

Responsible Tax Policy

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Shinhan Financial Group recognizes that as a taxpayer acting with integrity, compliance with its spirit and obligations, in accordance with the principles of fair taxation, is an integral part of its contributions to national finance, enhancing shareholder value and maximizing stakeholder interests, as well as a key condition for the long-term growth of the company. To this end, we have established and are operating documented policy standards and processes with respect to tax principles, policy and disclosure, and pursuing collaborative and constructive relationships with the relevant tax authorities to faithfully implement these policies. Shinhan Financial Group fulfils its tax obligations in a transparent manner and discloses all relevant information in accordance with the following principles:

1. Tax Principles

- We comply with the spirit, letter and intent of all relevant domestic and overseas tax laws related regulations, in addition to lawfully fulfilling our tax liabilities.
- We calculate the value of transactions between group affiliates in accordance with the arms' length principle (*).
- We do not provide inappropriate support to other group affiliates, nor do we allow other group affiliates to receive such support.
- We do not take advantage of tax structures or tax havens for the purpose of avoiding taxes.

(*). Arm's length principle: when the parties of a transaction are independent and on an equal footing

2. Effective Tax Rate

Corporate tax details in Korea are responsibly disclosed through audit reports that are available via the Data Analysis, Retrieval and Transfer System of the Financial Supervisory Service (Dart.fss.or.kr).

Disclosed information includes the following:

- Corporate tax accounting standards
- Details of deferred tax assets and liabilities
- Details of temporary differences
- Details of corporate tax expenses and information on tax rates

Moreover, through our annual sustainability and audit reports, we disclose information on our revenues and taxes paid by country, as well as the differences between the effective and statutory corporate tax rates and the reasons for these differences.