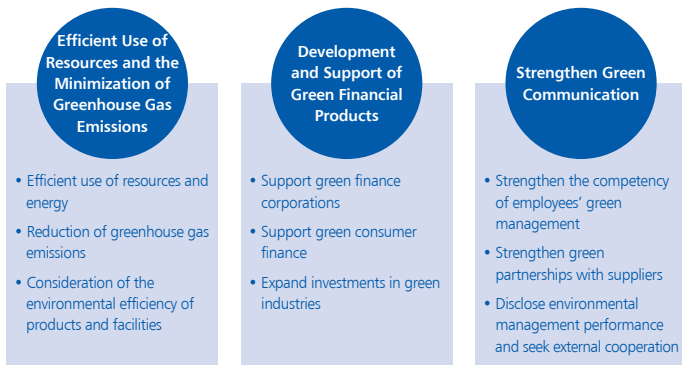


Constructing an Environmental Management System

As a corporate citizen, Shinhan Financial Group is aware of its responsibility regarding environmental effects stemming from the group's management activities, and is making consistent reinforcement of efforts for minimizing greenhouse gas emissions, by recognizing that environmental issues are critical for sustainable development of the company. Notably, Shinhan Financial Group is carrying out company-wide environmental management of the group through 'CSR Committee', a subcommittee under the board of directors. Shinhan Financial Group also operates 'Integrated Green Management System' which measures and manages the amount of greenhouse gas emissions and energy usage in quantitative units for group affiliates, establishing systematic environmental policies by managing 12 environmental indicators. Furthermore, Shinhan Financial Group is making effective responses to demands by external stakeholders on disclosure of environmental information.

Shinhan Financial Group Environment Management Norm



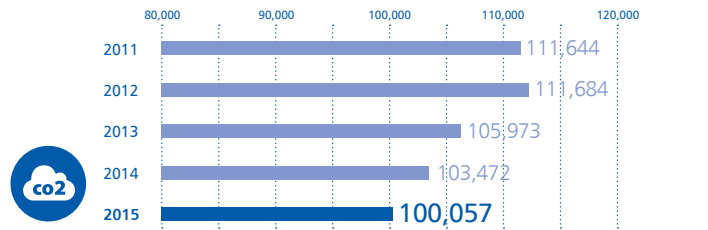
Shinhan Bank appoints the head of the management-planning group as the manager of energy management, and is regularly operating a working-level committee on energy management in order to make a company-wide effort for reducing energy usage. In a bid to reduce greenhouse gas emissions effectively, the bank acquired an international standard energy management system(ISO50001) for the first time in Korean banks and completed renewed certification in 2015. Furthermore, it regularly collects data on environmental outcome, such as energy usage, water usage, and distance of business trips, through a resource management system on the intranet and manages them through monthly delivery to the green management system.

Efforts for Reducing Energy

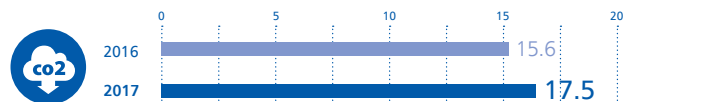
In accordance with the Framework Act on Low Carbon, Green Growth, Shinhan Bank was selected as the corporation to manage greenhouse gases/energy goals in 2012. It is establishing annual reduction goals for reducing 30% of energy compared to national greenhouse gas emissions(BAU) by 2020 and is reporting fulfillment plans and reduction performance to the government every year. In 2015, it was charged with the task of a reduction of 8.8% compared to expected emissions, and achieved 19% over the original target thanks to active reduction activities by all employees. Shinhan Bank achieved a reduction of 2,376 tCO₂eq in greenhouse gas emissions through activities for increasing energy efficiency of buildings, such as concentrated indoor temperature control during the summer and winter, replacement of LED lighting, and improvement of air conditioning and heating systems, and of 1,562 tCO₂eq through reduction of vehicle use by conducting video conferences instead of personal meeting. Apart from these, Shinhan Bank is making multidimensional efforts for low-carbon green growth by disseminating the agenda for energy reduction to branches, and conducting energy reduction activities using an energy reduction checklist according to each branch.

Shinhan Life Insurance is carrying out energy reduction campaign for its branches in summer and winter when there is high electrical demand, and is consistently making efforts for energy reduction such as indoor temperature control, electronic device power management, and installation of LED lights in the head office.

Amount of greenhouse gas emissions by the group



Shinhan Bank, greenhouse gas reduction goal (in relation to expected emission)



Shinhan Card, target recycling rate of shredded documents



Shinhan Bank, number of LED light bulbs replaced

