

Aim Higher and Creatively Pioneering Ahead

Shinhan Financial Group

1H 2020



RESILIENCE



FUNDAMENTAL



SUSTAINABILITY



HUMAN-TALENT



ECO-SYSTEM



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01

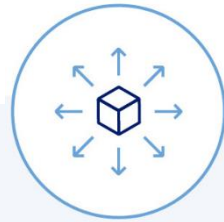
Shinhan Financial Group

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- 1-01 Overview
 - 1-02 Mission, Vision, and Value Management
 - 1-03 F.R.E.S.H 2020s
 - 1-04 Sustainable Management



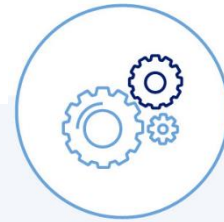
Korea's Leading Financial Institution

Sustainable Net Income growth driven by solid core earnings and consistent ROE enhancing business strategy



Global Expansion and Diversification

Establishing a foundation for the sustainable growth through steady and consistent global expansion and business diversification



Thorough Risk Management

Maintaining sound asset qualities through preemptive and proactive risk management



Focused on Creating Customer and Shareholder Value

Implementing the "Compassionate Finance" to build a virtuous cycle of shared prosperity for the company and society



Shinhan Financial Group

(as of 1H 2020)

Net Income

1.81 Wtn

Total Assets
(Consolidated)

578 Wtn

Total Market Cap.

13.7 Wtn

ROA

0.65 %

ROE

9.55 %

of Employees

30 thousand

- 16 direct subsidiaries, 28 indirect subsidiaries
- Major Shareholders (Common Shares)
 - Korea National Pension Service 9.86%¹
 - BlackRock Fund Advisors 6.09%²
 - SFG ESOP 5.15%³
 - BNP Paribas 3.55%⁴
 - Citi Bank [ADR Dept.] 2.80%⁴

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 1H 2020 NOTE 4 As of end of FY2019

Well-diversified Business Portfolio

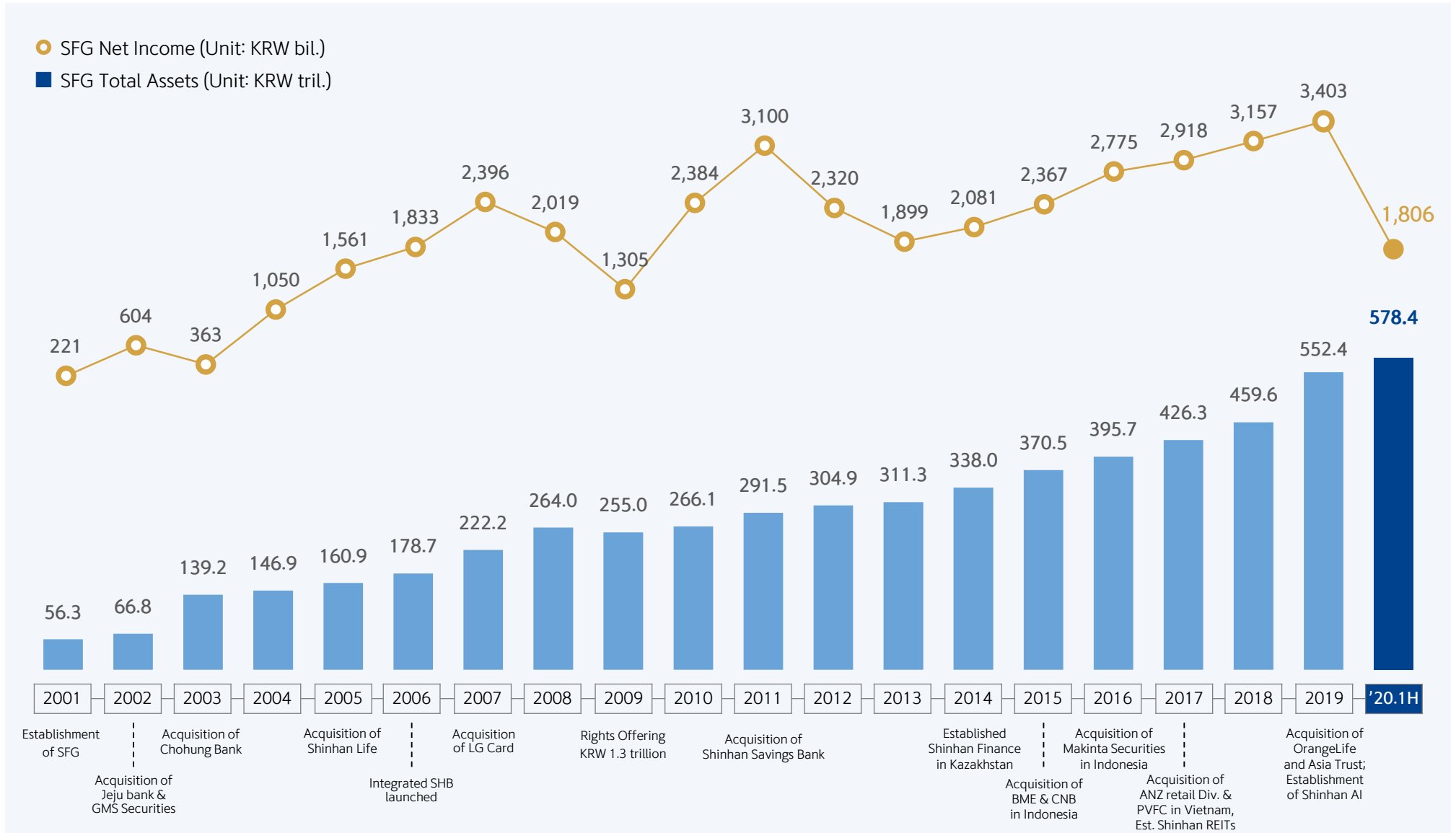


Top 500 Banking Brand

Ranking	Company	Country
1	ICBC	China
5	Wells Fargo	US
10	JP Morgan	US
36	DBS Group	Singapore
47	Mizuho Financial Group	Japan
63	Shinhan Financial Group	Korea

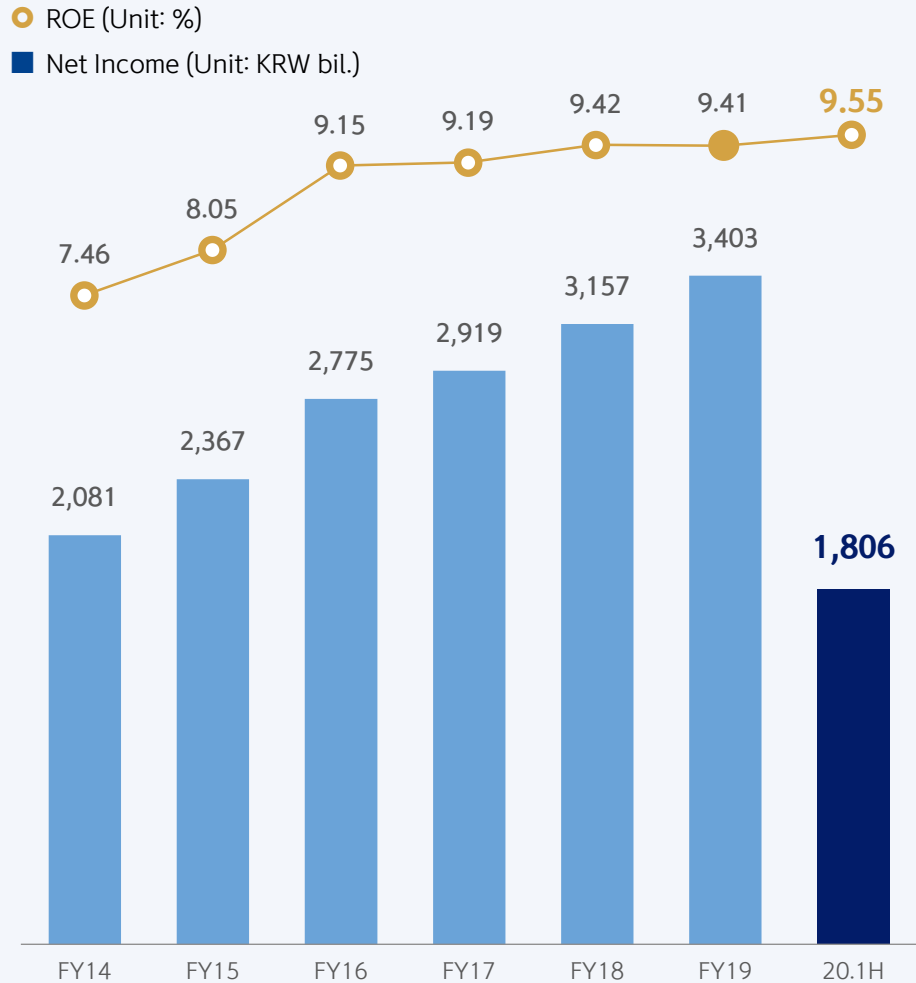
* Source: The Banker (Feb. 2020)

Continuous Growth Through Business Diversification



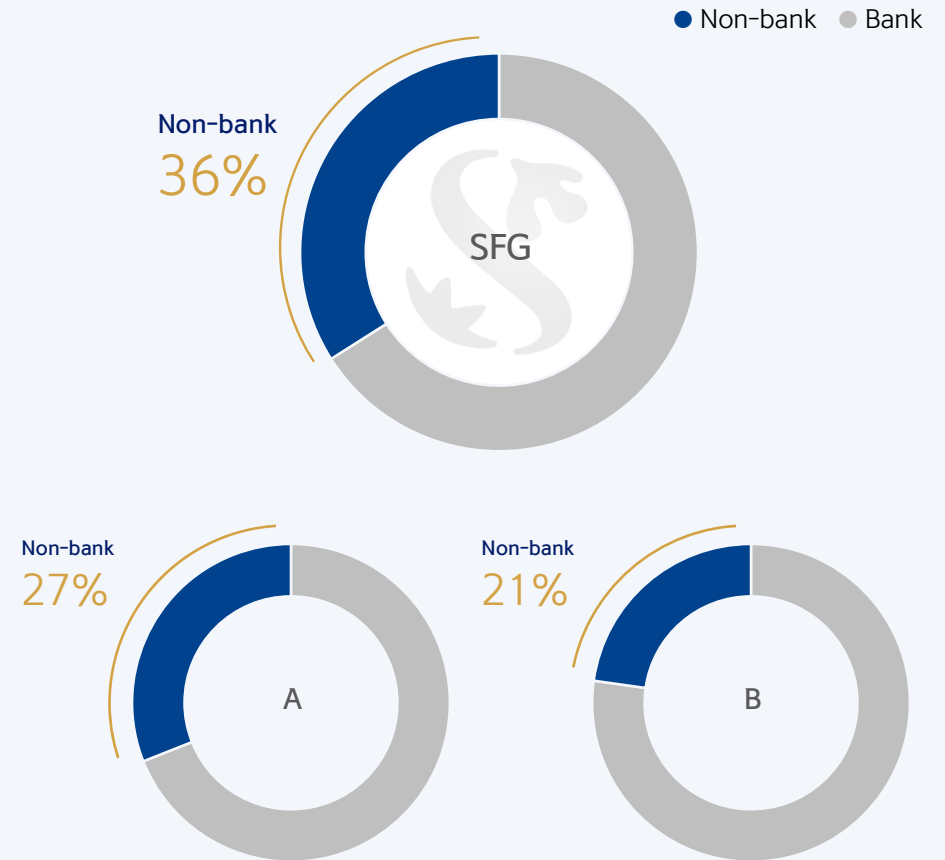
Performance and Portfolio

Consistent Net Income Growth



Diversified Profit Base

Net Income Contribution by Non-bank Subsidiaries ('20.1H)



SFG's Major Affiliates

Leading Financial Group in Korea



(as of 1H 2020)

Shinhan Bank	Shinhan Card	Shinhan Investment	Shinhan Life	OrangeLife ²⁾	Shinhan Capital	Shinhan BNP Paribas AM	Jeju Bank
100%	100%	100%	100%	100%	100%	65%	75.31%
<p>Top Commercial Bank in Korea</p> <p>Total Assets 496.5 Wtn.</p> <p>Total Equity 26.7 Wtn.</p>	<p>No.#1 Credit Card Company in Korea</p> <p>Total Assets 34.0 Wtn.</p> <p>Total Equity 6.1 Wtn.</p>	<p>Major Securities Firm in Korea</p> <p>Total Assets 77.2 Wtn.</p> <p>Total Equity 4.3 Wtn.</p>	<p>Life Insurance Co. with Strengths in Telemarketing</p> <p>Total Assets 35.0 Wtn.</p> <p>Total Equity 2.2 Wtn.</p>	<p>Highly Profitable Life Insurance Company</p> <p>Total Assets 32.9 Wtn.</p> <p>Total Equity 3.2 Wtn.</p>	<p>Specializes in facility leases & installment financing</p> <p>Total Assets 8.5 Wtn.</p> <p>Total Equity 1.1 Wtn.</p>	<p>Major Asset Management Firm in Korea</p> <p>Total Assets 54.7 Wtn.</p> <p>Total Equity 155.4 Wbn.</p>	<p>The Leading Local Bank in Jeju</p> <p>Total Assets 6.6 Wtn.</p> <p>Total Equity 507.6 Wbn.</p>
Shinhan Savings Bank	Asia Trust ²⁾	Shinhan DS	Shinhan AITAS	Shinhan Credit Info.	Shinhan Alternative Invest.	Shinhan REITs	Shinhan AI
100%	60%	100%	99.8%	100%	100%	100%	100%
<p>Major Savings Bank in Korea</p> <p>Total Assets 1.6 Wtn.</p> <p>Total Equity 194.7 Wbn.</p>	<p>Major Market Player in Real Estate Trust</p> <p>Total Assets 43.5 Wtn.</p> <p>Total Equity 148.2 Wbn.</p>	<p>Specialized IT Service Provider for Financial Corp.</p> <p>Total Assets 89.1 Wbn.</p> <p>Total Equity 21.1 Wbn.</p>	<p>No.#1 Fund Service Company in Korea</p> <p>Total Assets 79.3 Wbn.</p> <p>Total Equity 69.9 Wbn.</p>	<p>Expertise in debt collection & credit research</p> <p>Total Assets 27.2 Wbn.</p> <p>Total Equity 16.5 Wbn.</p>	<p>Private Equity Fund & Alternative Investment</p> <p>Total Assets 4.6 Wtn.</p> <p>Total Equity 14.8 Wbn.</p>	<p>Real Estate Investment Management Firm</p> <p>Total Assets 1.2 Wtn.</p> <p>Total Equity 38.9 Wbn.</p>	<p>AI-based Investment Advisory Firm</p> <p>Total Assets 42.4 Wbn.</p> <p>Total Equity 40.8 Wbn.</p>

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.

