 Wtn.

Key Milestones

APR 1991	Incorporation of Shinhan Lease
OCT 1994	Listed in KOSDAQ
MAY 1999	Renamed to Shinhan Capital, registered and started Installment Finance Business
AUG 2000	Joined SFG as a subsidiary
SEP 2001	Registered on Corporate Restructuring Financing business
APR 2004	Rating upgrade (A+ → AA-)
NOV 2006	Paid in capital increase by KRW 100 billion
NOV 2007	Implementation of Next-generation IT system "WINK"
MAY 2014	Launched Online mobile system
JUN 2018	Incorporation of Shinhan Lease
JUN 2019	Acquired ISO14001 certificate
MAY 2020	Opened Yeouido Finance Center 2 nd

Vision & Strategy



Shinhan Capital has set out its vision of emerging as **Korea's benchmark credit specialized company** and playing a major role in achieving Shinhan Financial Group's goal of becoming a 'World Class Financial Group'.

Financial Highlights

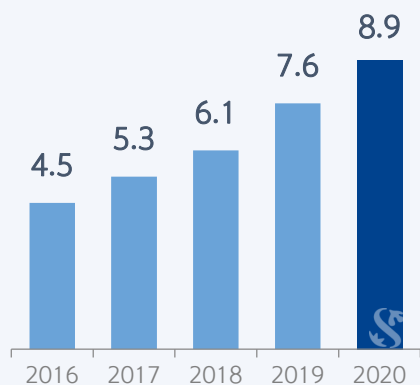
(As of FY2020)

Financial Highlights

(KRW billion, %)	2016	2017	2018	2019	2020
Condensed IS					
Operating Revenue	4,506.8	5,315.4	6,116.6	7,566.4	8,883.9
Operating Expense	3,862.4	4,603.8	5,368.3	6,612.5	7,705.8
(SG&A)	644.4	711.6	748.3	854.0	1,178.1
Operating Income	180.0	180.0	180.0	180.0	180.0
Net Income					
Condensed BS	302.6	351.8	439.0	455.2	626.5
Total Assets	40.9	110.7	142.9	167.7	211.1
Total Equity	33.9	87.6	103.4	126.1	160.6
Key Financial Indicators					
ROE	5.40%	13.00%	14.50%	15.00%	14.72%
ROA	0.80%	1.80%	1.80%	1.90%	1.88%
Cost-Income Ratio	14.91%	14.05%	13.15%	13.09%	15.24%
NPL Ratio	2.60%	1.40%	0.96%	0.76%	0.71%

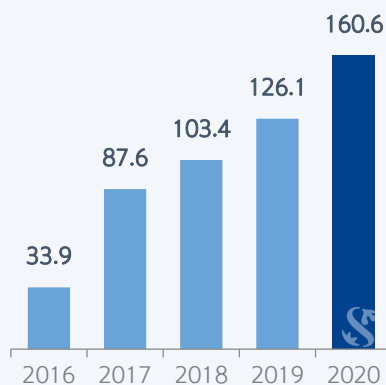
Total Asset

(Unit: KRW tn)

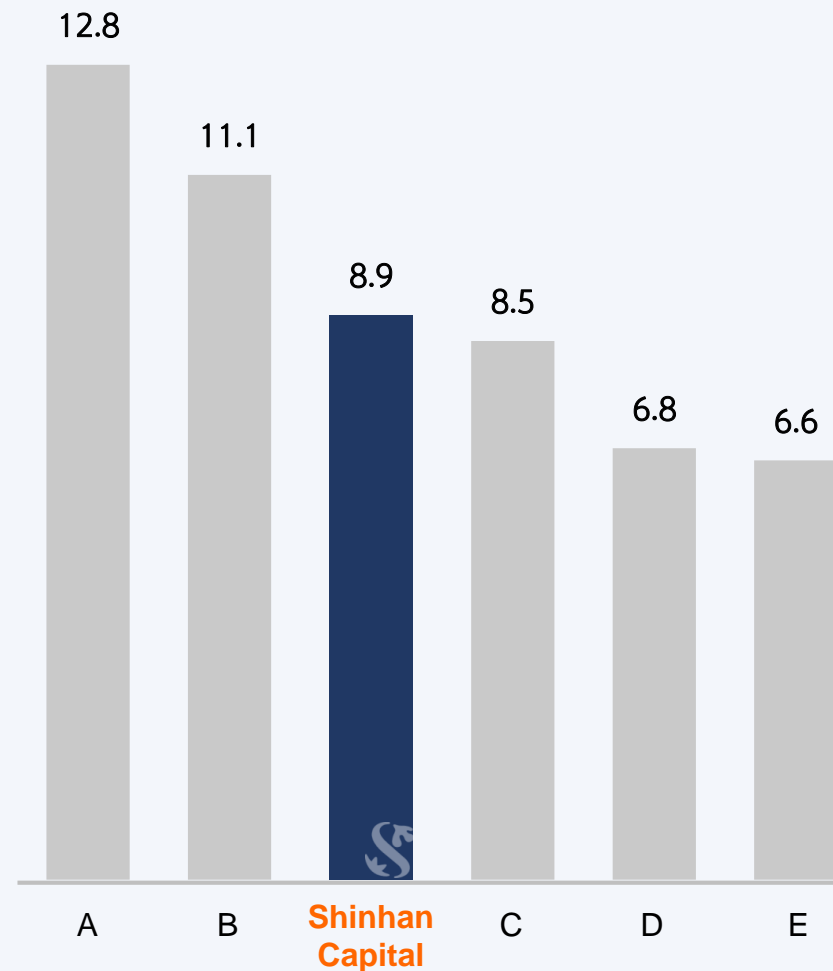


Net Income

(Unit: KRW bn)



Market Position (Total Asset basis, Unit: KRW tn)



02

Companies in the Group Shinhan Asset Management

-
- | | | | |
|------|----------------------|------|--------------------------|
| 2-01 | Shinhan Bank | 2-10 | Asia Trust |
| 2-02 | Shinhan Card | 2-11 | Shinhan DS |
| 2-03 | Shinhan Investment | 2-12 | Shinhan AITAS |
| 2-04 | Shinhan Life | 2-13 | Shinhan Credit Info. |
| 2-05 | OrangeLife | 2-14 | Shinhan Alternative Inv. |
| 2-06 | Shinhan Capital | 2-15 | Shinhan REITs Mgmt. |
| 2-07 | Shinhan Asset Mgmt. | 2-16 | Shinhan AI |
| 2-08 | Jeju Bank | 2-17 | Shinhan Venture Inv. |
| 2-09 | Shinhan Savings Bank | | |

(As of FY2020)

Shinhan Asset Management Overview

Since its establishment in August 1996, **Shinhan Asset Management** has been providing and managing financial products that meet the diverse investment needs of customers.

