

Shinhan Financial Group (“SFG”)

Sustainable Development Goals Financing Framework

June 2019



Overview

Shinhan Financial Group (“SFG”) is a financial holding company incorporated in South Korea. It provides financial products and services both domestically and internationally. The holding company was established in 2001, with a vision of becoming a world-class financial services company. Since inception, SFG has pursued a number of long term strategies whilst embedding sustainability principles into their core business activity in order to become a world-class financial group.

Shinhan Financial Group’s Commitment

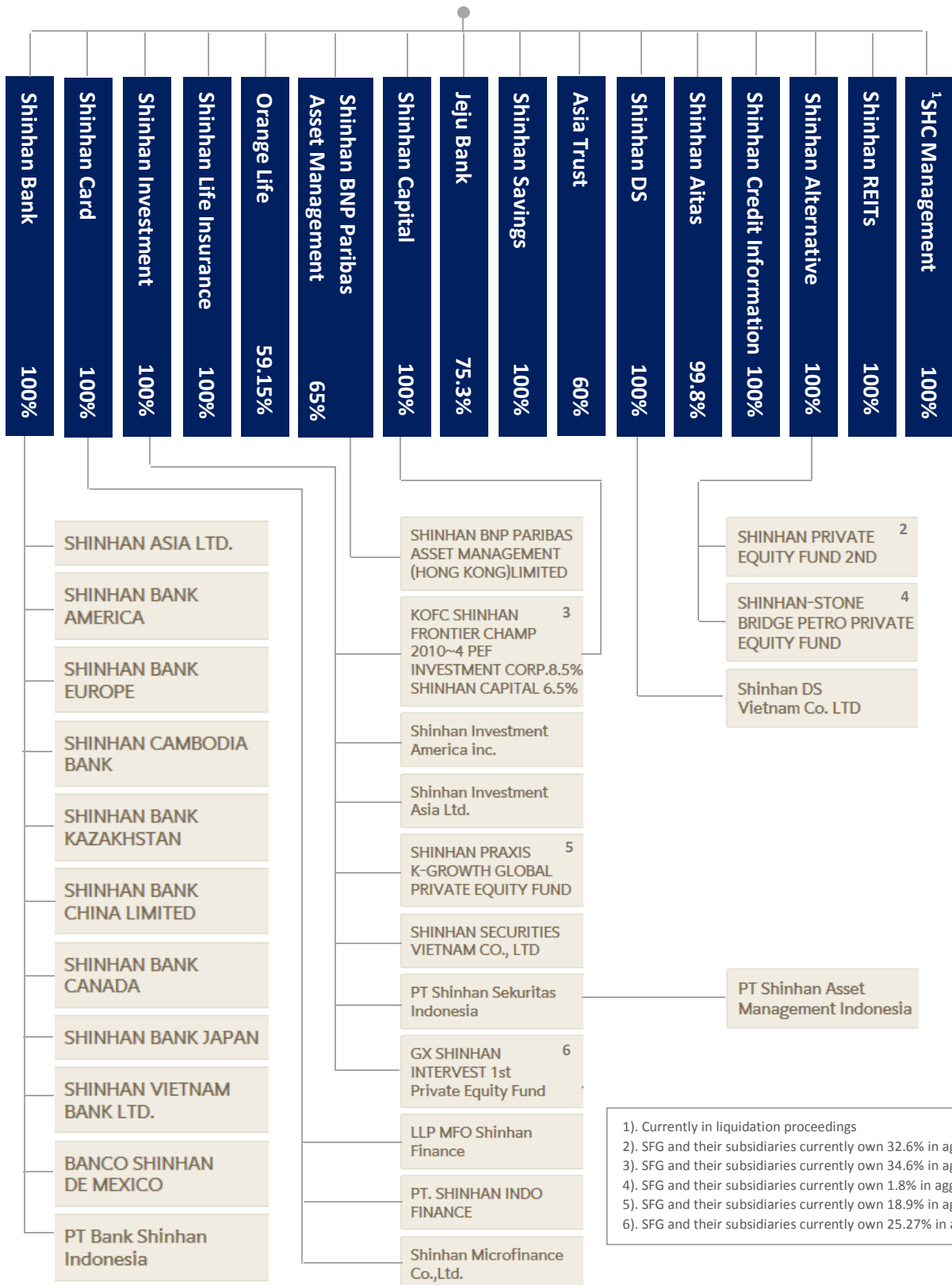
‘Compassionate Finance, Your Companion for the Future,’ Shinhan Financial Group’s mission statement, represents a virtuous cycle of shared prosperity where the value of ‘customers’, ‘Shinhan’, and ‘society’ increases together. Based on this mission, SFG is pushing ahead with Creating Shared Value (CSV) management initiatives that satisfy both corporate economic value and social community value through the Group’s core business.

