

LR Independent Assurance Statement

Relating to Shinhan Financial Group Co. Ltd.'s CDP¹ Response for the 2020 calendar year

This Assurance Statement has been prepared for Shinhan Financial Group Co. Ltd. in accordance with our contract.

Terms of Engagement

Lloyd's Register Quality Assurance Ltd. (LR) was commissioned by Shinhan Financial Group Co. Ltd. (SFG) to provide independent assurance on its 2020 CDP Response ("the report") against "Guidance for companies reporting on climate change on behalf of investors & supply chain members 2021"² to a limited level of assurance and materiality using "CDP Korea verification procedure"³.

Our assurance engagement covered SFG's operations and activities in Korea, and specifically evaluating the accuracy and reliability of data and information in the report. Our assurance engagement excluded the data and information of SFG's suppliers, contractors and any third-parties mentioned in the report.

LR's responsibility is only to SFG. LR disclaims any liability or responsibility to others as explained in the end footnote. SFG's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of SFG.

LR's Opinion

Based on LR's approach nothing has come to our attention that would cause us to believe that SFG has not, in all material respects, disclosed accurate and reliable data and information as all errors or misstatements identified during the assurance engagement were corrected.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LR's Approach

LR's assurance engagement has been carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Interviewing SFG's managers to obtain an understanding of their management approach relevant to climate change.
- Reviewing supporting evidence made available by SFG.
- Auditing SFG's data management systems to confirm that there were no significant errors, omissions or misstatements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification. We also spoke with those key people responsible for compiling the data and drafting the report.

¹ <http://www.cdp.net>

² <http://www.kosif.org>

³ <http://www.kosif.org>

LR's standards, competence and independence

LR implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 *Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition* and ISO/IEC 17021 *Conformity assessment – Requirements for bodies providing audit and certification of management systems* that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants.

LR ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This verification engagement is the only work undertaken by LR for SFG and as such does not compromise our independence or impartiality.

Byung-Gil Lim
LR Lead Verifier

Dated: 12 August 2021

On behalf of Lloyd's Register Quality Assurance Limited
17th Floor, Sinsong Building, 67 Yeouinaru-ro, Yeongdeungpo-gu, Seoul, Korea

LRQA reference: SEO00000861

Lloyd's Register Group Limited, its affiliates and subsidiaries, including Lloyd's Register Quality Assurance Limited, and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'Lloyd's Register'. Lloyd's Register assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant Lloyd's Register entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.

The English version of this Assurance Statement is the only valid version. Lloyd's Register Group Limited assumes no responsibility for versions translated into other languages.

This Assurance Statement is only valid when published with the report to which it refers. It may only be reproduced in its entirety.

Copyright © Lloyd's Register Quality Assurance Limited, 2021. A member of the Lloyd's Register Group.