Shinhan Asset Management provides asset management services that customers can trust and satisfy, and has created solid management capabilities and performance. Going forward, we will continue to grow as a leading asset management company in the ESG-based investment sector in order to further build customer trust and expand socially responsible investment.

Total Equity

170.6 KRW bn

AUM

68.8 KRW tn

* Including discretionary accounts

Participation in ESG Initiatives

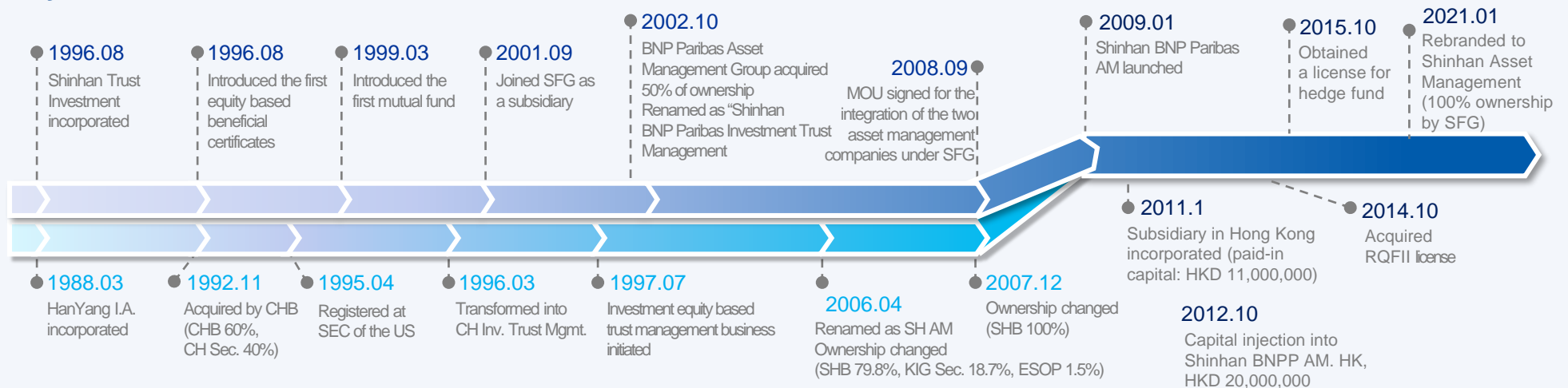
TCFD

(2020.10)

Korea Stewardship Code

(2017.12)

Key Milestones (Incorporation Date: 1996.08.26)

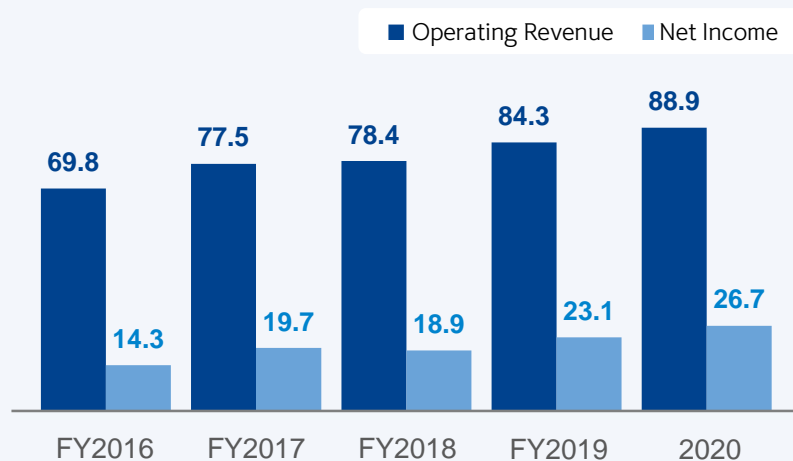


Financial Highlights

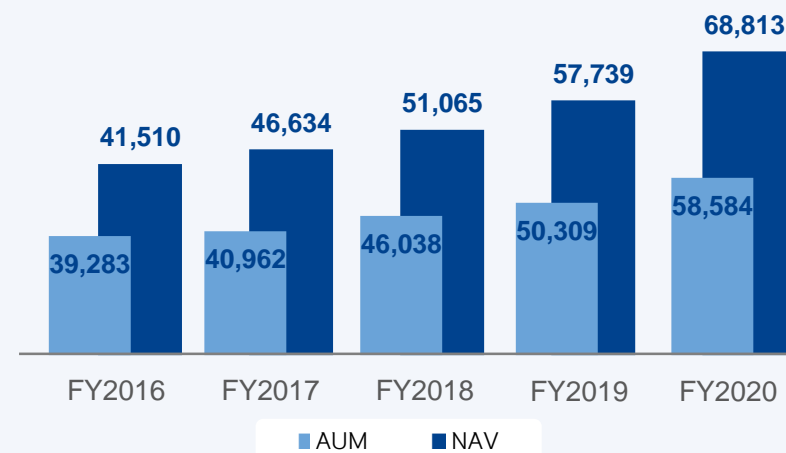
(As of FY2020)

Financial Highlights

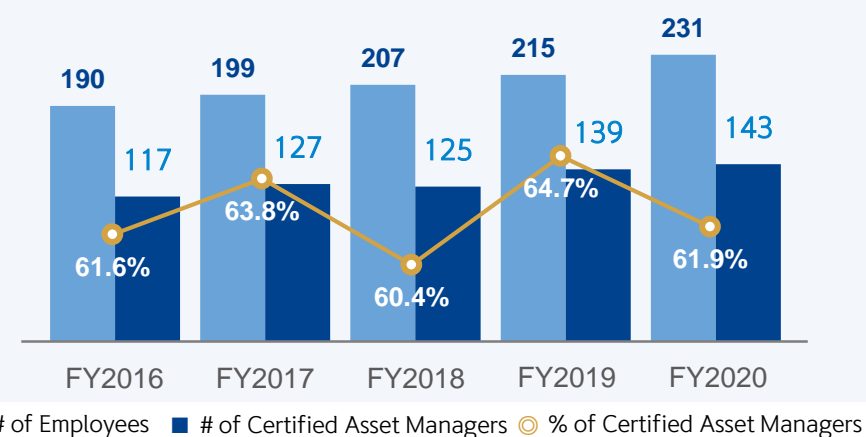
(KRW billion, %)	2016	2017	2018	2019	2020
Condensed IS					
Operating Revenue	69.8	77.5	78.4	84.3	88.9
Operating Expense	51.0	51.8	53.8	53.1	54.0
(SG&A)	42.8	42.5	44.6	46.7	47.6
Operating Income	18.8	25.7	24.6	31.2	34.9
Net Income	14.3	19.7	18.9	23.1	26.7
Condensed BS					
Total Assets	161.2	174.8	174.0	184.2	191.1
Total Equity	147.8	156.6	159.1	164.5	170.6
Key Financial Indicators					
ROE	9.93%	13.25%	12.31%	14.71%	16.62%
ROA	8.42%	11.97%	11.07%	13.09%	14.94%