The Shinhan Financial Group strives to strengthen inclusive and productive financial support for the working-class and SMEs. To further its efforts to become a reliable financial partner, the Shinhan Financial Group is engaged in responsible financing by incorporating environmental and social sustainability factors in SFG’s support projects. In efforts to contribute to the vitalization of Green finance, the Shinhan Financial Group is also committing itself to responsible management by investing in renewable energy and environmental sectors.

Shinhan Financial Group’s operations encompasses six major financial segments: commercial banking services, consumer finance services including credit card and capital, securities brokerage services, life insurance services, asset management services and others.



SHINHAN FINANCIAL GROUP



Management Focused on Environment Inclusive Finance and Gender Equality

SFG has adopted an integrated Green management system for systematic and efficient management of resources that are useful to its management activities. Also, SFG has built an eco-friendly business process, by operating eco-friendly buildings, and adopting innovative technologies, in order to effectively mitigate its impact on the environment. To further promote its environmental initiatives, SFG has announced “ECO transformation 2020”, under which SFG will actively invest in i). companies in the renewable energy industry, ii). companies focused on improving energy efficiency, iii). ESG bond funds and Green bonds, iv). Green building projects and v). companies devoted to reducing disposable products and promoting recycling. The Shinhan Financial Group will invest KRW 20trillion (USD equiv. 16.8bn) in Green industry by 2030 and reduce its GHG emissions by 20% by 2030 versus a baseline of 2012¹. Meanwhile, SFG continues to reinforce monitoring and manage employee activities in order to pre-emptively respond to the constantly changing environmental policies and demands of external stakeholders.

In December 2017, SFG decided to implement the “Society of Hope Project” to direct some of its resources to support the income-earning activities of disadvantaged groups and to promote the growth of SMEs. The project supports customers with low credit ratings, women experiencing career disruption, restoration of families in crisis, youth overseas employment, urban regeneration projects of local governments, and training for the youth in preparation of the fourth industrial revolution. This highlights SFG’s commitment to realizing shared values which brings together local communities and vulnerable social groups.

As part of SFG’s ‘Society of Hope Project’, SFG set up a Memorandum of Understanding (MOU) with the Ministry of Gender Equality and Family, and opened Shinhan Dream Foundation Centers which are free infant care service centers for those who cannot affordable childcare. SFG has opened 42 Shinhan Dream Foundation Centres in the past 3 years, and has a target to open more centers to operate 150 centers in total. In addition, SFG initiated the “Shinhan SHeroes” program to foster female leaders, which was the first of its kind among South Korean financial institutions. The Group was given recognition for its gender-equality efforts, namely by Bloomberg when it became one of the first South Korean companies to be included in Bloomberg’s 2019 Gender-Equality Index.

¹ Shinhan Financial Group’s 2018, “Aim Higher and Creatively Pioneering Ahead”
<http://www.shinhangroup.com/en/invest/main.jsp>







Following the “Society of Hope Project”, SFG initiated the “Innovative Growth Project” in 2019 in order to discover and nurture promising start-ups and venture companies through active funding support. This project will help further contribute to SFG’s practice of “compassionate finance” by actively supporting promising startups, ventures and SMEs. SFG plans to invest KRW 1.7 trillion by 2022 under this project. Furthermore, as the leading financial group in South Korea, it is willing to respond to society’s demand on job creation and contribute to the nation’s economy. This is a subset of the Group’s wider investment on the creation of the startup ecosystem that amounts to KRW 4.1 trillion (USD equiv. 3.5bn), which well exceeds the Group’s initial target of KRW 1.6trillion (USD equiv. 1.4bn).

SFG also supports temporarily distressed SMEs to stabilize their business, and has established joint platforms with the government and public institutions to strengthen the Shinhan Financial Group’s support for the growth of the industries of the future.