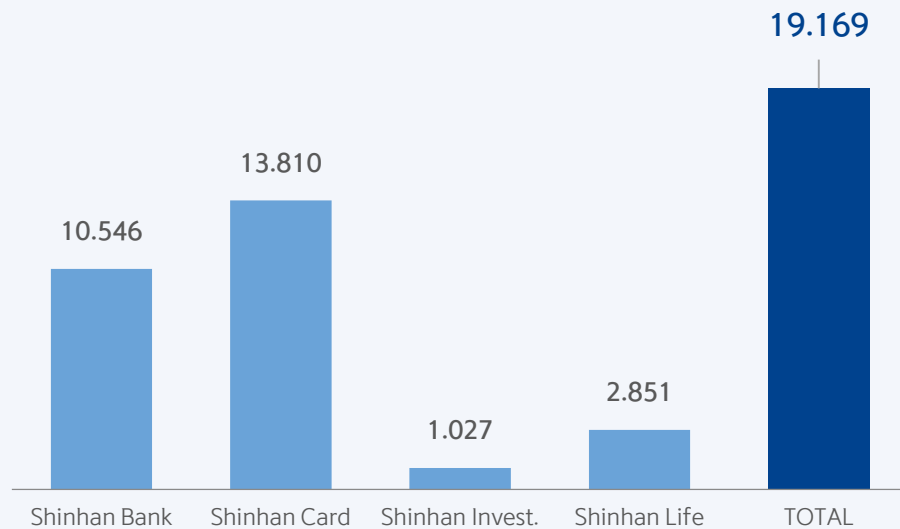
Customers and Networks

Customers

SFG serves **19.17 million*** active customers.

* Excluding overlapping customers (as of 1H 2020)

(Unit: million persons)



Branch Networks (in Korea)

Company	# of Branches
Shinhan Bank	874
Shinhan Life	120
Shinhan Investment	119
OrangeLife	106
Shinhan Card	29
Jeju Bank/기타	106
TOTAL	1,354

Hybrid Branch Network

PMW Center

27

PWM Lounge

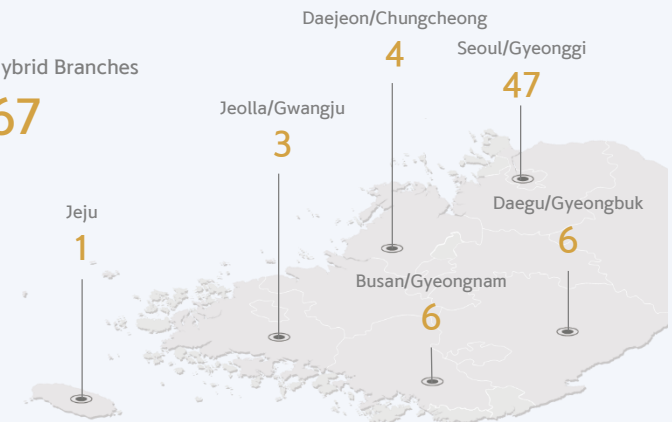
31

Shinhan IB Plaza

8

Hybrid Branches

67



(as of 1H 2020)

01

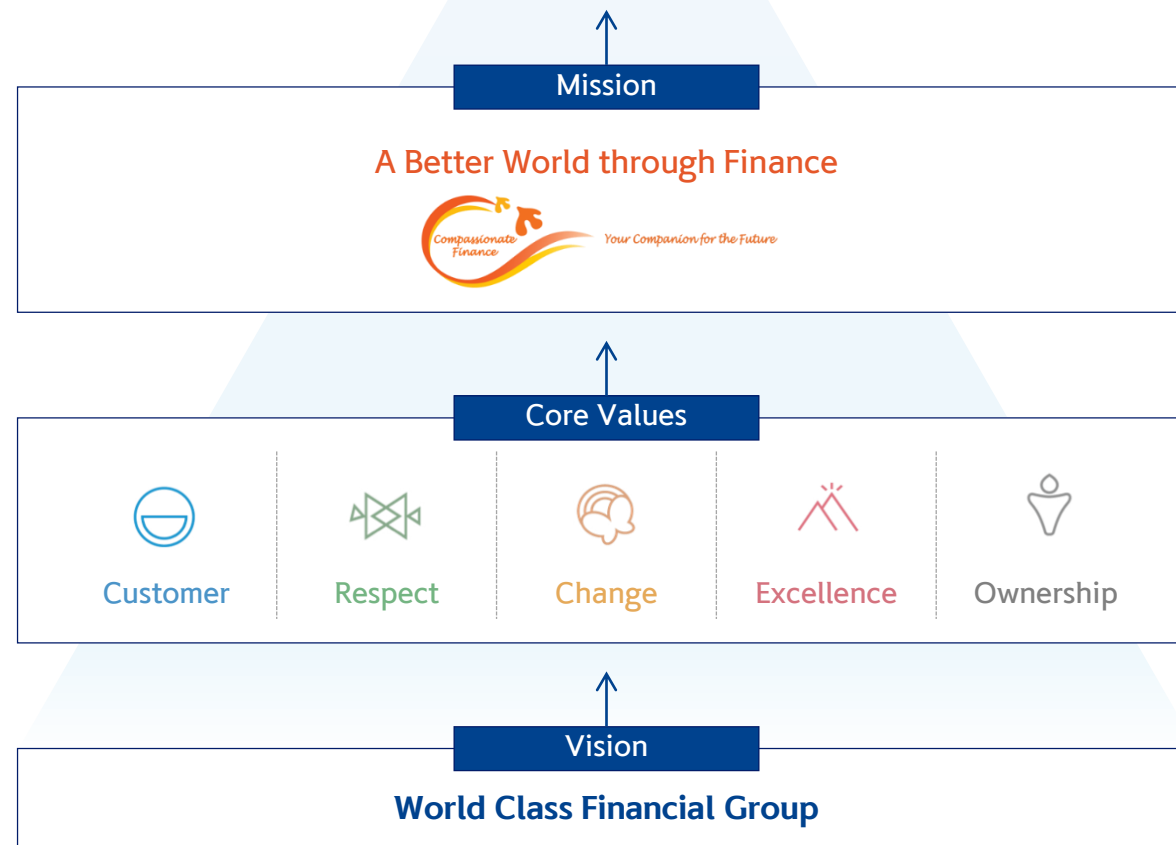
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Value Management System

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”

Methodology

‘Through Finance’

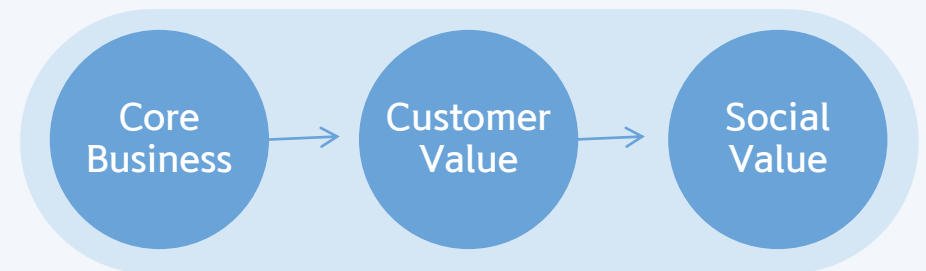


Innovate the way we deliver products and services and manage our customers' assets in changing markets

Creative Finance

Ultimate Goal

‘Building a Better World’

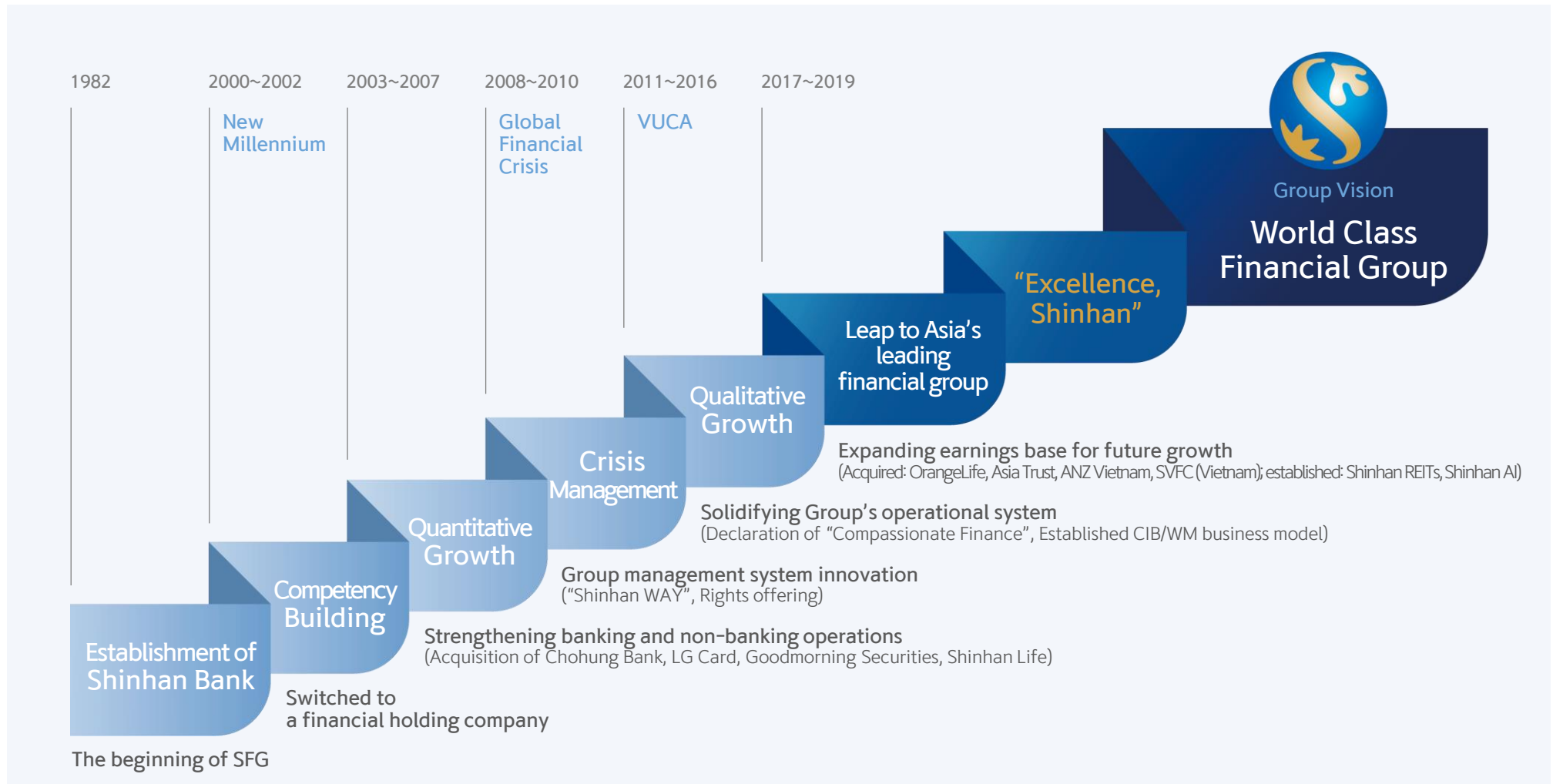


Create greater value for customers, businesses and society leading to shared prosperity

Virtuous Cycle of Shared Prosperity

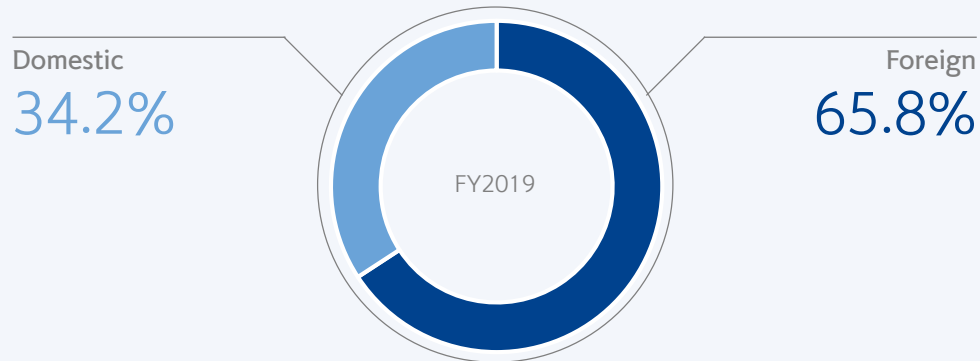
Shinhan's History & Vision

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 1H 2020)

Company	Ownership (%)
Korea National Pension Service	9.92
BlackRock Fund Advisors ¹⁾	6.13
SFG ESOP	5.11
BNP Paribas	3.55
Citibank N.A. (ADR dept.)	2.80
The Government of Singapore	2.54
Norges Bank Investment Management	1.84
Samsung Asset Management	1.75
Vanguard Total Int'l Stock Index	1.43
Peoples Bank of China	1.18