AUM, NAV (Unit: KRW bn)



Human talent (Unit: persons, %)



02

Companies in the Group

-
- | | | | |
|------|----------------------|------|--------------------------|
| 2-01 | Shinhan Bank | 2-10 | Asia Trust |
| 2-02 | Shinhan Card | 2-11 | Shinhan DS |
| 2-03 | Shinhan Investment | 2-12 | Shinhan AITAS |
| 2-04 | Shinhan Life | 2-13 | Shinhan Credit Info. |
| 2-05 | OrangeLife | 2-14 | Shinhan Alternative Inv. |
| 2-06 | Shinhan Capital | 2-15 | Shinhan REITs Mgmt. |
| 2-07 | Shinhan Asset Mgmt. | 2-16 | Shinhan AI |
| 2-08 | Jeju Bank | 2-17 | Shinhan Venture Inv. |
| 2-09 | Shinhan Savings Bank | | |

Jeju Bank Overview

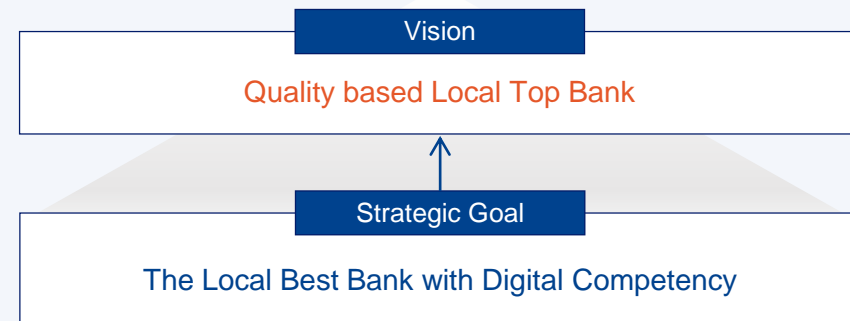
Incorporated in Jeju Island in 1969, Jeju Bank had been posting healthy growth amid strong support of the Jeju residents, playing a central role in the development of the Island's local economy.

- **Major Shareholders:** SFG (75.31%), ESOP (5.87%)
- **Total Equity:** 509.4 Wbn **Total Assets:** 6.5 Wtn.
- **Networks:** 33 branches and sub-branches (31 in Jeju)
- **Market share in Jeju:** 30.7% of deposits, 23.8% of loans (as of FY2020)

Key Milestones

MAR 1969	Jeju Bank (Ltd) founded
DEC 1972	Shares listed on the Korean Stock Exchange
MAY 2002	Became subsidiary of Shinhan Financial Group
DEC 2012	Launched smartphone banking service
NOV 2013	Awarded the CSR prize by Minister of Public Administration
NOV 2014	Launched tax-deductible long-term mutual funds
DEC 2015	Launched barcode payment system on Bank wallet Kakao
NOV 2016	Business Agreement for Jeju Transportation Card Service
FEB 2017	Launched new mobile banking app 'JBANK Plus'
OCT 2017	Launched "Innovation Pioneer Division" for new businesses
JUL 2018	Launched a non-financial app "Jeju Jini"
NOV 2018	Capital Increase by issuing new stocks
OCT 2019	Launched open banking system
DEC 2019	Recognized as "Family Friendly Company" by MOGEF
MAR 2020	Launched "Total Support Program for Customers and Local Society"

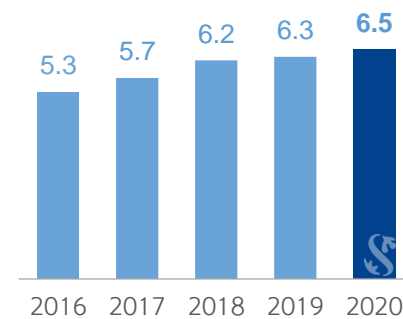
Vision & Strategy



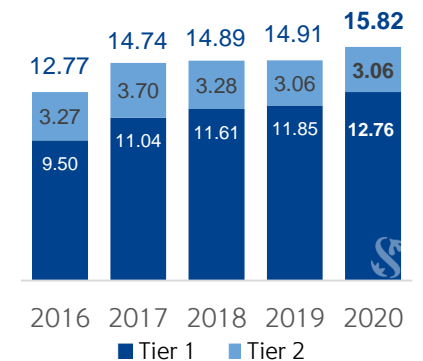
The "Local Best Bank" that enhances value for customers and for Jeju, enshrining them in basic business guidelines.

Financial Highlights

Total Asset (KRW tn)



Capital Adequacy (%)



Overview

(As of FY2020)

Shinhan Savings Bank Overview

Through sound and transparent management and active discourse with the local community, **Shinhan Savings Bank will strive to become a new benchmark for savings banks in Korea.**