International Partnerships

- Global Principles for Responsible Banking (GPRB) - SFG, along with 27 other banks and the UN Environment Finance Initiative (UNEP FI) launched the public consultation of GPRB in Paris in 2018. The global principles will align the banking industry with, and scale up, its contribution to society’s goals as expressed in the Sustainable Development Goals (SDGs) and the Paris Climate Agreement. By adopting the principles, SFG has committed itself to promote the up taking of the principles among its subsidiaries and networks.
- UN Global Compact - SFG joined the UN Global Compact in May of 2008 to reflect international standards regarding sustainable management into its policies and to showcase its desire to promote socially responsible management at home and abroad. The Group will lead the way for a healthy financing culture in compliance with the 10 principles in the 4 areas of i). human rights, ii). labour, iii). environment, and iv). anti-corruption and will disclose their performance and progress in a transparent manner.
- TCFD (Task Force on Climate-related Financial Disclosures) - SFG is participating in the TCFD support group, in line with global responses to climate changes. By taking part in Phase 2 of its pilot program, the Group is making contributions to the ongoing discussion of introducing climate-related financial risk disclosures.

Shinhan Financial Group's Sustainable Management Achievements in 2018

Evaluation party	2018 Achievements
Dow Jones (Robeco SAM)  In Collaboration with RobecoSAM	<ul style="list-style-type: none"> ▪ Dow Jones Sustainability Index (DJSI) World: 6 consecutive years ▪ DJSI Asia Pacific & Korea : 10 consecutive years
Global 100 	<ul style="list-style-type: none"> ▪ Global 100: 7 consecutive years, ▪ #9 globally ▪ #2 among financial institutions ▪ #1 in Asia
CDP 	<ul style="list-style-type: none"> ▪ Carbon Management Honors Club of CDP Korea: 5 consecutive years (Leadership A) ▪ Joined Hall of Fame
Korea Corporate Governance Service (KCGS) 	<ul style="list-style-type: none"> ▪ Integrated ESG rating : A+ for 4 consecutive years
MSCI ESG 	<ul style="list-style-type: none"> ▪ Rated as AA for 3 consecutive years
FTSE 4 Good  FTSE4Good	<ul style="list-style-type: none"> ▪ Grade: 2.9 (included in FTSE4Good index for 8 consecutive years)

SFG's SDG Financing Framework to issue Green, Social or Sustainability Financing

In order to finance Shinhan Financial Group's activities that are directly supporting the UN Sustainable Development Goals, SFG has prepared this Sustainable Development Goals Financing Framework ("SDG Financing Framework") with an intention of issuing Green, Social or Sustainability Financings. The Framework is designed in line with the ICMA's Green Bond Principles (GBPs) 2018, Social Bond Principles (SBPs) 2018, Sustainability Bond Guidelines (SBGs) 2018 and the Loan Market Association's Green Loan Principles, with the following four core components:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

1. Use of Proceeds

Under this Framework, SFG's top entity (herein referred to as SFG) and subsidiaries can issue three types of financing, 1). Green, 2). Social, 3). Sustainability (herein referred to as Sustainable Financing). Shinhan Bank is excluded as a subsidiary as they have their own independent SDG Bond Framework. Shinhan Bank cannot issue from SFG's SDG Financing Framework and their assets cannot be tagged for financing by SFG, in order to avoid the possibility of double counting.





The Sustainable Financing includes:

- 1. Green Financing** – for which the funds raised are exclusively allocated to Green Asset Categories;
- 2. Social Financing** – for which the funds raised are exclusively allocated to Social Asset Categories; and
- 3. Sustainability Financing** – whereby the funds raised are allocated to Green Asset Categories and to Social Asset Categories.




When SFG issues Sustainable Financing, it will allocate an equivalent amount of the Sustainable Financing to its Subsidiaries (herein referred to as Eligible Subsidiaries) where the Green and Social Assets (herein referred to as Eligible Assets) are located. SFG's Eligible Subsidiaries can also issue their own Sustainable Financing under this framework. SFG's and the Eligible Subsidiaries' Sustainable Financing may include, but is not limited to, Green, Social and Sustainability Bonds and Loans in various formats and currencies.