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

CEO & Subsidiary Management



CHO Yong-byung

CEO, Shinhan Financial Group

Experiences

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

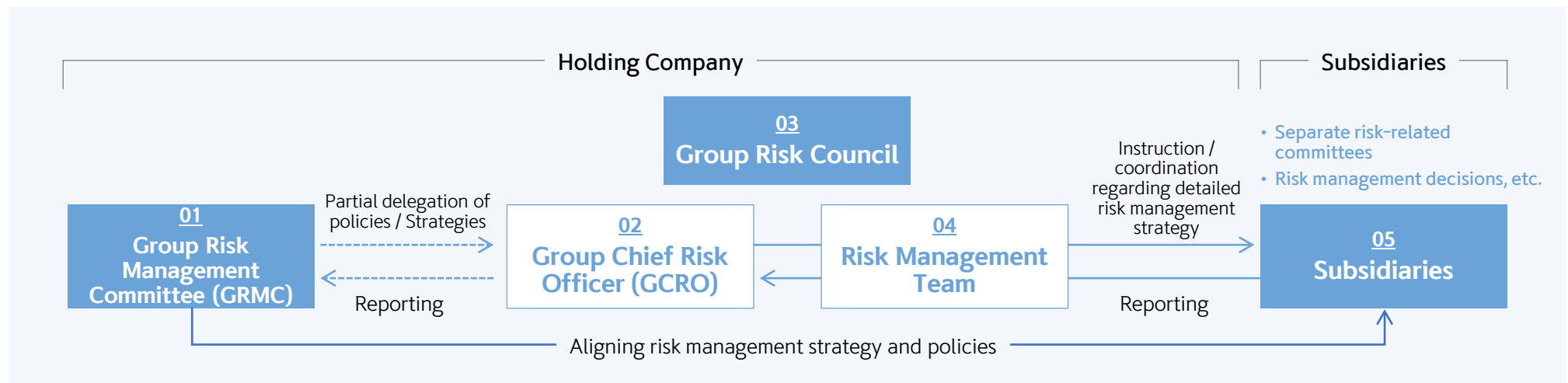
SFG Subsidiaries' CEOs (as of 1H 2020)

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

Thorough Risk Management

The Group's risk management policies are established by the Risk Management Committee, comprised of directors appointed by the BOD, and the Group Risk Council, which includes Group & Subsidiaries CROs, implements and monitors detailed strategies.

SFG Risk Management Structure



- 01**
- GRMC, a subcommittee under BOD, establishes and approves the Group's risk strategies (policies and limits)
 - Monitors and coordinates whether the Group's risk strategies are appropriate and whether they are properly followed

- 02**
- Supports the GRMC and reviews the results of monitoring of daily tasks / major issues conducted by the risk management team
 - Operates Group Risk Council for implementation of the Group's risk strategies and communication

- 03**
- Role: discusses details to the group's risk management issues
 - Members: Chief Risk Officers of the holding company and subsidiaries

- 04**
- Supports GRMC / Group Risk Council
 - Supports GCRO
 - monitoring, establishment of detailed risk strategies and coordination
 - Allocation of risk capital and limit management, Group risk monitoring

- 05**
- Implements the Group risk strategies
 - Establishes subsidiary-specific policies and strategies in line with the Group risk policies and limits
 - Reports major risk-related issues to the Group CRO

Differentiated Risk Management

To ensure the Group’s sustainable growth, SFG pursues a balance of risk and return. SFG conducts integrated and proactive strategic risk management to respond to various business risks and regulations.

SFG Risk Framework

Mission

“Capture the Essence of Change to Promote Group’s Balanced Growth.”

Distinctive Growth Methodology

- F** undamental
- R** esilience
- E** co-system
- S** ustainability
- H** uman-talent

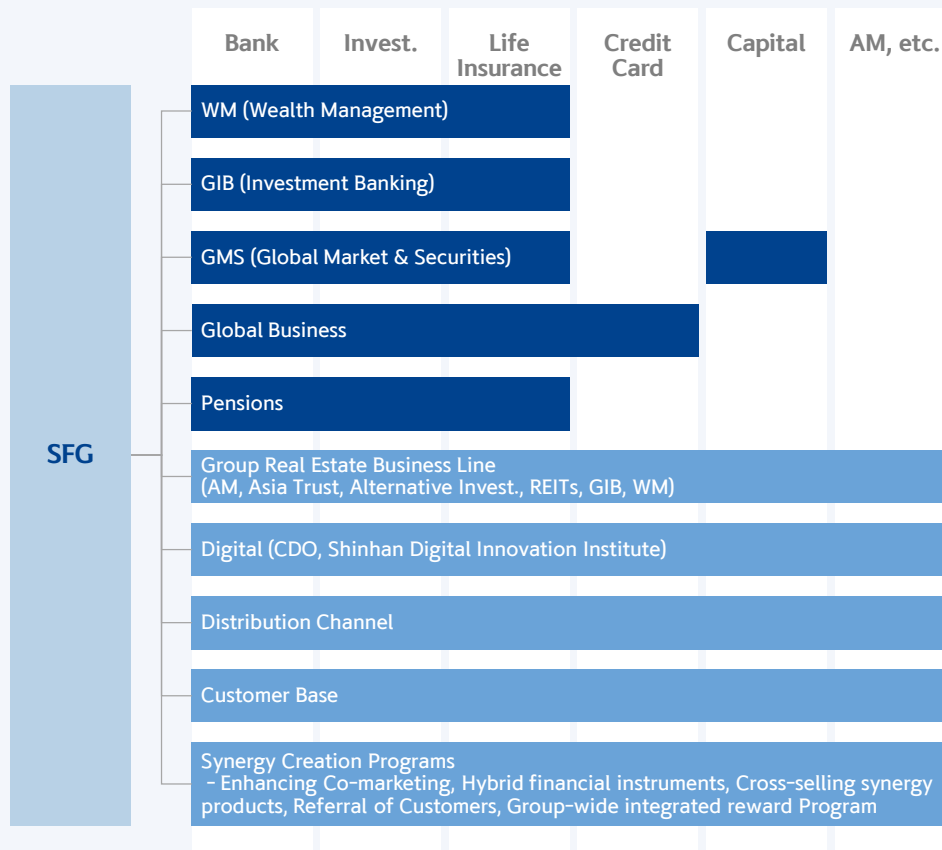
Mid-term Strategic Tasks

- | | |
|----------|--|
| F | 01 Sophistication of risk management on matrix-structured businesses |
| | 02 Effective risk management under Basel 3 standards |
| R | 03 Preemptive risk monitoring |
| | 04 Effective and solid capital management |
| | 05 Stronger risk management control |
| E | 06 Create a risk management ecosystem |
| S | 07 Sophistication of customer asset risk management |
| | 08 Detailed risk management on inclusive financings |
| | 09 Enhance Environment, Social Risk Management (ESRM) framework |
| H | 10 Foster risk management talents |

Customer-centric “One Shinhan” Model

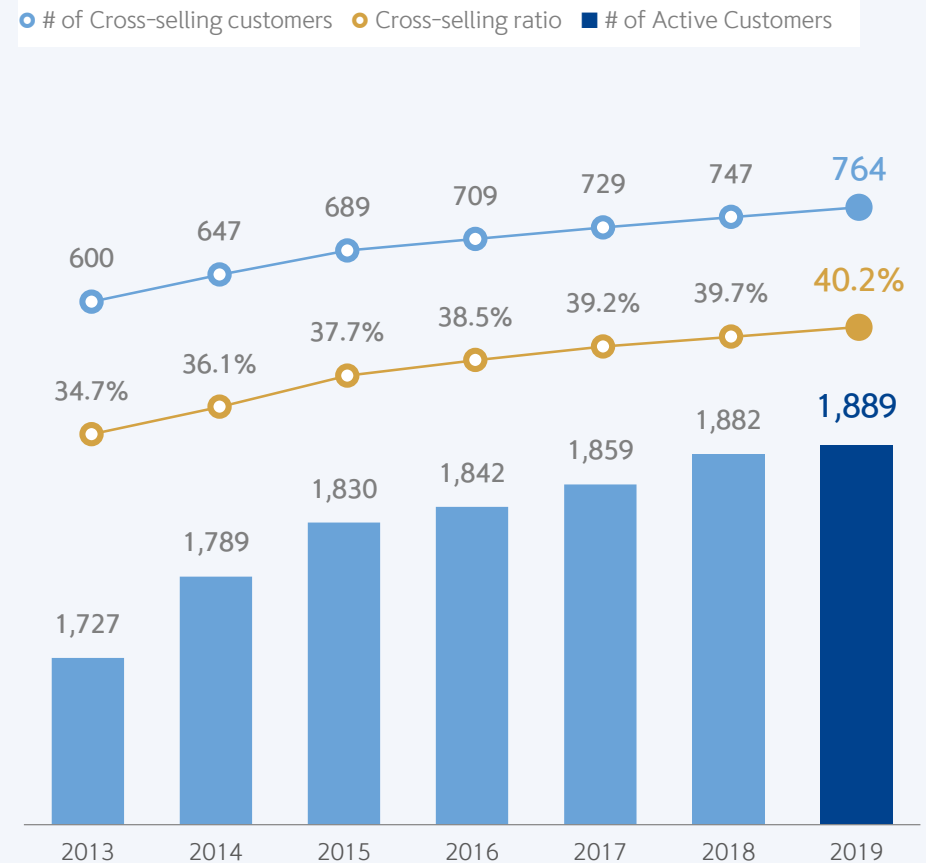
‘One Shinhan’ business model focuses on providing the very best products and services to clients by establishing Group-wide collaborative system under customer-centered business structure.

One Shinhan Business Model



Increasing Active Customers

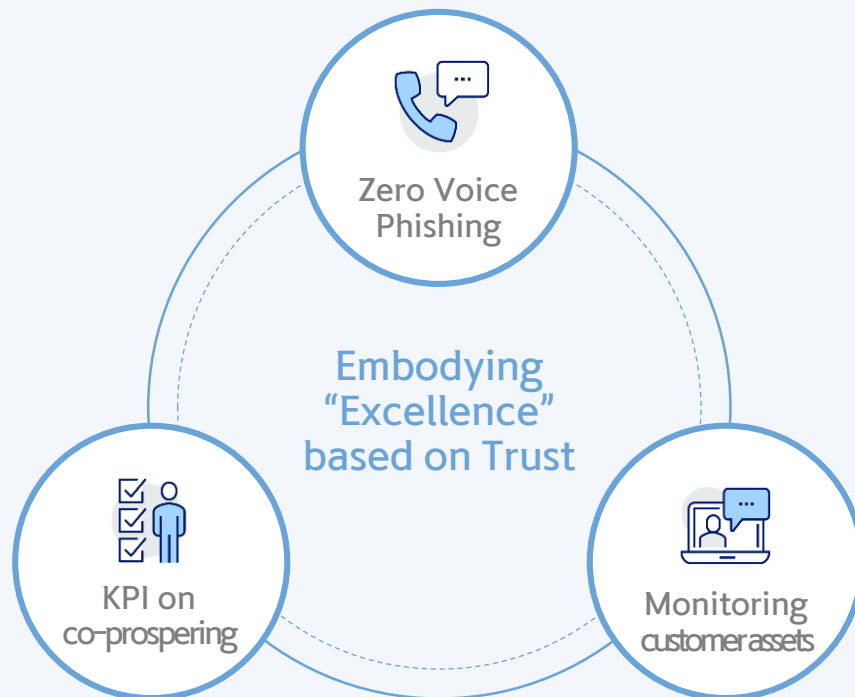
(Unit: 10 thousand persons)



Embodying “Excellence” based on Trust

[Trust] The foremost path toward “Excellence, Shinhan”
– customer trust

Based on solid customer trust, we will pursue a virtuous cycle of trust that enhances the value of employees, share holders, and society.



Customer-centric Business Management

Group-wide Monitoring on Customer Assets

- Pursuing increase in returns for both the company and customers
- Monitoring and systematically managing customer assets (including customers of Shinhan Bank, Shinhan Investment, Shinhan Life, and OrangeLife) through a dash board system .
- Risk management and monitoring of customer assets are under different categories: by key market indices, by subsidiary, and by country

* Group risk management classifies and labels different levels of risk as follows: ● Normal ● Watch ● Alert ● Serious

Zero Voice Phishing

- Group-wide efforts to prevent cases of voice phishing
- Measures for prevention: ‘delayed transfer service’, ‘designated deposit account service’, etc.
- Finding best practices for preventing voice phishing

KPI on Co-Prospering

- KPI focused on increasing value of both customers and the Bank
- All marketing activities focused on customers
- Evaluating the process of sales and providing more flexibility to front offices for a shift towards “Customer first” sales culture