Total Equity

206.8 Wbn.

Total Asset

1.8 Wtn.

Networks

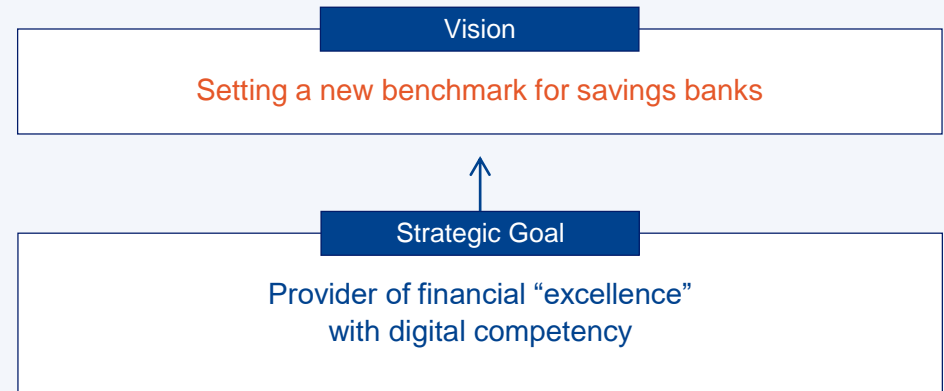
7 branches

* In Seoul metropolitan area

Key Milestones

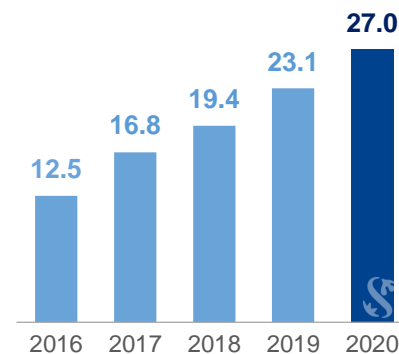
2011. 12	Acquired a savings bank licenses and changed its name to Shinhan Savings Bank upon joining Shinhan Financial Group
2012. 01	Launched business operations
2013. 01	Yehanbyeol Savings Bank joined Shinhan Financial Group
2013. 04	The former Shinhan Savings Bank and Yehanbyeol Savings Bank were merged and new Shinhan Savings Bank was launched

Vision and Strategy

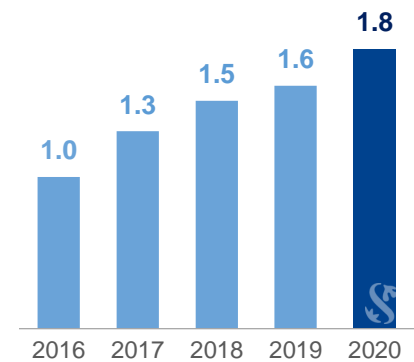


Financial Highlights

Net Income (Unit: KRW bn)



Total Asset (Unit: KRW tn)



Overview

(As of FY2020)

Asia Trust Overview

Asia Trust is a comprehensive real estate service company that brings together the best experts in the real estate and finance sectors to inspire customers with creative ideas and approaches, rich knowledge and experience in real estate.

Total Equity	AUM
174.6 Wbn.	41 Wtn.

Key Milestones

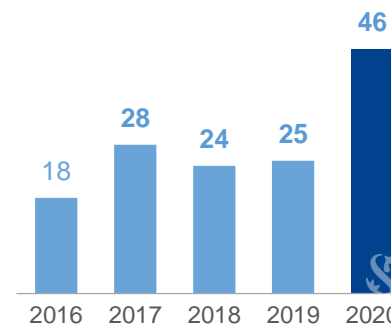
2006.10.18.	Company established
2007.07.06.	Obtained Trust Business License
2007.08.24.	Renamed to 'Asia Asset Trust'
2008.02.21.	Obtained Managed Land Trust License
2008.11.25.	Renamed to 'Asia Trust'
2009.01.15.	Obtained Borrowed Land Trust License
2010.03.17.	Increased Paid-in capital (173,400 shares, price per share KRW 15,000won)
2010.05.19.	Stock Split (price per share 10,000won → 500won)
2016.12.08.	Joined Shinhan Financial Group as a subsidiary
2018.03.21.	Company established
2019.05.02.	Obtained Trust Business License

Vision and Strategy

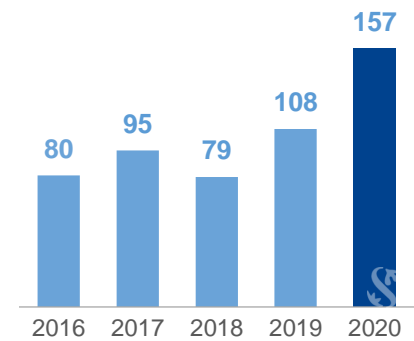


Financial Highlights

Net Income
(Unit: KRW bn)



Order Performance
(Unit: KRW bn)



Shinhan DS Overview

Shinhan DS is **Korea's no. 1 digital solution creator** that leads SFG's digital transformation.

Total Equity

24.2 Wbn.

Total Asset

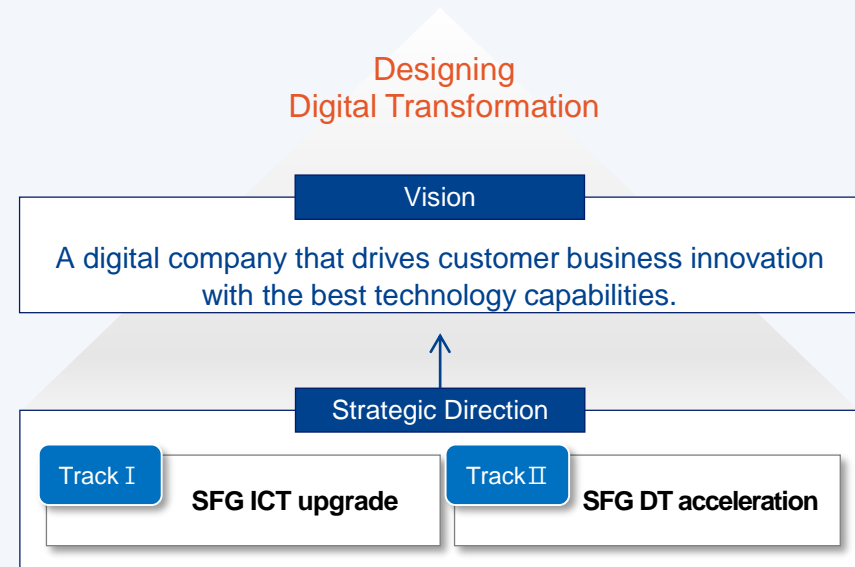
95.1 Wbn.

* As of FY2020 (Consolidated basis)

Key Milestones

MAY 1991	Shinhan System(Ltd.) established
OCT 2003	Changed its name to Shinhan Data System (Ltd.)
OCT 2009	Commenced 'Shared Service Center' operations to support SFG's IT
JAN 2010	Joined SFG as a subsidiary
NOV 2012	ISO/IEC 20000(services management), BS 100012 (individual information protection) certification acquired
JUN 2014	Implementation of Next-generation IT system "WINK"
JAN 2016	Implementation of main bank system in SEMAS
FEB 2018	Developed Shinhan Bank SOL App
APR 2018	First in the market to be certified as an Information Security Service Professional Institution
MAY 2018	Renamed to Shinhan DS
JUL 2018	Establishment of Shinhan DS Vietnam (overseas subsidiary)
FEB 2019	Renamed to Shinhan DS
AUG 2019	Shinhan System(Ltd.) established
SEP 2019	Incorporated a representative office in Indonesia
MAR 2020	Implemented the New Trust Management System for Shinhan Bank

Vision & Strategy



Business Scope

- Digital Financial Services (cyber Security, ICT R&D, etc.)
- System Integration (SI), System Management (SM)
- IT Outsourcing (ITO), IT Consulting
- BPO (Business Process Outsourcing)

Shinhan AITAS Overview

Shinhan AITAS, founded in June 2000, is the best fund service specialty provider with unparalleled market competitiveness and the largest domestic market share. It provides general fund related administrative services as well as comprehensive system for asset management, including Accounting System, Trading System, and Asset Management System.