100% of the net proceeds of the Sustainable Financing will be used exclusively to finance and/or refinance Sustainable Financing in whole or in part, falling within one of the categories detailed in the tables below. The net proceeds can also be used for future potential Eligible Assets belonging to any of the Green or Social categories outlined in the table below. For the case of refinancing, SFG and its Eligible Subsidiaries may include Eligible Assets that are financed up to 24 months prior to the issuance date.



Green Asset Categories:

Asset Category	Eligibility Criteria	Alignment with the UN Sustainable Development Goals (SDGs)
<p><u>Renewable Energy</u></p> 	<ul style="list-style-type: none"> • Providing project based loans/financing to companies for generation of electricity from renewable sources such as solar², wind, hydro (<25MW), geothermal and biomass which emit no more than 100gCO₂ /kWh 	<p>SDG 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix</p>
<p><u>Energy Efficiency</u></p>  	<ul style="list-style-type: none"> • Providing project based loans/financing in technology, products or systems which will result in at least a 30% improvement in energy efficiency. Energy efficiency measures directly linked to fossil fuel energy technology are excluded. Eligible projects include: <ul style="list-style-type: none"> • Smart Grids • Grid transmission lines • Energy storage systems • Green upgrades to buildings (LED lighting, insulation, HVAC systems) 	<p>SDG 7.3: By 2030, double the global rate of improvement in energy efficiency</p> <p>SDG 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p>
<p><u>Pollution Prevention and Control</u></p> 	<p>Providing project based loans/financing aimed at reducing or capturing GHG emissions and harmful air particles such as:</p> <ul style="list-style-type: none"> • Air purification units (not related to fossil fuel generation facilities) • Harmful matter monitoring and environmental purification (not related to fossil fuel generation facilities) • Investment/project based lending in waste management companies and facilities. E.g. Waste-to-energy plants which emit no more than 100gCO₂/kWh. In the case of investment in municipal waste-to-energy plants, there must be air abatement emission technology in operation for the recycling companies. (companies and projects linking 	<p>SDG 12.4: By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment</p>

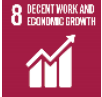


² Loans for those who operate or plan to operate solar power is a maximum of 70% of the facility investment expense (e.g. if construction expense is KRW 1bn, loan limit is up to KRW 700mn)

	<p>waste-to-landfill are excluded)</p> <ul style="list-style-type: none"> • Environmental Improvement Support Loans³ which focus on funding facilities to reduce pollution and technologies to improvement the environment. Loans to companies involved in fossil fuel production, extraction and distribution are excluded. 	
<p>Green Buildings</p>  	<p>Providing project based loans/financing for the development of buildings with the following certification:</p> <ul style="list-style-type: none"> ○ LEED (Gold and above) ○ BREAAAM (Excellent and above) ○ National equivalents standards such as G-SEED 2 or above 	<p>SDG 7.3: By 2030, double the global rate of improvement in energy efficiency</p> <p>SDG 11.1 Increase affordable basic infrastructure through investment in renewable energy infrastructure</p>
<p>Clean Transportation</p> 	<p>Providing project based loans/financing for:</p> <ul style="list-style-type: none"> ○ Electric vehicle charging stations ○ Low carbon train travel such as the Great Train eXpress (GTX) 	<p>11.2: Ensure communities have access to Green transportation facilities/infrastructure</p>

Social Asset Categories:

<p>Access to Essential Services - Healthcare, Microfinancing, SME financing, and financing the under-underprivileged</p>  	<ul style="list-style-type: none"> • Providing project based loans/financing for the development of: <ul style="list-style-type: none"> ○ Public hospitals and institutions that have programmes to offer their services for free for low income patients and underserved populations ○ Public medical facilities ○ Public outpatient and inpatient care facilities ○ Healthcare properties and services for the elderly • Jeju New Hope Spore Loan. Non-guarantee Microfinancing to low-rating, low income population. Jeju Bank identifies its social role as a regional bank by actively funding low- 	<p>SDG 1.2 Increase the number of people with access to financial services, including microfinance</p> <p>SDG 1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance</p> <p>SDG 3.1 Achieve universal health coverage, including financial risk protection, access</p>
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³ Business operations that are officially certified by the Government Entity Environmental Management Corporation with a loan limit of KRW 300mn to 3bn