01

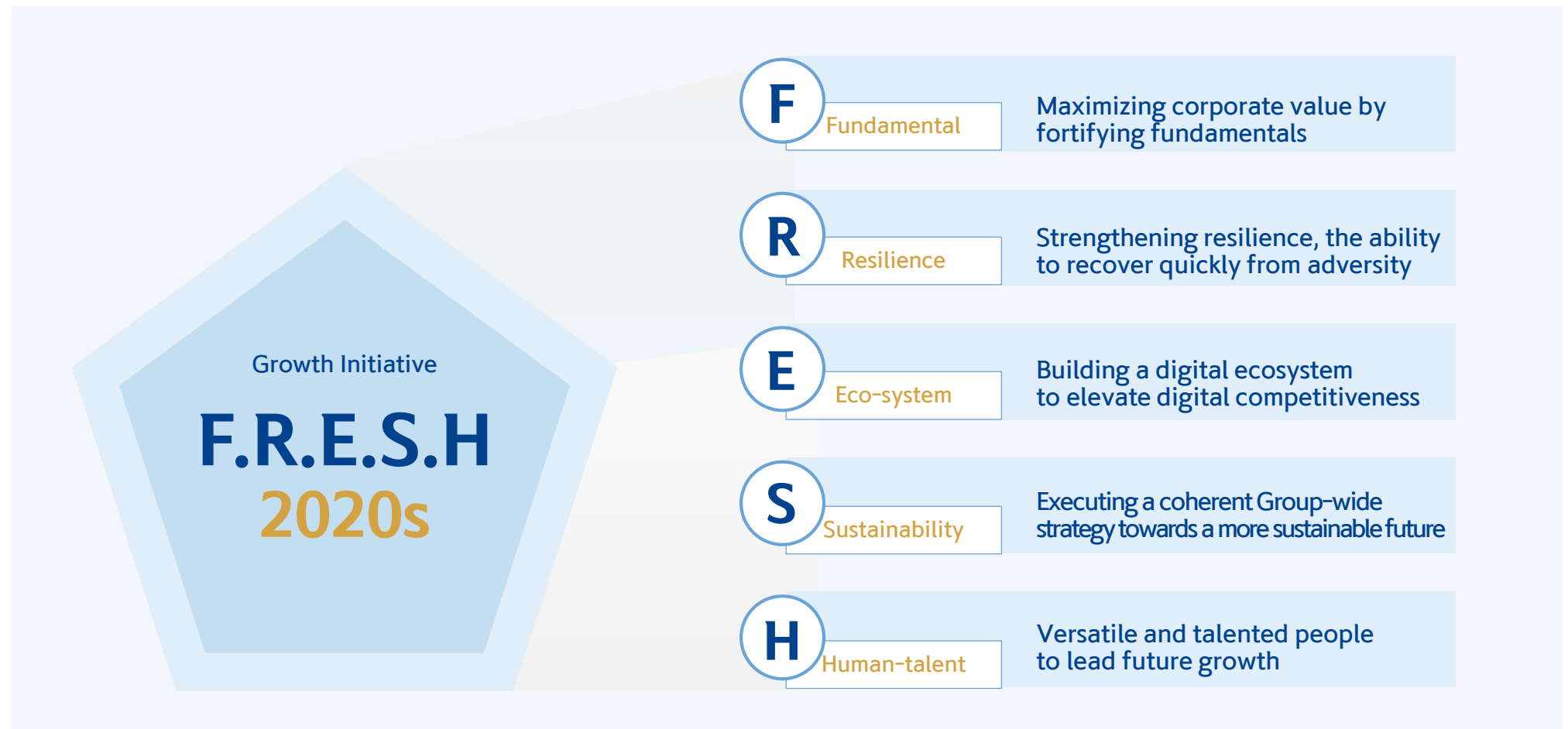
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F.R.E.S.H 2020s

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



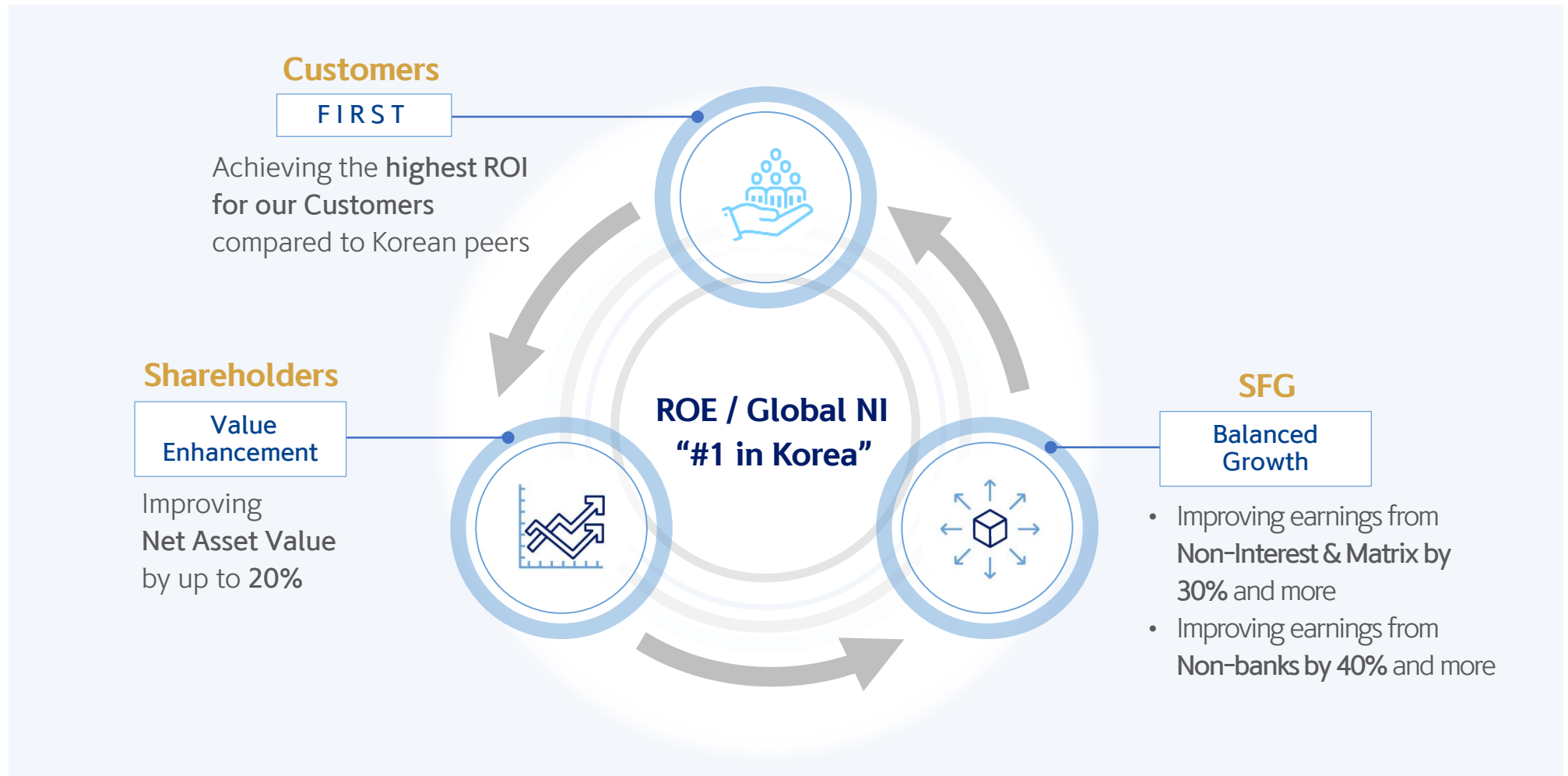
For a precise and efficient implementation, the guide for “F.R.E.S.H 2020s” initiative lays out four strategies and three core competency building tasks.

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



[F.R.E.S.H 2020s] Mid-term Financial Target

By establishing a virtuous cycle of “Customer First”, “Shareholder Value Enhancement”, and “Balanced Growth of SFG”, SFG aims to embody “Excellence” from the perspective of our customers and shareholders rather than from the sole perspective of the company.



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

Bank,
Credit Card

Investment,
Insurance,
Others

Key Elements for Optimal Growth



SFG Global Networks: 20 Countries, 225 Networks

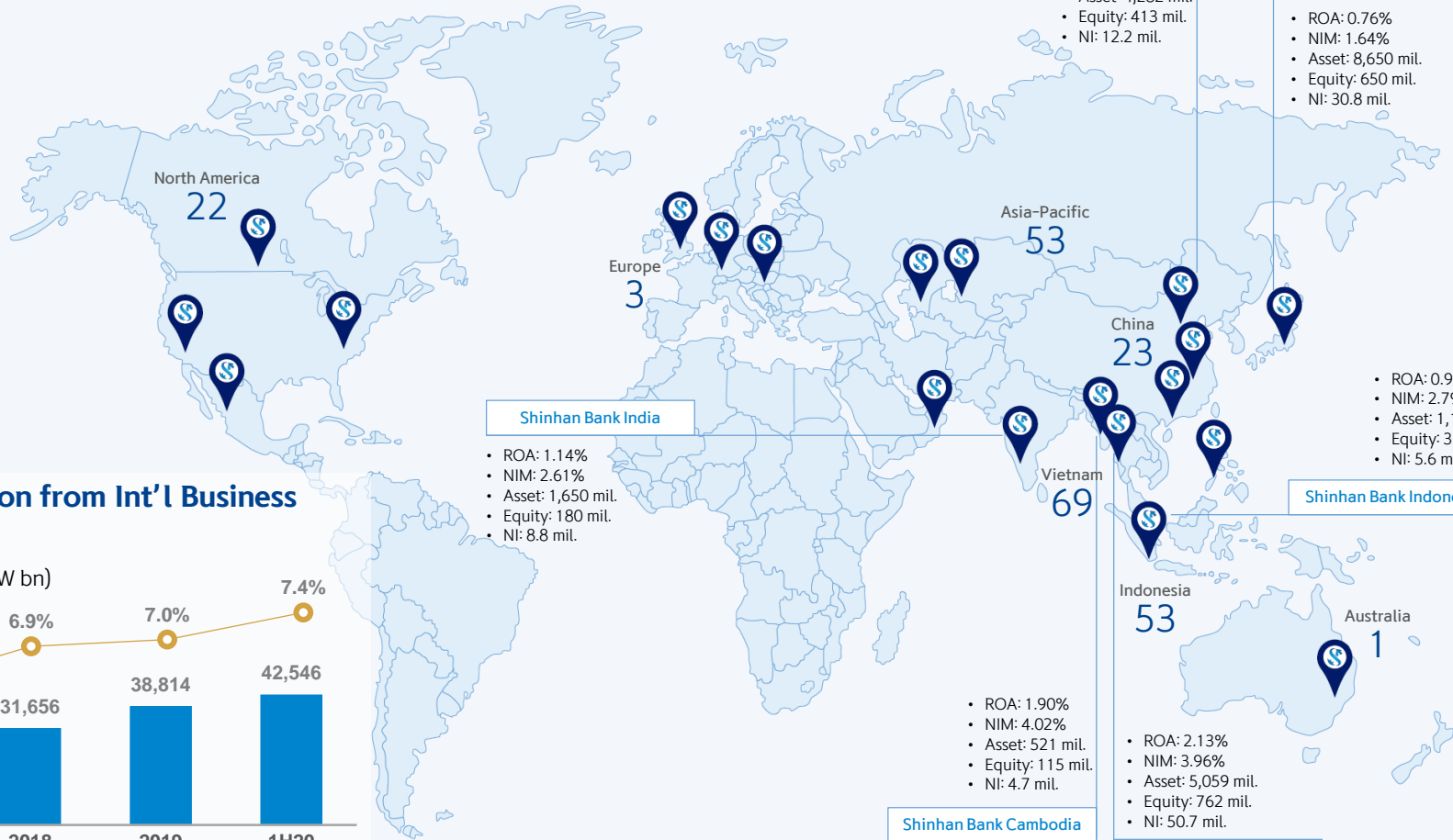
(as of 1H 2020, USD)

of Countries

20

of Networks

225



Shinhan Bank China

- ROA: 0.57%
- NIM: 1.71%
- Asset: 4,282 mil.
- Equity: 413 mil.
- NI: 12.2 mil.

Shinhan Bank Japan

- ROA: 0.76%
- NIM: 1.64%
- Asset: 8,650 mil.
- Equity: 650 mil.
- NI: 30.8 mil.

Shinhan Bank India

- ROA: 1.14%
- NIM: 2.61%
- Asset: 1,650 mil.
- Equity: 180 mil.
- NI: 8.8 mil.

Shinhan Bank Indonesia

- ROA: 0.93%
- NIM: 2.79%
- Asset: 1,163 mil.
- Equity: 316 mil.
- NI: 5.6 mil.

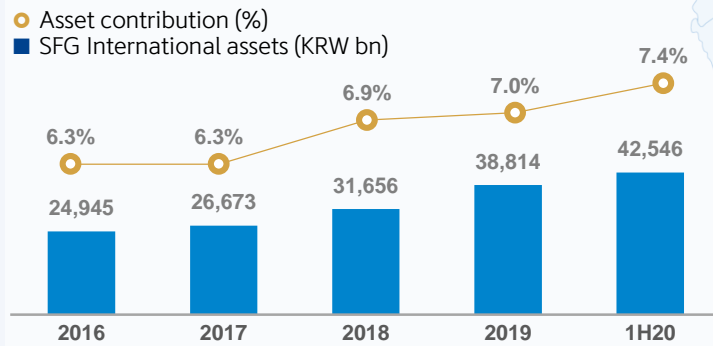
Shinhan Bank Cambodia

- ROA: 1.90%
- NIM: 4.02%
- Asset: 521 mil.
- Equity: 115 mil.
- NI: 4.7 mil.

Shinhan Bank Vietnam

- ROA: 2.13%
- NIM: 3.96%
- Asset: 5,059 mil.
- Equity: 762 mil.
- NI: 50.7 mil.