In 2020, Shinhan AITAS expanded its business overseas to Vietnam, providing top-tier back office services including cross-boarder Consulting, ASP (Application Service Provider), TSS (Total Service Outsourcing).

Incorporation Date

July 15, 2000

CEO

CHOI Byoung-hwa

Shareholders

SFG (99.79%), Others (0.21%)

Total Equity (as of FY2020)

87.4 KRW bn

No. of Employees

264 persons

Key Milestones

2000.06
AITAS
incorporated

2008.05
Joined Shinhan Bank
as a subsidiary

2011.11
Joined SFG as a
subsidiary

2020.07
Developed AI info
chatbot system

2001.03
Launched the first stock trading
system in this business field

2011.01
Initiated managing
administrative affairs for NPS

2017.05
Launched Next
generation system

Financial Highlights

(As of FY2020)

Financial Highlights

(Unit: KRW bn)	FY2016	FY2017	FY2018	FY2019	FY2020
Condensed IS					
Operating Revenue	37.1	40.8	44.7	51.8	58.6
Operating Expense	27.6	33.0	34.4	38.7	42.2
(SG&A)	27.6	33.0	34.4	38.7	42.2
Operating Income	9.5	7.9	10.4	13.1	16.4
Net Income	7.6	6.5	8.5	10.8	13.0
Condensed BS					
Total Asset	53.9	58.2	65.7	77.1	87.4
Total Equity	45.5	52.0	58.4	66.1	75.2
Key Financial Indications					
ROE	16.79%	12.48%	14.50%	17.56%	18.56%
ROA	14.16%	11.14%	12.87%	15.46%	16.15%
Cost-Income Ratio	74.37%	80.76%	76.82%	74.70%	71.98%

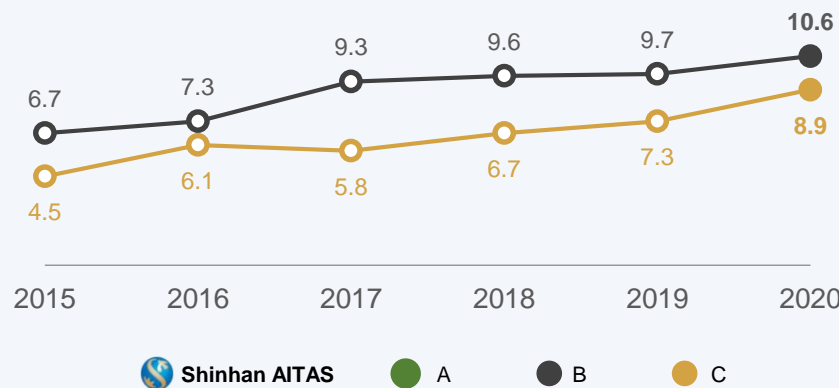
■ Operating Revenue ■ Net Income

(Unit: KRW bn)



Market Position

(term-end basis, including discretionary assets)



(As of FY2020)

Shinhan Credit Information Overview

Shinhan Credit Information, a wholly-owned subsidiary of SFG, is **a specialist in credit information business**. With integrated management of non-performing assets, the company allows synergy creation amongst the Group's subsidiaries and robust asset quality.

Credit Rating

A0 (e-30)

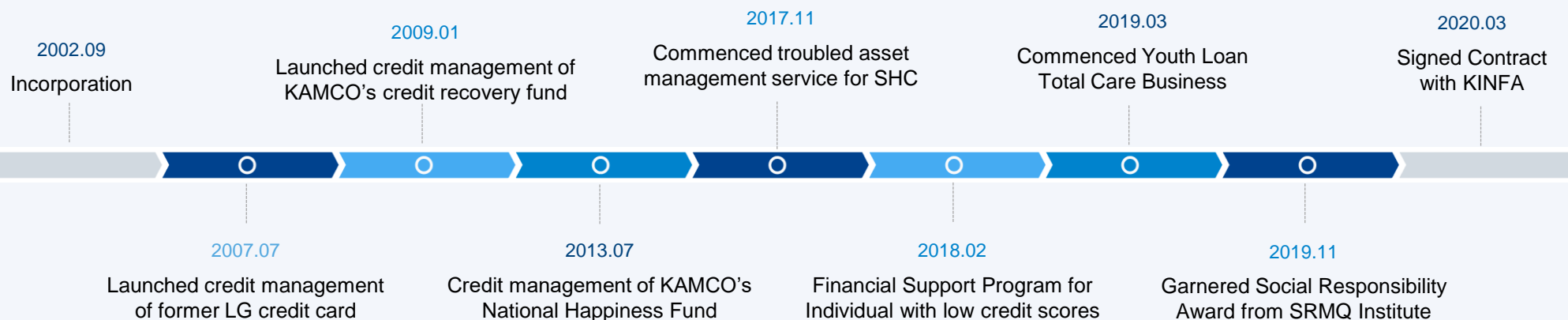
- Sales Revenue: 42.7 Wbn
- Customers: approx. 450,000
- Debt Collection: 201.2 Wbn

Business Scope

- Debt collection and credit reporting, Civil application and petition services, document collection and CRM operation for SFG and its subsidiaries
- Operations in support of KAMCO, the National Happiness Fund and SFG Hope Foundation

- Credit under management : 3.6 Wtn. (for Group companies),
3.9 Wtn. (Public credit)
- # of credit research: approx. 350,000 cases
- Beneficiaries of financial support program: 11,924 persons (accumul.)

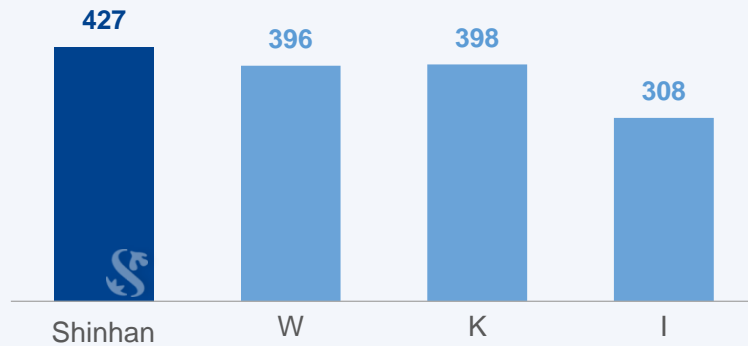
Key Milestones



Market Position & Network

(As of FY2020)

Operating Revenue (Unit: KRW mil.)