 	<p>income to middle class populations to enhance their financial stability⁴</p> <ul style="list-style-type: none"> • Providing loans/financing to low income populations with low credit rating. <ul style="list-style-type: none"> ○ Sunshine Loan: government guaranteed loans to low-income population with low credit rating⁵ ○ Mid-Interest Rate Loans⁶ to low-income population with low credit rating guaranteed by Seoul Guarantee Insurance Company (government entity) ○ Hug Loan⁷ to population with low credit rating who are unable to get loans from major commercial banks and regional banks ○ Green Remodeling Interest Payment Support. The Ministry of Land, Infrastructure and Transport subsidizing the borrowing of a loan and pays the interest amount up to 3% 	<p>to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all</p> <p>SDG 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium sized enterprises, including support through access to financial services</p> <p>SDG 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</p>
<p><u>Affordable housing</u></p> 	<ul style="list-style-type: none"> • Increase affordable housing by lending to tenants of public housing provided by: <ul style="list-style-type: none"> ○ public housing providers under the Special Act of Public Housing or ○ public housing providers approved by the Korean Housing Finance Corporation 	<p>SDG 1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property</p>

The Eligible Assets are not limited to this list. Any Eligible Asset contributing explicitly to the Eligible Categories above is considered Eligible for SFG's and Eligible Subsidiaries' Sustainable Financing. Involvement in the following activities or industries is excluded from consideration for Eligibility:

⁴ Criteria includes a Credit Bureau Rating of 1~10 with annual income of KRW 35mn or less or a Credit Bureau Rating of 6~10 with annual income of KRW 45mn or lower. The loan limit is KRW 3mn – 30mn subject to Credit Bureau rating

⁵ Income less than KRW 35mn or income less than KRW 45mn with low credit rating (Sunshine Loan rating of 6~10 set by Korea Inclusive Finance Agency). The loan limit is up to KRW 30mn

⁶ Criteria for individuals eligible for Seoul Guarantee Insurance Company's Certificate:

- Employee: Annual income of KRW 12mn or more who have been employed more than 5 months
- Business owner: Annual income of KRW 6mn or more who have operated business for more than 4 months
- Pensioner : Annual income of KRW 6mn or more who received pension for more than 1 month
- The loan limit is up to KRW 30mn

⁷ Employees that have been employed by their current firm for more than 3 months with an annual income of KRW 12mn or more. The loan limit is KRW 4 – 30mn

1. Child Labour and forced labour
2. Adult entertainment
3. Production and trade of weapons/arms
4. Production and trade of alcohol
5. Production and trade of tobacco
6. Production or trade of conflict minerals
7. Predatory or payday lending
8. Production of palm oil
9. Fossil fuel generation and transportation of fossil fuels
10. Biomass derived from feedstock suitable for food production and biomass derived from sources grown in areas with current or previously high biodiversity, or derived from sources that decrease carbon pools
11. Nuclear power generation
12. The purchase of Green bonds in the market and investment in Green bond funds
13. SME's with operations in any of the above activities will be excluded. SME businesses will also undergo screening to check for substantial involvement in alcoholic beverages, gambling and military contracting industries/activities

2. Project Selection and Evaluation Process

Project evaluation and selection is a key process in ensuring that the Assets financed by the Sustainable Financing meets the criteria in Shinhan Financial Group's SDG Financing Framework. SFG has a Corporate Social and Responsibility Committee (CSRC) comprised of members of the Board of Directors and independent directors. The role of the committee is to set a direction for corporate social responsibility management matters concerning enactment and revision/abolishment of criteria/policies related to corporate social responsibility management such as environmental management codes, human rights policies, etc.

SDG Financing Working Group (SFWG)

Shinhan Financial Group is launching a SDG Financing Working Group ("SFWG"). This will comprise of Shinhan Financial Group's and their relevant Eligible subsidiaries' departments (or teams) as follows:

- Treasury Department
- Strategic Planning Department
- Corporate Supporting Department
- Corporate Social Responsibility Department

- SOHO Division
- Strategic Planning Team and Financial Management Team

The CSRC will work closely with the SFWG and will review all Eligible Sustainable Financing Projects chosen. Once Eligible Assets have been selected by the relevant Eligible Subsidiaries, members of the relevant departments from these Eligible Subsidiaries will cooperate with SFG's treasury in reviewing the Assets to ensure they demonstrate clear environmental and social benefits, in line with the SDG Financing Framework. Moreover, when the Eligible Subsidiaries issue their own Sustainable Financing from the framework they will have to set up their own independent working groups, which will consist of their representatives in the SFWG and any additional members from relevant departments that they deem necessary.