Asset Contribution from Int'l Business



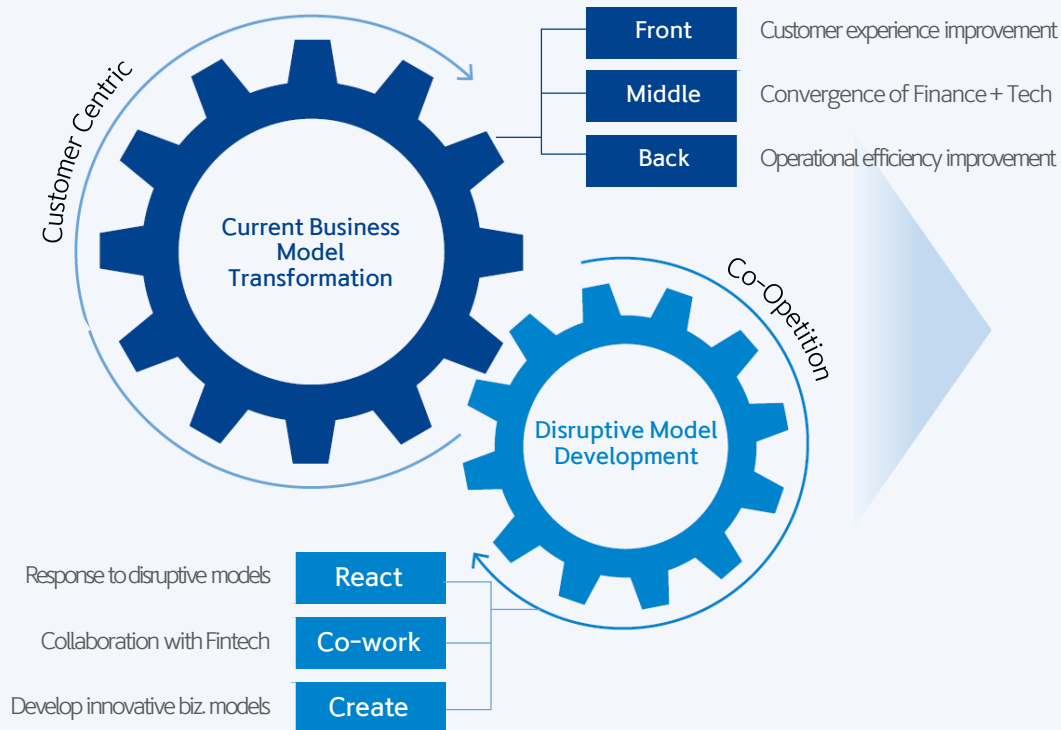
NOTE KRW converted from F/X rates at the end of the respective periods



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

2Track 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

- Providing excellent customer experience through a single view, seamless omni channel



Middle

Develop Digitally Innovative Products/Services

- Digitally specialized, mobile, convergence products and services



Back

Improve Operational Efficiency

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



Disruptive Model Development

Respond

Respond to Online Banks

- Enhancing product, service, platform competitiveness

Shinhan FacePay
Payment system using facial recognition technology



Collaborate

Collaboration with Fintech

- Developing collaborative models by creating fintech ecosystem in Shinhan
- Establishing Open innovation Platform

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

Collaboration with approx. 170 companies

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

SFG Major Alliances

Global ICT



Telecom



Fintech



Messenger



Electronics



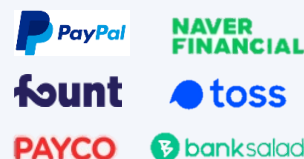
Commerce



Portal/Game



Sharing Platform



Creating Fintech Ecosystem

Shinhan Future's Lab

An Industry-first Fintech support program and 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	1 (2020)	4	Robo-Advisor, cyber security etc.

191 coop. models

Shinhan Future's Lab Development

Investment of 27.7 Wbn in 46 Future's Lab companies

- Direct Investment : 20.2 Wbn
- Indirect Investment : 7.5 Wbn

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

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

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

- Fostering 4 companies in 2020

SFG has established the Group Mission based on Shinhan Bank's founding spirit. Under the Group mission, "Compassionate Finance", SFG has established various initiatives to contribute to the enhancement of the value of its customers, society and shareholders.

Development of SFG's Sustainable Management Strategy & Initiatives

1982 Incorporation of Shinhan Bank

"Be Original, Productive,
and Compassionate"

→ The founding spirit

2011 ~ Establishment of Group Mission



→ To make a better world through finance

Initiatives

01

2020 CSR Project

02

ECO Transformation 20-20

03

Society of Hope Project

04

Triple-K Project

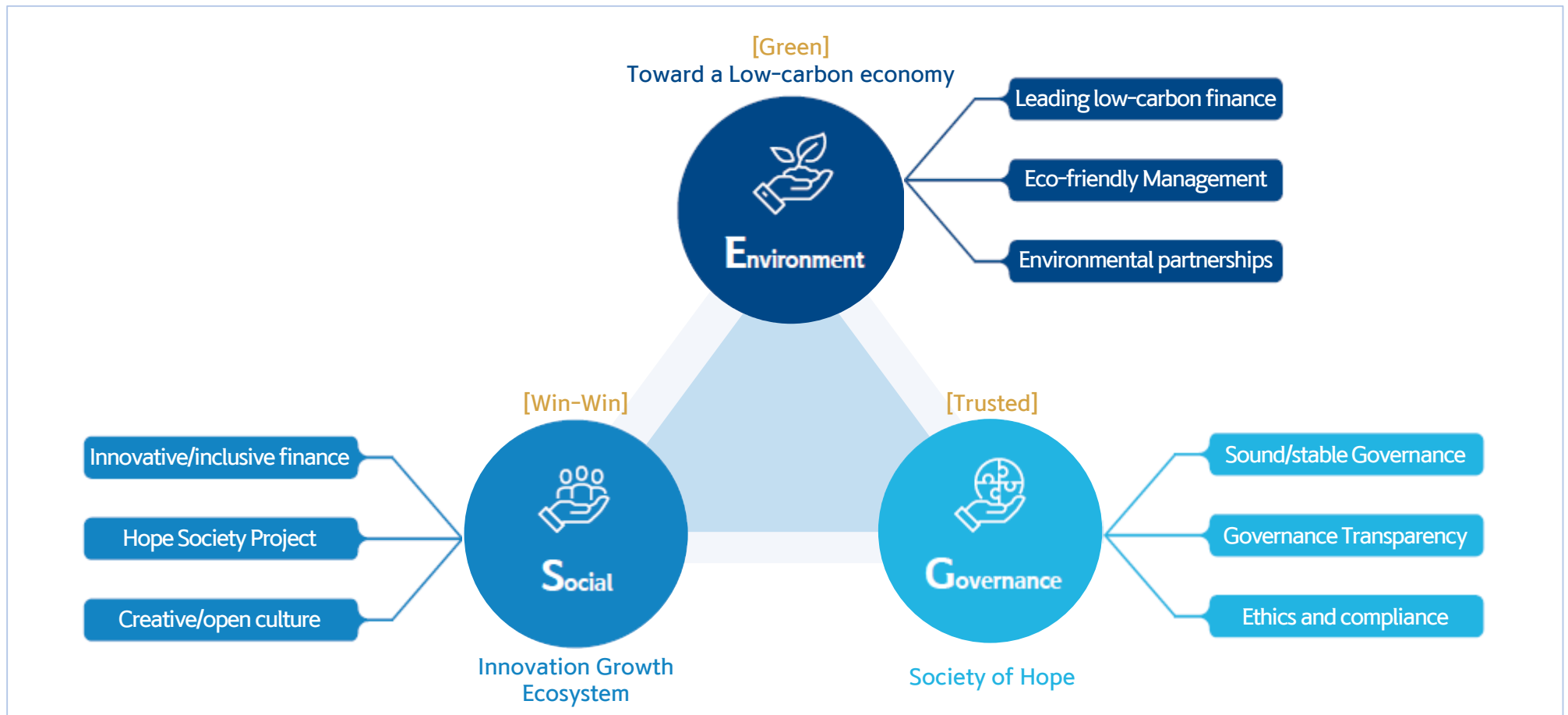
05

Shinhan SHeroes

etc.

To expand the values of sustainability and innovative finance across our entire business portfolio, and achieve systematic progress in our ESG efforts, SFG will promote the development of our ESG system in three directions: “Green Management”, “Win-Win Management”, and “Trusted Management.”

Shinhan Financial Group’s ESG Table



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2020 CSR Strategy

To enhance the mid to long-term values of customers, society and shareholders, SFG has set up 2020 CSR Strategies” in an attempt to proactively respond to a changing sustainability management environment. The strategies formulate the three pillars as well as six commitment strategies ranging from products to service to management.

2020 CSR Strategy Framework



Global ESG Initiatives

Shinhan Financial Group has been partaking in a major global sustainability management initiative as part of its endeavors to join the initiatives of international society to ensure sustainable development.

Major Global ESG Initiatives



Carbon Disclosure Project

- Shinhan Bank(2007), Shinhan BNPP AM(2008) join as a signatory
- SFG becomes a signatory (2009)

UN Global Compact

- SFG joins UN Global Compact (2008) as part of an ongoing commitment to human rights, labor empowerment, and the environment.

Principles for Responsible Banking

- SFG participates in drafting UN PRB (2018)
- SFG becomes an official signatory (2019)

Principles for Sustainable Insurance

- Shinhan Life becomes an official signatory of UN PSI (2020)

TCFD Pilot Program

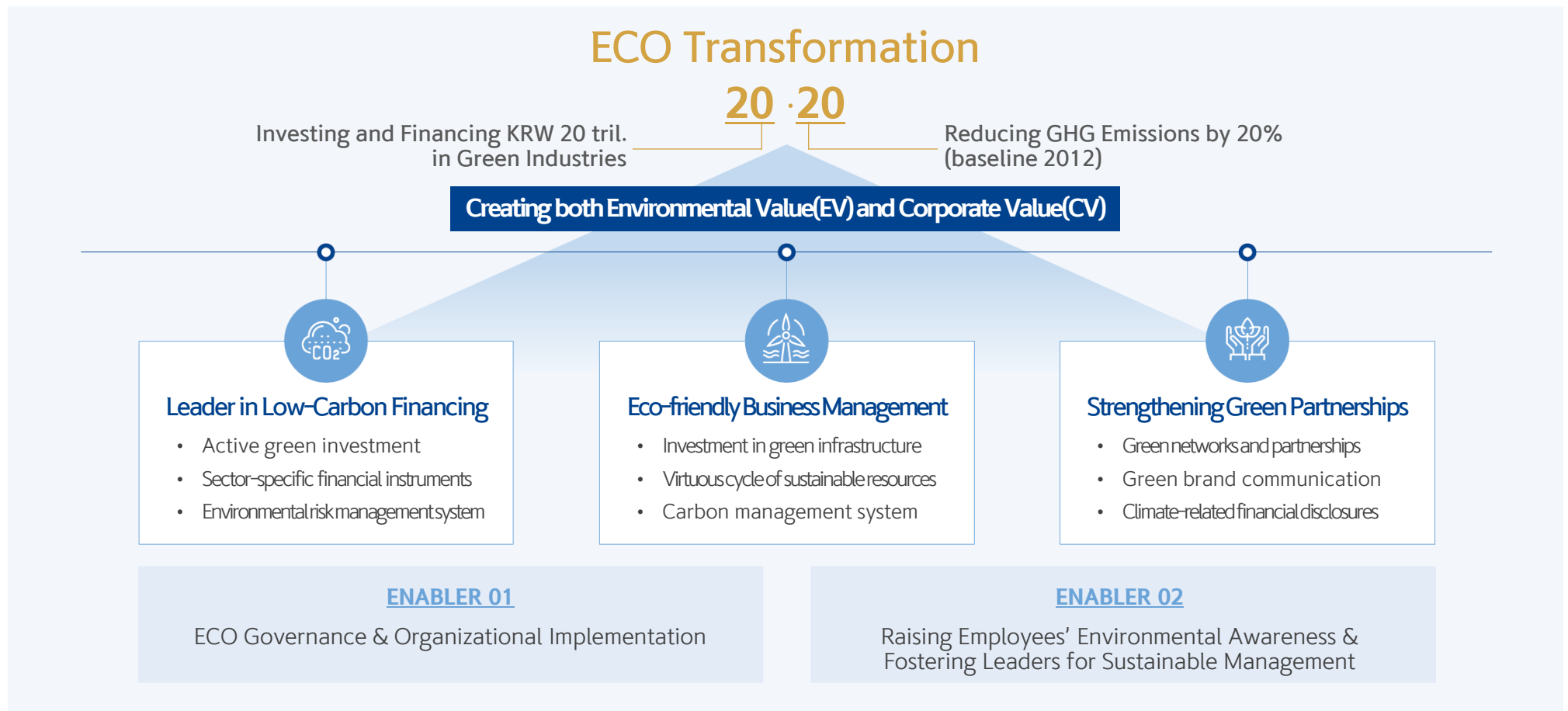
- SFG participates in the 2nd pilot program led by UNEP FI for the implementation of TCFD recommendations (2019)



ECO Transformation 20·20

SFG announced “ECO Transformation 20·20” as its environmental vision for 2030 in order to ensure that its management operations are sustainable, future-oriented and environmentally friendly. As part of this vision, SFG is planning to invest KRW 20 trillion in green industries and to reduce its GHG emissions by 20% by the year 2030.

ECO Transformation 20·20



Society of Hope Project

SFG launched a “Society of Hope Project” geared towards solving social problems such as the eradication of polarization and job creation, and is injecting resources amounting to KRW270 billion by 2020. This Project builds a new social contribution system structured at the Group level, thus eliminating overlap at the subsidiary level.

Society of Hope Project



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.