Global Certification (Information Security)



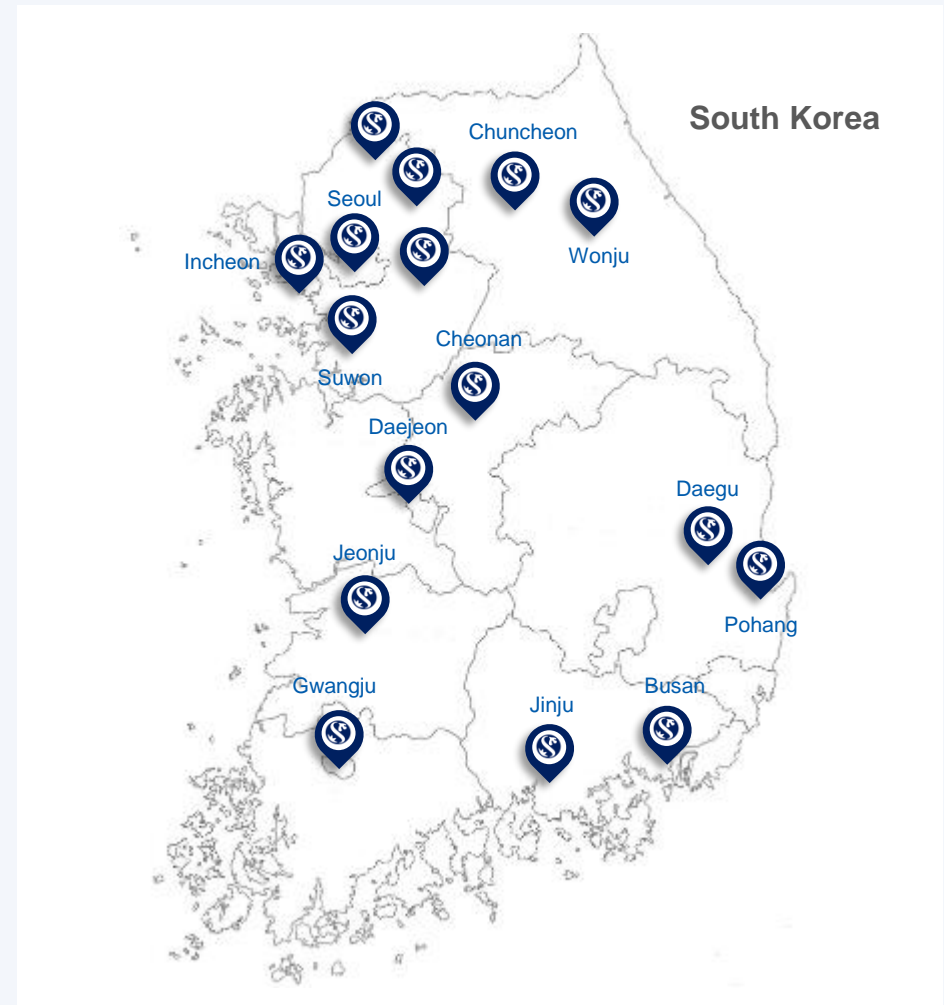
ISO 27001

ISO 27001 Certified
(Global certificate for Information Security Management System)

BS 10012

Attained global certification to BS 10012 (Information Security Standards) from BSI (British Standards Institution)

Network



Overview

(As of FY2020)

Shinhan Alternative Asset Management

Shinhan Alternative Asset Management is **the first local private equity company in Korea** established in Dec. 2004 with a 100% capital contribution by Shinhan Financial Group.

In 2017, the company expanded its business to emerge as an asset management company specializing in alternative investments.

Overview

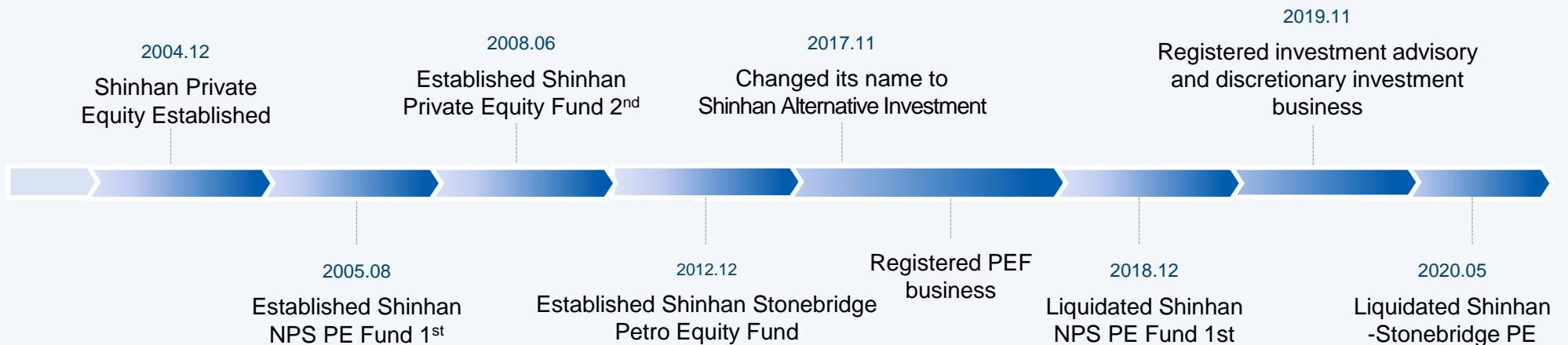
Incorporation Date
Dec. 8, 2004

CEO
KIM Hee-song

Total Equity
14.9 KRW bn

AUM (committed basis)
Approx. **7.8** KRW tn

Key Milestones

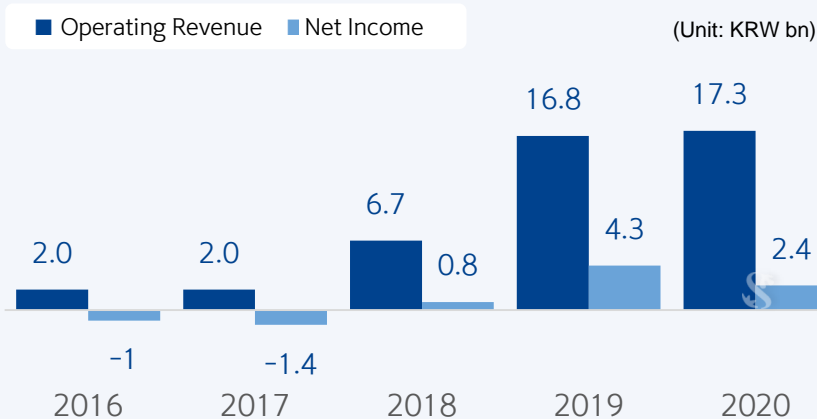


Financial Highlights

(As of FY2020)