3. Management of Proceeds

The net proceeds of all the Sustainable Financing or an amount equal to the net proceeds will be allocated to Eligible Assets in line with the UN's SDGs, ICMA's GBPs, SBPs, SBG's and the Loan Market Association's Green Loan Principles. As long as the Sustainable Financing is outstanding, SFG's and the relevant Eligible Subsidiaries' Treasury Department will manage the Asset register through its internal information system, and the balance of the tracked proceeds will be monitored annually.

Each Eligible Subsidiary will manage their own internal tracking system to ensure that any Eligible Assets from the Eligible Asset Portfolio⁸ selected for their own Sustainable Financing issuance are not double counted when tagging Eligible Assets for SFG. SFG will share tracking systems with each Eligible Subsidiary so that Eligible Assets can be transparently tracked for SFG's Sustainable Financing. SFG also has entire visibility over the tagged Eligible Assets from the Eligible Subsidiaries' own Sustainable Financing issued from this SDG Financing Framework.

If there are any unallocated net proceeds, SFG will invest the proceeds in cash or cash equivalents following Shinhan Financial Group's usual liquidity management policy. The Eligible Subsidiaries will also follow the same process for their own Sustainable Financings.

⁸ The pool of Eligible Assets

In case of divestments, if an Eligible Asset no longer meets the Eligible criteria, or if the Eligible Asset matures before the life of the bond, as may be the case with a Perp AT1, the funds will be re-allocated to other Eligible Assets, following the above described Project Selection Process. The Eligible Subsidiaries will also follow the same process for their own Sustainable Financings.

4. Reporting

Following the first Sustainable Financing anniversary, and every year thereafter until full allocation of the Sustainable Financing, SFG will update investors on how their Sustainable Financing proceeds and their Eligible Subsidiaries' Sustainable Financing proceeds are allocated, and will share information on Eligible Assets financed as an integral part of its annual CSR report.

The reports will include the below information, and it will be readily available on the corporate website.

4.1 Allocation Reporting

- Complete list of Eligible Assets, mapping of UN SDGs and a brief description of each Asset such as date, location, category and progress. There may be some Eligible Asset details disclosed on no-name basis for confidentiality reasons
- Amount allocated to each Eligible Asset
- Proportion of financing and refinancing (and the list of Eligible Assets that are re-financed)
- For an SFG Sustainable Financing issuance, the amount allocated to each individual Eligible Subsidiary and the proportionate split will be presented

4.2 Impact Reporting

Shinhan Financial Group and the Eligible Subsidiaries may report on relevant Environmental and Social impact metrics, where feasible, for their issuances. Below are examples of impact indicators:

Green Bond Examples:

- Annual energy savings (in MWh)
- Renewable energy production (in MWh)
- Carbon emissions reduction (tCO₂e)

- Number of G-SEED 2 or above, LEED Gold or above, BREEAM Excellent or above, certified buildings funded

Social Bond Examples:

- Number of SME loans granted
- Number of loans granted to microfinance institutions
- Number of loans granted to healthcare industry participants
- Number of beneficiaries of loan products

5. External Review

5.1 Second Party opinion

Shinhan Financial Group has appointed Sustainalytics as the Second Party Opinion (SPO) provider for its SDG Financing Framework which covers the Sustainable Financings of SFG and Eligible Subsidiaries. This Second Party Opinion will be made available on SFG's English version website.

5.2 Post issuance external verification

Shinhan Financial Group may engage with a third party verifier (or any other third-party appointed by SFG as a successor to the existing third party verifier) for the external review of the allocation of Sustainable Financing proceeds from SFG's issuance. Each Eligible Subsidiary may also need to engage with a third party verifier for post issuance external verification of their own Sustainable Financing from this SDG Financing Framework.