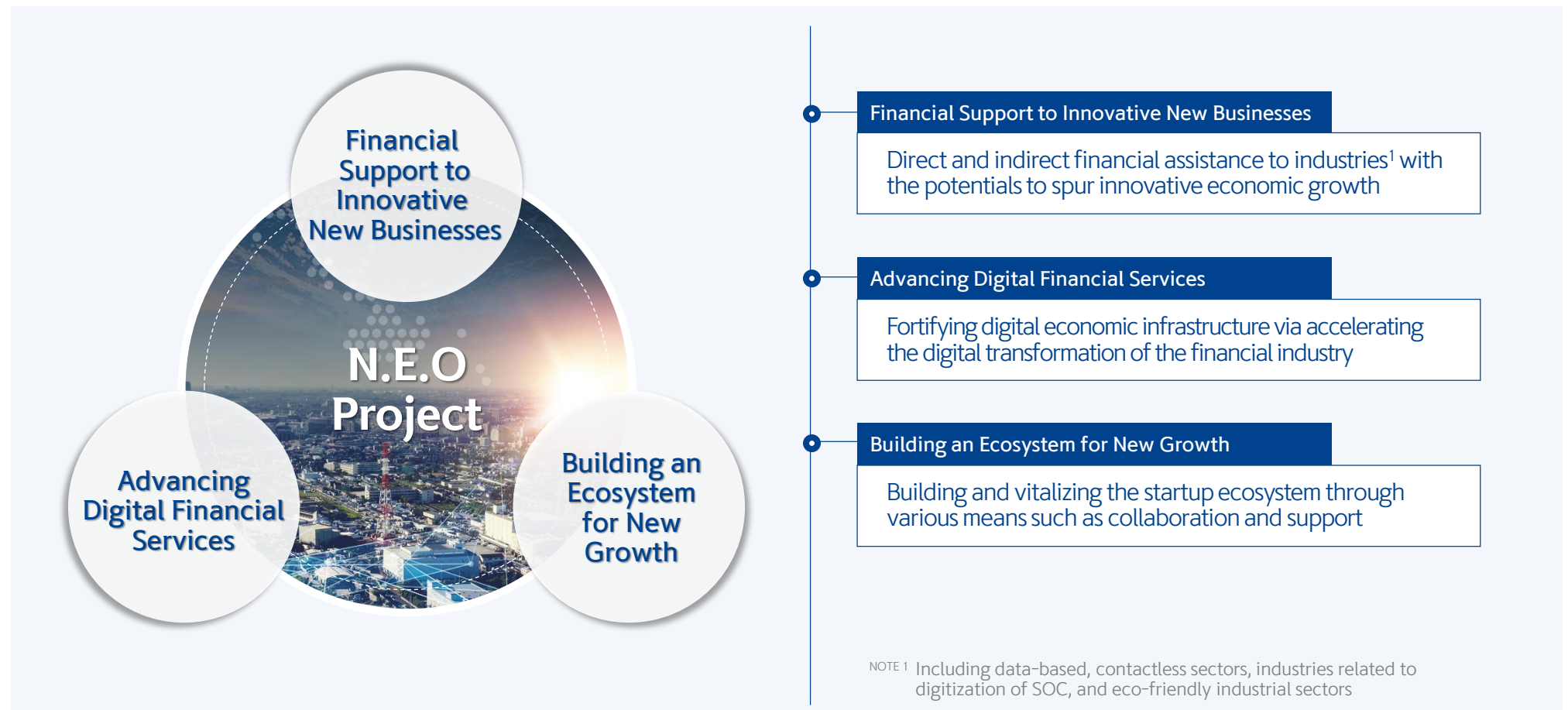
Triple-K Project



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

13 persons

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



SHeroes Programs



Mid-term Goals & Key Tasks



Build foundations

- Build a platform to foster female leaders

Full Implementation

- More support for developing competencies

Build a healthy cycle

- 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).

ESG-related Recognitions

SFG is included in major 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
KCGS Korea Corporate Governance Service	Corporate Governance Grades	Grade: A+	-	Received A+ grade and higher for 5 consecutive years (2015~2019)
MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM	DJSI	Ranking : 6th Score: 84	DJSI World DJSI Asia-Pacific DJSI Korea	Included in DJSI World index for the first time among Korean financial groups for 7 consecutive years
2019 GLOBAL100	Global 100	Banking Sector: 6th Total: 43rd	Global 100	Selected Global 100 Most Sustainable Corporations by Davos Forum for 8 consecutive years
CDP DISCLOSURE INSIGHT ACTION	CDP	Leadership A	-	Included in the Honors Club for 5 consecutive years
MSCI ESG Research	MSCI ESG	Grade: AA	MSCI ACWI ESG MSCI EM ESG MSCI Korea ESG	Received AA Grade for 3 consecutive years
ISS	ISS Quality Score	Grade: 1	-	-
대신지배구조연구소 Daeshin Corporate Governance Institute	Daeshin Corporate Governance Inst.	The Best Company among Korean financial groups	-	-
Bloomberg	Gender Equality Index	-	GEI	Included in Bloomberg GEI for 2 consecutive years (2019-2020)

02

Companies in the Group

2-01 Shinhan Bank

2-02 Shinhan Card

2-03 Shinhan Investment

2-04 Shinhan Life

2-05 OrangeLife

2-06 Shinhan Capital

2-07 Shinhan BNP Paribas AM

2-08 Jeju Bank

2-09 Shinhan Savings Bank

2-10 Asia Trust

2-11 Shinhan DS

2-12 Shinhan AITAS

2-13 Shinhan Credit Info.

2-14 Shinhan Alternative Inv.

2-15 Shinhan REITs Mgmt.

2-16 Shinhan AI

02

Companies in the Group

Shinhan Bank

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2-16 Shinhan AI

Overview

Shinhan Bank Overview

Shinhan Bank is a leading commercial bank in Korea.

Total Asset (including Trust A/C)

471.5 KRW tril.¹⁾

'20.1H Net Income

1,140.7 KRW bil.²⁾

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

2) Net Income: Consolidated basis

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

Network

1,032

(as of 1H 2020)

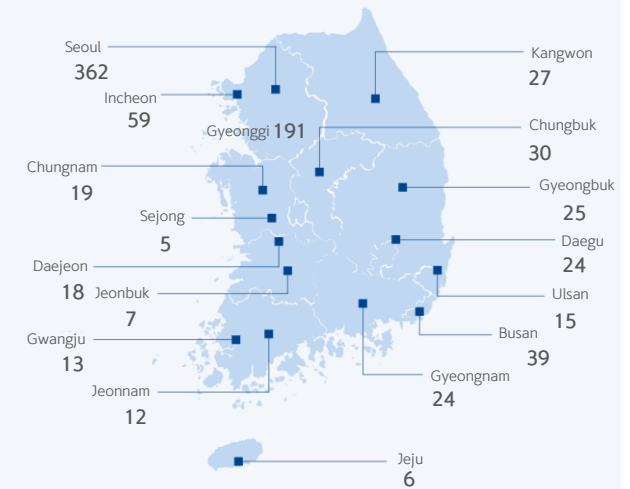
Domestic

876

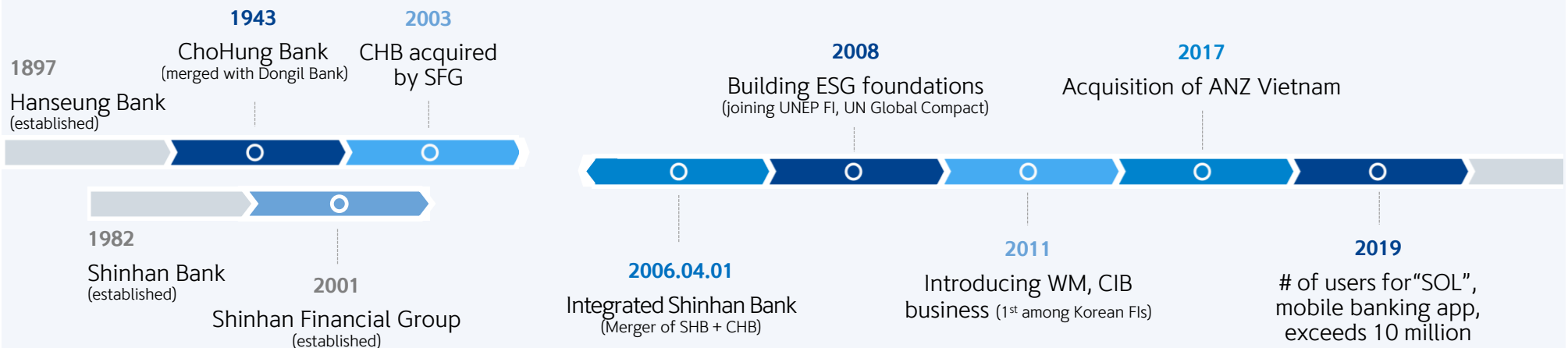
Overseas

156

* Including local subsidiaries, branches, and offices



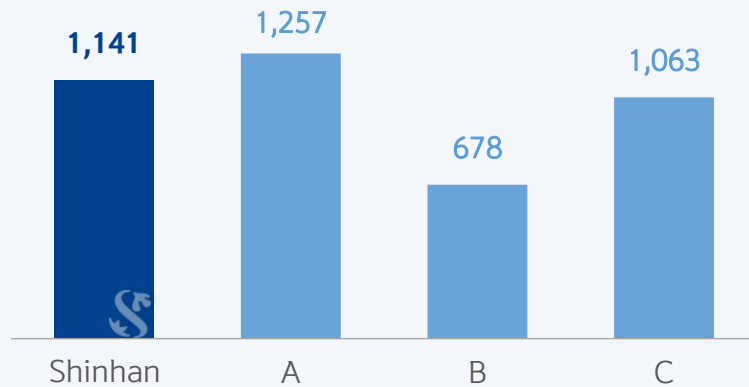
Key Milestones



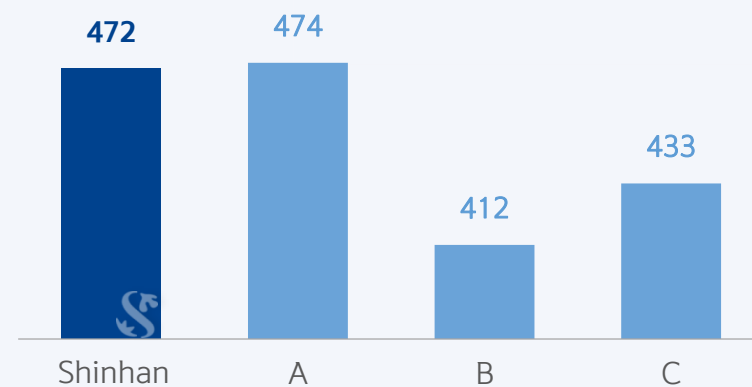
Market Position

(As of 1H 2020)

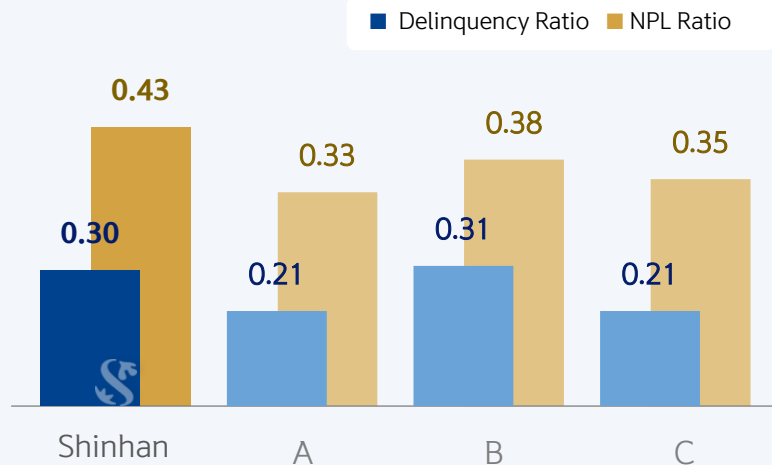
Consolidated Net Income (Unit: KRW bil.)



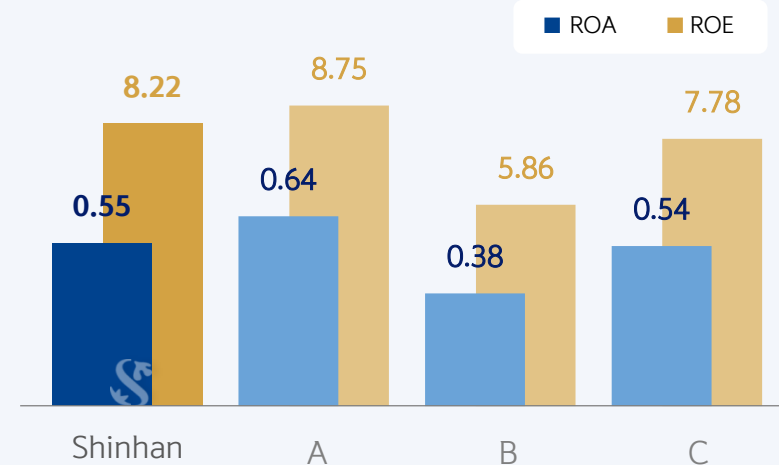
Total Assets (Unit: KRW tril.)



Asset Quality (Unit: %)



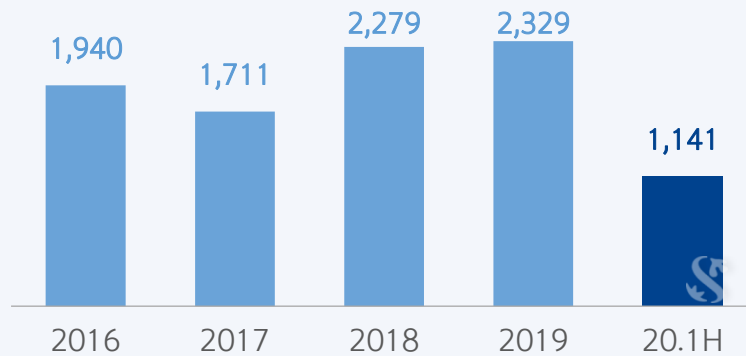
ROA, ROE (Unit: %)



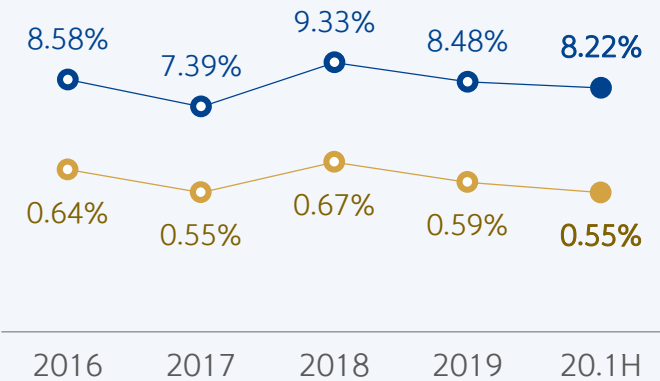
Financial Highlights

(As of 1H 2020)

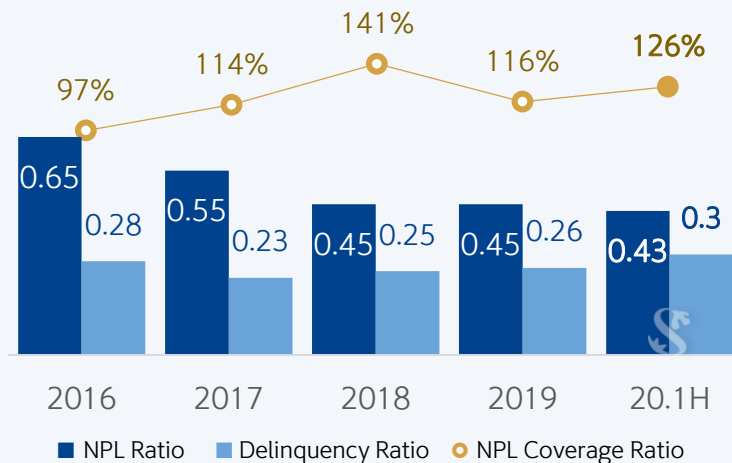
Consolidated Net Income (Unit: KRW bil.)