Financial Highlights

Unit: KRW bn, %	2016	2017	2018	2019	2020
Condensed IS					
Operating Revenue	2.0	2.0	6.7	16.8	17.3
Operating Expense	2.3	2.9	6.1	11.2	10.9
(SG&A)	2.1	2.8	6.0	11.1	10.4
Operating Income	-0.2	-0.9	0.5	5.6	6.4
Net Income	-1.0	-1.4	0.8	4.3	2.4
Condensed BS					
Total Assets	14.2	13.1	15.2	19.7	63.6
Total Equity	8.8	7.4	8.2	12.5	14.9
Key Financial Indicators					
ROE	-10.8%	-19.2%	9.9%	34.2%	16.1%
ROA	-6.7%	-10.8%	5.4%	21.7%	3.7%
Cost-to-Income Ratio	112.0%	142.5%	91.9%	66.6%	63%



Operation Overview

Private Equity Funds

Shinhan Private Equity Fund 2nd	<ul style="list-style-type: none"> Investment Amount : KRW 460 billion Independently managed by Shinhan PE Liquidated in June, 2017 and currently in process of selling the remaining assets to 'Jeonju paper'
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Private Placement Funds

Real Estate Funds (Real estate, structured, etc.)	<ul style="list-style-type: none"> # of Funds: 30 Committed amount: 4,406.4 Wbn Launch date: DEC 22, 2017
Infrastructure (Infrastructure, FOF, Credit, etc.)	<ul style="list-style-type: none"> # of Funds: 31 Committed amount: 4,371.5 Wbn Launch date: FEB 28, 2018
Others (Social Enterprise, etc.)	<ul style="list-style-type: none"> # of Funds: 5 Committed amount: 161.7 Wbn Launch date: OCT 31, 2018

Shinhan REITs Management Overview

Incorporated in 2017, Shinhan REITs Management is a real estate asset management company, wholly-owned by Shinhan Financial Group.

Total Equity	AUM
44.0 Wbn.	2.06 Wtn.

Key Milestones

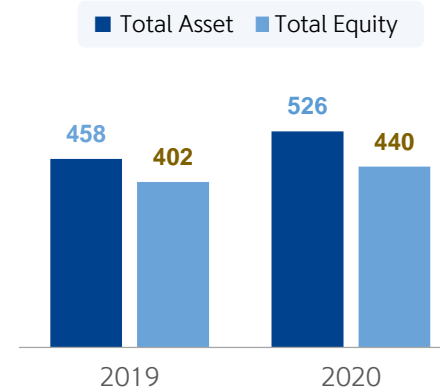
2017.10	Shinhan REITs Management Established (100% owned by SFG)
2017.12	Selected as a preferred bidder for Pangyo Alpha dome(6-4BL) Project
2017.12	Launched 1st REITs (Shinhan Alpha REITs)
2018.04	Shinhan Alpha REITs Acquired underlying assets (Pangyo Alpha dome 6-4BL, The Prime Tower equity)
2018.07	IPO
2018.08	Listed on KOSPI
2018.10	Shinhan Alpha REITs adds <i>Yongsan The Prime Tower</i> to its asset
2019.04	Launched Shinhan Alpha Gangnam REITs
2019.05	Shinhan Alpha Gangnam REITs adds <i>Seolleung WeWork Tower</i>
2019.07	Launched Shinhan Hotel Cheonan REITs
2019.09	Shinhan Hotel Cheonan REITs adds <i>Cheonan Shilla Stay</i> to its asset
2020.01	Launched Shinhan SeoBu TND REITs
2020.05	Rights offering for Shinhan Alpha REITs
2020.06	Launched Shinhan Logis REITs 1 st and Shinhan Alpha Namsan REITs

Vision and Strategy

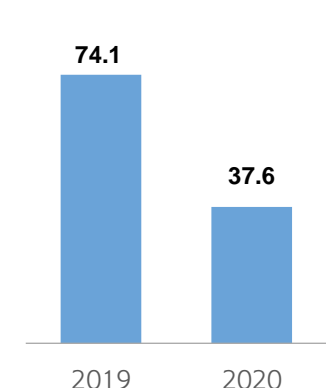
Strategic Direction	Strategic Tasks
Leading the Real Estate Finance Business	① Expand AUM ② Increase REITs returns ③ Preemptive response to regulatory changes
Accelerating One Shinhan Synergy	① Increase collaboration within the Group ② Develop diversified products ③ Increase the asset management capacity
Strengthening Management Infrastructure	① Sound HR management ② Sophisticated internal operation system ③ Stronger ties with customers built on trust

Financial Highlights

Total Asset, Total Equity (KRW mil.)



Net Income (KRW mil.)



Business Highlights

(As of FY2020)

Shinhan REITs Management Business Highlights



Pangyo
Crafton Tower

Shinhan Alpha REITs

Launch Date	DEC 18, 2017
Listed Date	AUG 8, 2019
Underlying Assets	- Crafton Tower (Pangyo) - Twin City (Namsan) - The Prime Tower (Wonhyo-ro) - Shinhan L Tower - Daeil Building (Gwanggyo)
AUM	1,358.0 KRW bn - Market Capital: 372.6 KRW bn
Other Info.	Entrusted and managed 100% by Shinhan REITs Mgmt.