Appendix 1: A Short Description of the Group's Major Eligible Subsidiaries

Shinhan Card

- Number 1 credit card company in Korea (largest market share)
- Encompassing the strengths of both the credit card division of a bank as well as an independent credit card company
- Having a secured and diversified funding source, therefore a stable liquidity management
- Benefits from high credit ratings of SFG and Shinhan Bank as well as a direct liquidity access

Shinhan Investment Corp

- Established on Aug. 1, 2002 when Shinhan Securities, then-subsiary of SFG, and Good Morning Securities were merged, Shinhan Investment Corp Securities is now providing a variety of advanced professional financial services
- Shinhan Investment Corp are an integrated financial investment company which responds to the changes in the financial market incurred by the enactment of the Financial Investment Services and Capital Market Act
- As of 2018:
 - Total assets were KRW 29,140bn (USD equiv. 24,500mn)
 - Total Equity were KRW 3,373bn (USD equiv. 2,800mn)
- No. of customers were 3,467,000. Furthermore, in accordance with a global standard that values a company's social responsibility, the firm is implementing diverse cultural and service activities to fulfill its share of responsibility within the society

Shinhan Life Insurance

- A life insurance subsidiary of Shinhan Financial Group, set a new goal to become a comprehensive financial services provider that helps customers fulfill their dreams
- Provides sophisticated and customised insurance and financial services through diversified channels to meet customer needs
- Taking a step further, Shinhan Life is making its best efforts to become a trusted insurance financial services company by faithfully fulfilling its corporate social responsibility and helping the underprivileged in the society and by serving and thus touching the hearts of customers

Shinhan Capital

- Since its establishment in Ah-san Kyunggi Province of Korea In April 1991 as a facility lease company, Shinhan Capital has been expanding its business and is now growing into a firm that specializes in various loan/credit businesses such as facility leases, installment financing, new technology business financing, corporate restructuring-related business, real estate project financing, factoring and general loans
- Shihan Capital is solidifying its status as a general loan/credit-specialized company by offering competitive interest rates and tailored financial services for customers

Jeju Bank

- 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
- Jeju Bank is striving to offer top-class financial services in a manner that contribute to the growth of the local economy so it can become both as a 'symbol of the financial industry in Jeju' and a 'proud member of SFG' through financial services that are tightly aligned the local needs
- As of 2018:
 - Total assets were KRW 6,200bn (USD equiv. 5200mn)
 - Total Equity were KRW 473bn (USD equiv. 400mn)

Shinhan Savings Bank

- Under the mission of creating a world of happy and compassionate finance, Shinhan Savings Bank launched its operations on Jan. 10, 2012 to spearhead the savings bank industry that promotes local economic development by catering to grass-roots customers and thus set a new industry standard
- By applying Shinhan Financial Group's philosophy of 'Customer focus' and advanced financial expertise to serve the working class people, Shinhan Savings Bank will take the lead in practicing 'Compassionate Finance' through which it intends to benefit the world and grow together with its customers
- Moreover, it aims to become a player that is most representative of Korea's savings bank industry by faithfully fulfilling roles and responsibilities inherently expected of a savings bank by the society through sound, transparent 'Right Way' management and operations tightly aligned with the local needs

Shinhan Alternative Investment Management (Shinhan Private Equity)

- Shinhan Alternative Investment Management Inc., fully financed by Shinhan Financial Group, was established in 2004 as the first private equity fund management firm in Korea and currently manages KRW 1.2 trillion in capital commitments
- In 2017, the company expanded its business to emerge as an asset management company specializing in alternative investments, and Shinhan Private Equity Inc. became Shinhan Alternative Investment Management Inc
- Shinhan Alternative Investment Management Inc. analyzes the profitability, growth, and risks of its businesses by sector (real estate, infrastructure, corporate credit, private equity, etc.) and region (international/domestic
- As of 2018:
 - Total Equity was KRW 8.2bn (USD equiv. 7mn)
 - Total AuM was KRW 3700bn (USD equiv. 3,100mn)

Shinhan REITs Management

- Shinhan REITs Management Co., Ltd. was established in October 2017 and financed wholly by Shinhan Financial Group as the Group's first real estate asset management company
Its primary business is carrying out investments and operations on behalf of real estate investment trusts (REITs)
- Based on Shinhan Group's superior asset supply capabilities and advanced network of affiliates, Shinhan REITs Management will strive to provide clients with differentiated investment opportunities by effectively delivering competitive indirect investment products in real estate
- As of 2018:
 - Total Equity was KRW 32.8bn (USD equiv. 28mn)
 - Total AuM was KRW 750bn (USD equiv. 630mn)

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