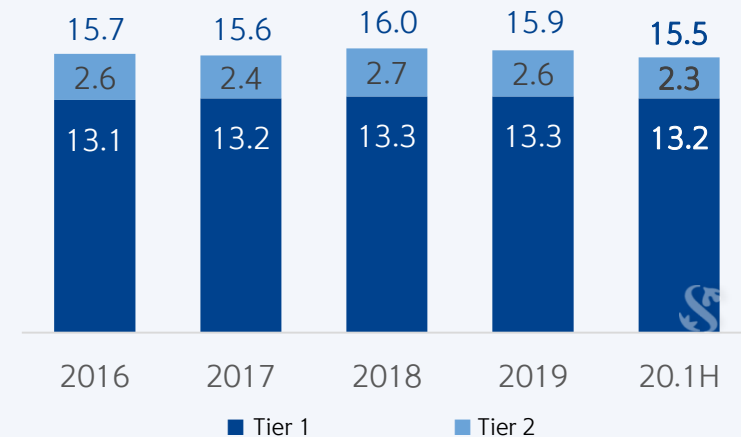
ROA, ROE (Unit: %)



Asset Quality (Unit: %)



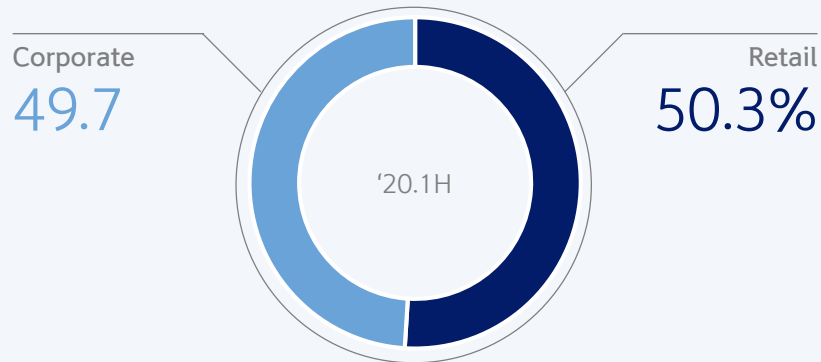
Capital Adequacy (Unit: %)



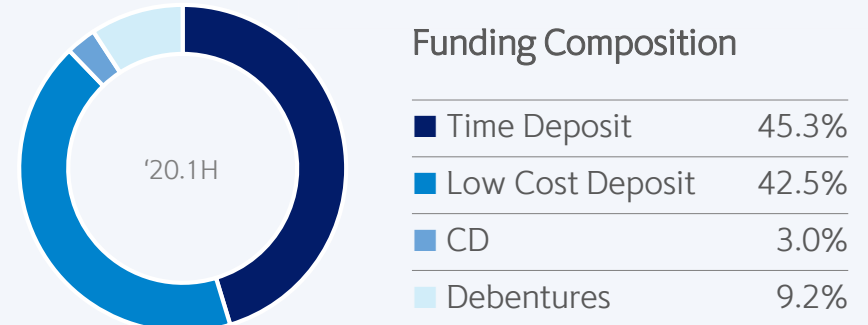
Competitive Edge

(As of 1H 2020)

Balanced Loan Portfolio

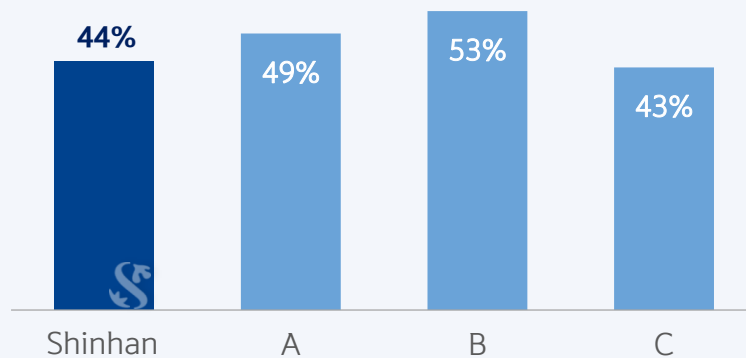


Stable Funding Base



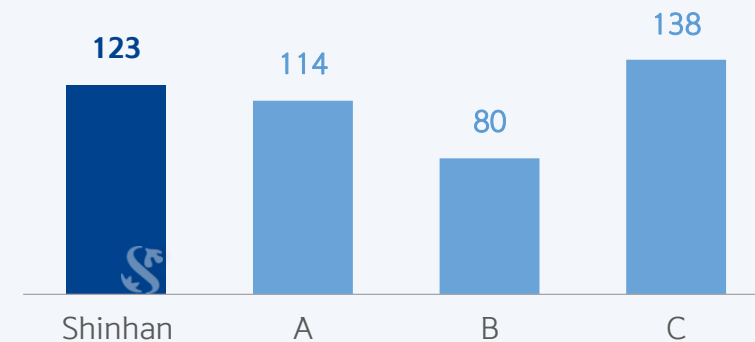
Stable Cost Management

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



Sound Per-Capita Productivity

| Per-Capita Pre-provisioning Income Comparison (Domestic, Unit: KRW mil.)



02

Companies in the Group Shinhan Card

2-01 Shinhan Bank

2-02 Shinhan Card

2-03 Shinhan Investment

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2-13 Shinhan Credit Info.

2-14 Shinhan Alternative Inv.

2-15 Shinhan REITs Mgmt.

2-16 Shinhan AI

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

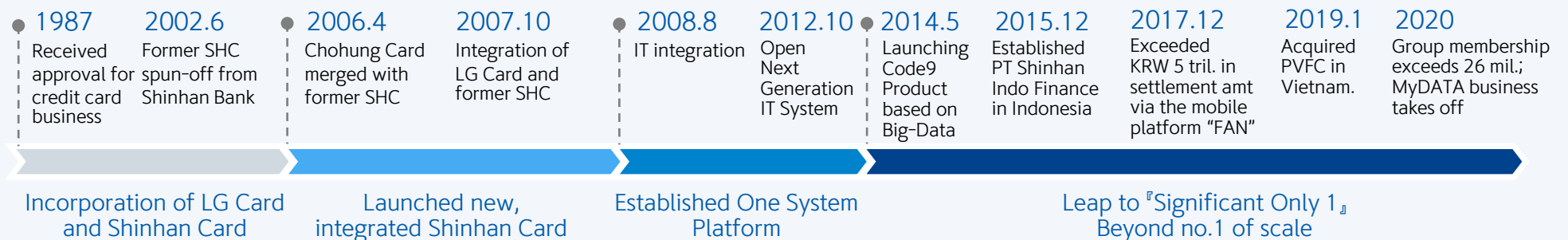
No. 1 Credit Card in Korea Shinhan Card

- 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

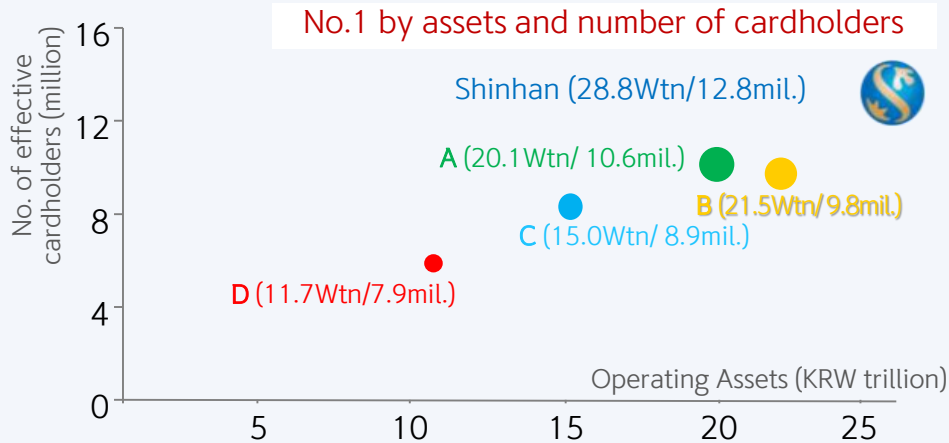
Key Milestones (Incorporation Date: 1996.08.26)



Market Position

(As of 1H 2020)

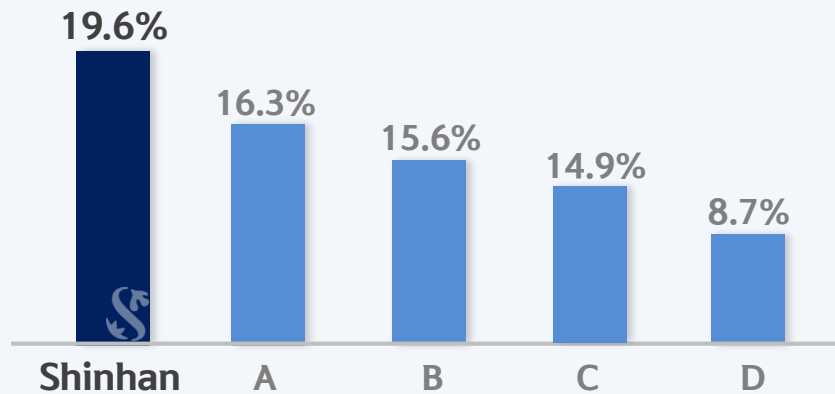
Operating Assets and Cardholders



Credit Rating

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

M/S by Credit Purchase Volume



Bona fide No.1 Credit Card Company in Korea



- 2019.09 Awarded **1st place** in 3 categories for 8 consecutive years by Korea Brand Power Index (K-BPI)
- 2019.08 Awarded **Presidential Marking** in "2019 Reading Culture Awards" by Ministry of Culture, Sports and Tourism
- 2019.08 Awarded **Presidential Award** at 2019 Korea Digital Management Innovation Awards
- 2020.03 Awarded **1st place** for 9 years in a row in **Korea Brand Power Index (K-BPI)** by KMAC
- 2020.02 Awarded **"Korea's Most Admired Company in Korea"** for 13 consecutive years, becoming "All Star" Company
- 2020.01 Awarded **1st place** in "2020 Korea Brand Hall of Fame" by The Institute for Industrial Policy Studies

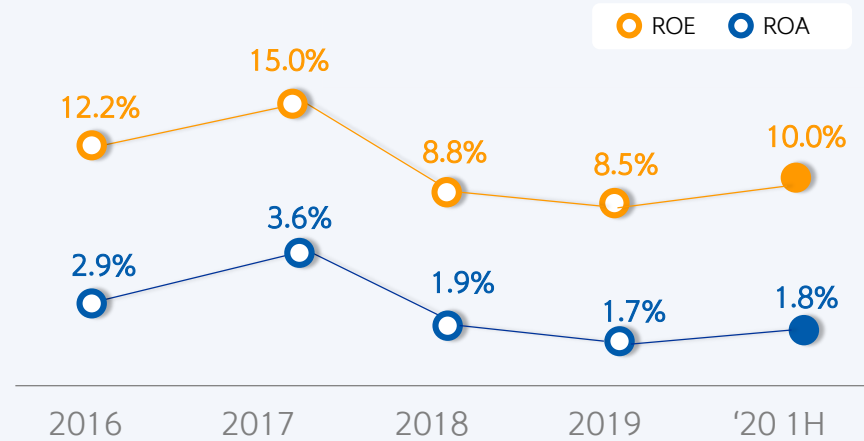
Financial Highlights

(As of 1H 2020)

Operating Revenue & Net Income (Unit: KRW bil.)



ROA, ROE



Adjusted Equity Capital Ratio (Unit: %)



Delinquency Ratio¹⁾



1) 1 month and over delinquent

02

Companies in the Group Shinhan Investment

2-01 Shinhan Bank

2-02 Shinhan Card

2-03 Shinhan Investment

2-04 Shinhan Life

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2-14 Shinhan Alternative Inv.

2-15 Shinhan REITs Mgmt.