Shinhan Alpha Gangnam REITs

Launch Date	APR 10, 2019
Underlying Assets	Seolleung WeWork Tower
AUM	130.4 KRW bn

Shinhan Hotel Cheonan REITs

Launch Date	JUL 18, 2019
Underlying Assets	Cheonan Shilla Stay
AUM	81.8 KRW bn

Shinhan Seobu T&D REITs

Launch Date	JAN 2, 2020
Underlying Assets	Incheon Square One
AUM	428.3 KRW bn

Shinhan Logis No. 1 REITs

Launch Date	JUL 11, 2020
Underlying Assets	Taeun Logistics Center (Icheon)
AUM	65.4 KRW bn

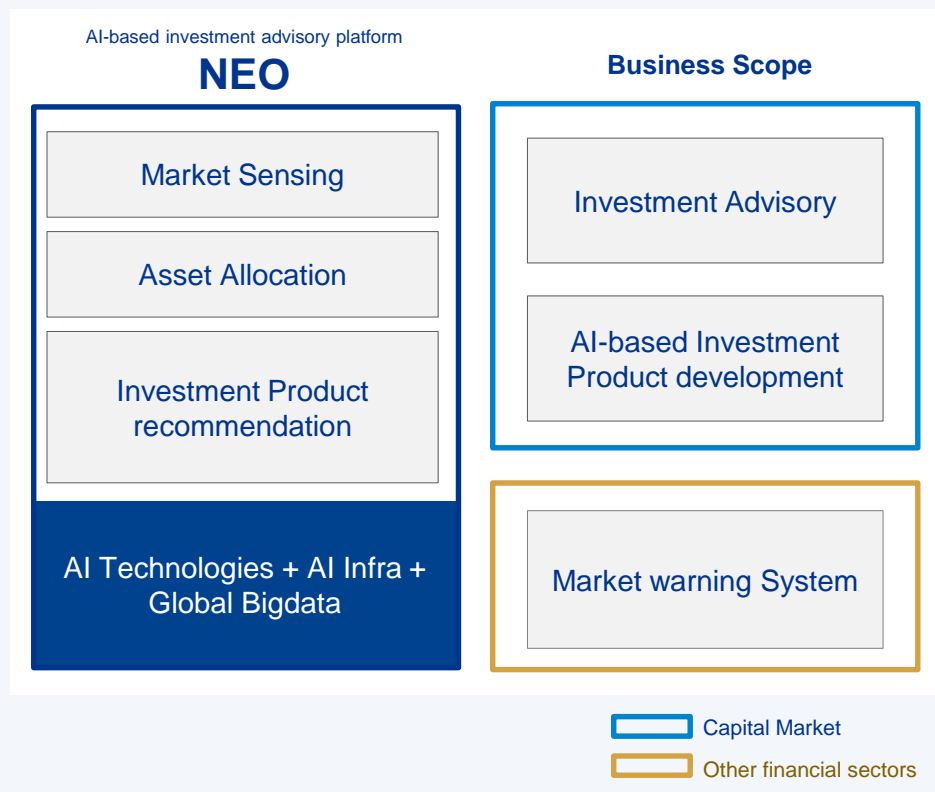
Shinhan AI Overview

- Shinhan AI, a wholly-owned subsidiary of SFG, is an artificial intelligence based investment consulting firm, which is the first of a kind to be incorporated under a financial holding company (Officially registered in July 2019)
- Currently focusing on AI-based investment advisory services, and aims to apply AI technology in various financial businesses
 - Incorporation Date: July 31, 2019
 - Total Equity: KRW 42.9 billion
 - Main Business: Investment advisory, software development
- Key Milestones

DEC 2018	<ul style="list-style-type: none"> • SFG's BoD decides to incorporate a subsidiary under the holding company
JAN 2019	<ul style="list-style-type: none"> • Completes corporate registration (Total Equity: KRW 2 billion)
JUL 2019	<ul style="list-style-type: none"> • Registered for business (investment advisory) at FCS • Officially joins Shinhan Financial Group as a subsidiary
AUG 2019	<ul style="list-style-type: none"> • Increase in Total Equity (2Wbn → 42Wbn) • Completes administrative procedures for joining SFG
JAN 2020	<ul style="list-style-type: none"> • Launched 2 types of Shinhan AI investment products
SEP 2020	<ul style="list-style-type: none"> • Launched Market Warning System
OCT 2020	<ul style="list-style-type: none"> • Signed investment advisory agreement with Shinhan AM

Operation Highlights (as of June 2020)

- Based on the AI-based investment advisory platform “**NEO**”, the company provides investment advisory services to subsidiaries of the Group. Shinhan AI also provides “**Market Warning System**” which can be used to predict and manage market risks in advance.



Shinhan Venture Investment Overview

Neoplux Capital, founded for the purpose of supporting SMEs on April 1, 2000, was acquired by Shinhan Financial Group on September 29, 2000, and on January 11, 2021, it was rebranded to **Shinhan Venture Investment**.

Our main business is to invest in small and medium-sized venture companies through the formation of venture investment funds, and to form and operate a private equity fund (PEF).

Key Milestones

APR 2000	Established Neoplux Capital (Paid-in capital 10Wbn)
APR 2000	Registered as SME startup investment company
JAN 2001	Capital increase (Paid-in capital 22Wbn)
JUN 2002	Registered as a company specializing in corporate restructuring
DEC 2004	Acquired Nobes Co. Ltd.; rebranded to Neoplux
DEC 2004	NPS 04-2 Neoplux corporate restructuring fund (63.0Wbn, IRR 13.4%)
MAR 2007	New Wave #3 fund (20.0Wbn, IRR 25.2%)
APR 2007	NPS 07-4 Neoplux Venture fund (28.0Wbn, IRR 20.6%)
DEC 2008	Neoplux #1 PEF (200.0Wbn, IRR 11.5%)
JUN 2017	Acquired Neo Holdings Co. Ltd.
SEP 2020	Shinhan Financial Group become the biggest shareholder
DEC 2020	Shinhan-Neo material, parts, equipment investment fund (19.9Wbn)
JAN 2021	Shinhan-Neo Market-Frontier fund #2 (100.0Wbn)
JAN 2021	Rebranded to Shinhan Venture Investment

Corporate History

21 Years

CEO

Dong Hyun Lee

of funds / # of corp. investing in

30 funds*, **370** corp*

AUM (Committed basis)

approx **1.8** Wtn*

* On cumulative basis

Financial Highlights

(KRW million)	2016	2017	2018	2019	2020
Condensed IS					
Operating Revenue	20,793	19,129	22,219	15,486	12,737
Operating Expense	10,504	15,129	11,649	21,875	14,675
Operating Income	10,289	4,000	10,570	(6,389)	(1,938)
Net Income	7,969	2,862	8,452	(5,335)	(863)
Condensed BS					
Total Assets	76,280	63,495	81,283	71,602	72,550
Total Equity	69,468	57,369	65,978	60,400	59,853

Forward-Looking Statements

Shinhan Financial Group's FY2020 e-Brochure may contain forward-looking statements to provide value-added account of Shinhan Financial Group's businesses and results of operations.

These forward-looking statements reflect our current views with respect to future events and performance, and are generally identified by the use of forward-looking terminology, such as "expect", "plan", "intend", and similar expressions.

You are cautioned not to place undue reliance in these forward-looking statements, which reflect management's current analysis of future events.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.



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