2-16 Shinhan AI

Overview

(As of 1H 2020)

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

45.9 KRW tril.

'20. 1H Net Income

57.1 KRW bil.¹⁾

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

1) Consolidated basis

Network

126

(as of 1H 2020)

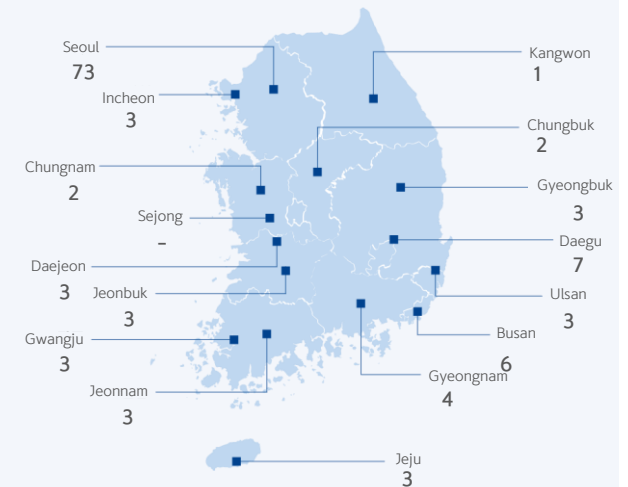
Domestic

119

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 1H 2020)

Ranking of IB Business

* June 2020 (Source: the bell)

	2018	2019	2020.1H
ABS	2 nd	2 nd	4 th
Corp. Bonds	5 th	6 th	6 th
IPO	4 th	9 th	5 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	-

Market Share in Brokerage

	2018	2019	2020.1H
Equities	5.9%	5.6%	7.3%
Futures	9.6%	18.8%	15.7%
Options	6.8%	6.3%	7.2%

Rank by AUM from Corporates

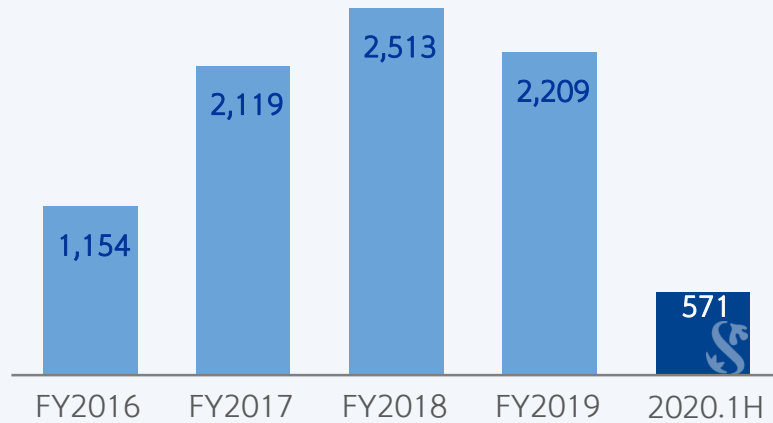
	Rank	AUM
1	Shinhan Investment	50 Wtn.
2	M	47 Wtn.
3	H	46 Wtn.
4	N	32 Wtn.

(Source: KOFIA, as of June. 2020)

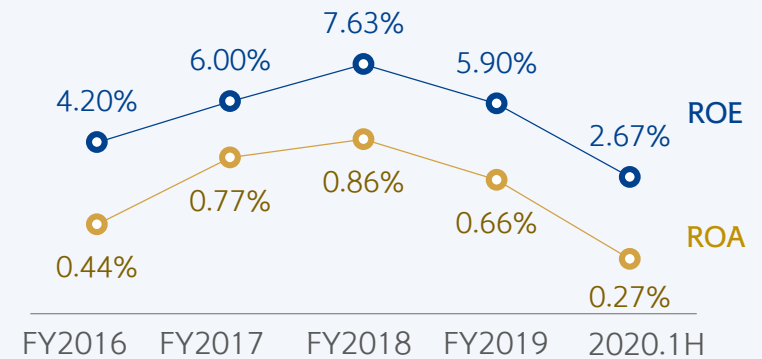
Financial Highlights

(As of 1H 2020)

Consolidated Net Income (Unit: KRW bil.)



ROA, ROE (Unit: %)

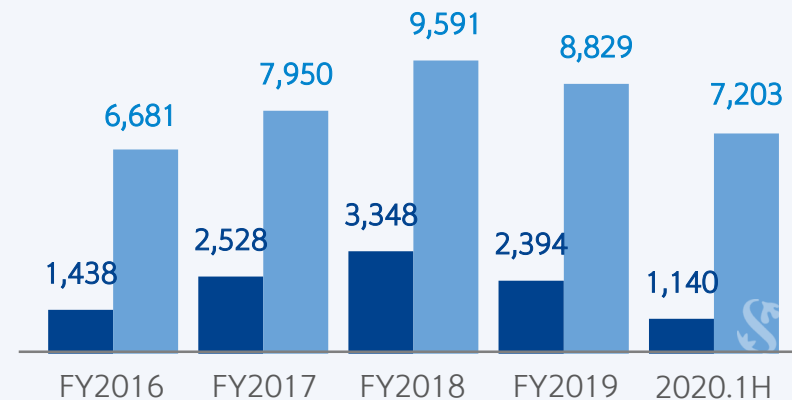


AUM (Unit: KRW tril.)



Operating Income, Revenue (Unit: KRW bil.)

■ Oper. Income ■ Oper. Revenue



02

Companies in the Group

Shinhan Life

2-01 Shinhan Bank

2-02 Shinhan Card

2-03 Shinhan Investment

2-04 Shinhan Life

2-05 OrangeLife

2-06 Shinhan Capital

2-07 Shinhan BNP Paribas AM

2-08 Jeju Bank

2-09 Shinhan Savings Bank

2-10 Asia Trust

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2-12 Shinhan AITAS

2-13 Shinhan Credit Info.

2-14 Shinhan Alternative Inv.

2-15 Shinhan REITs Mgmt.

2-16 Shinhan AI

Shinhan Life Overview

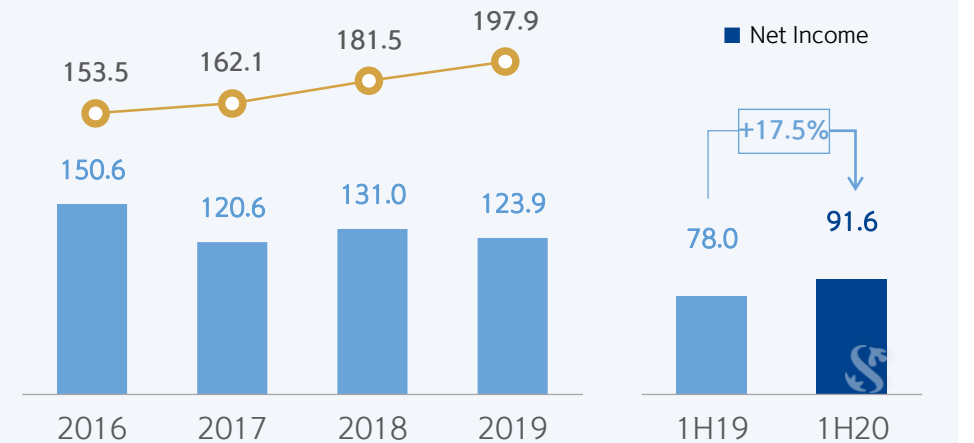
Shinhan Life Insurance provides sophisticated and customized insurance and financial services through diversified channels to meet customer needs.

Key Milestones

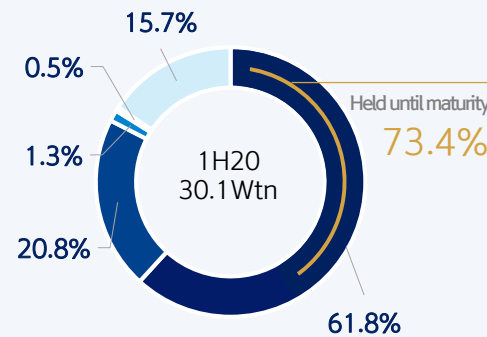
JAN 1990	Shinhan Life Insurance established
JAN 1997	Started Tele-Marketing Sales
SEP 2003	Launched Bancassurance products
DEC 2005	Joined SFG as a subsidiary
JUL 2006	Launched Financial Full-service named as "Tops Club" for the first time in the industry
NOV 2008	Established new internal insurance management 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

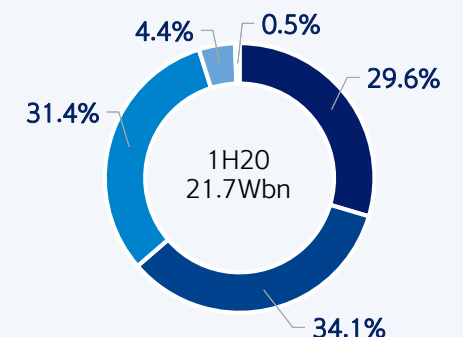
Net Income (Consolidated basis)



AUM Portfolio (Consolidated basis)



APE



■ Bond ■ Loan ■ Cash/deposits
■ Equity ■ Others

■ FC ■ DB ■ GA
■ BA ■ Others

Financial Highlights

(As of 1H 2020)

Condensed Income Statements¹⁾

(KRW bil., %)	2017	2018	2019	1H20
Operating Income	164.9	185.5	210.0	107.6
Operating Revenue	6,002.1	5,634.7	5,406.0	2,750.4
Operating Expense	5,837.3	5,449.2	5,196.0	2,642.8
Non-operating Income	-2.2	-4.7	-10.0	-7.9
Net Income before tax	162.6	180.7	200.0	99.7
Net Income	121.2	130.5	125.4	75.4

1) under K-IFRS standards, separate basis

Asset Composition

(KRW bil.)	2017	2018	2019	1H20	
General Accounts	Cash & Equivalent	1,165	1,613	1,411	497
	Securities	18,150	19,950	21,791	23,144
	Loans	5,780	6,274	6,338	6,391
	Others	1,590	1,404	1,388	1,290
Separated Account	3,041	2,783	3,251	3,625	
Total Assets	29,725	32,023	34,179	34,947	

Note) under K-IFRS standards, separate basis

Policies in Force¹⁾

(KRW bil., %)	2019	(%)	1H20	(%)	
General ²⁾ Account	Individual Insurance	111,733	98.1	111,967	97.9
	Pure Endowment	10,779	9.5	10,244	9.0
	Against Death	92,019	80.8	93,338	81.6
	Endowment	8,934	7.8	8,386	7.3
	Group Insurance	475	0.4	426	0.4
	Sub total	112,207	98.5	112,393	98.3
Separated Account	1,744	1.5	1,922	1.7	
Total	113,952	100.0	114,316	100.0	

1) based on subscription amount of an insurance contracts

2) including variable insurance

Key Financial Indicators

(%)	2017	2018	2019	1H20
RBC ¹⁾	175.4	238.7	227.9	237.5
ROA	0.42	0.42	0.38	0.44
ROE	7.06	7.18	6.27	6.98

1) consolidated, under IAS39 standards

02

Companies in the Group OrangeLife

2-01 Shinhan Bank

2-02 Shinhan Card

2-03 Shinhan Investment

2-04 Shinhan Life

2-05 OrangeLife

2-06 Shinhan Capital

2-07 Shinhan BNP Paribas AM

2-08 Jeju Bank

2-09 Shinhan Savings Bank

2-10 Asia Trust

2-11 Shinhan DS

2-12 Shinhan AITAS

2-13 Shinhan Credit Info.

2-14 Shinhan Alternative Inv.

2-15 Shinhan REITs Mgmt.

2-16 Shinhan AI

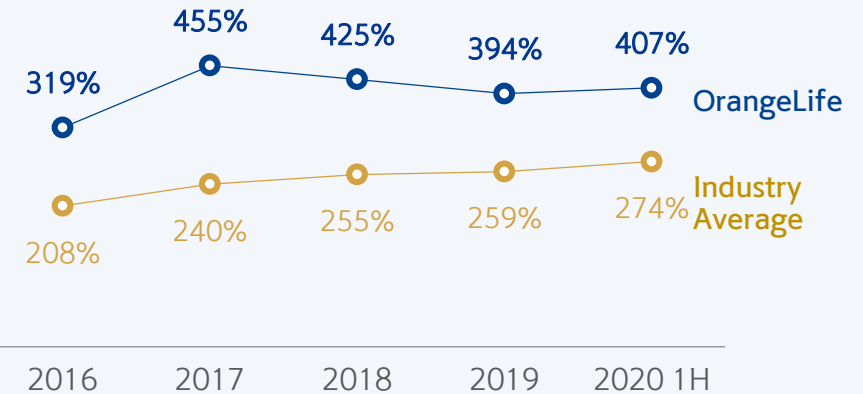
OrangeLife Overview

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

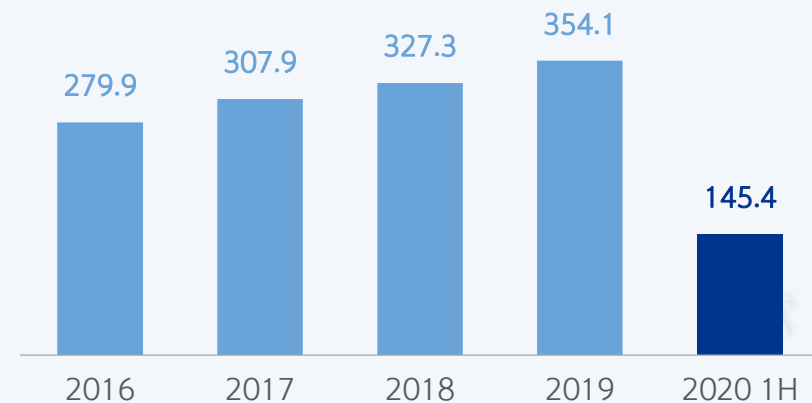
Key Milestones

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 (Unit: %)



Protection APE (Unit: KRW bil.)



APE: Annualized Premium Equivalent

Financial Highlights

Condensed Income Statements¹⁾

(KRW bil., %)	2017	2018	2019	2020 1H
Operating Income	450	413	387	195
Operating Revenue	4,342	5,048	4,662	2,164
Operating Expense	3,892	4,635	4,275	1,969
Non-operating Income	2	0	-2	-6
Net Income before tax	452	413	385	189
Net Income	340	311	272	137

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

Asset Composition

(KRW bil.)	2017	2018	2019	2020 1H	
General Accounts	Cash & Equivalent	560	539	472	913
	Securities	21,864	23,192	23,416	23,419
	Loans	2,812	3,239	2,970	2,746
	Others	640	651	717	669
Separated Account	5,578	5,123	5,266	5,107	
Total Assets	31,455	32,744	32,841	32,854	

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

Policies in Force¹⁾

(KRW bil., %)	2019	(%)	2020 1H	(%)	
General ²⁾ Account	Individual Insurance	3,331	79.2%	1,506	80.8%
	Pure Endowment	414	9.8%	173	9.3%
	Against Death	1,941	46.1%	979	52.6%
	Endowment	976	23.2%	354	19.0%
	Group Insurance	-	0.0%	-	0.0%
	Sub total	3,331	79.2%	1,506	80.8%
Separated Account	876	20.8%	357	19.2%	
Total	4,207	100	1,863	100	

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

2) including variable insurance

Key Financial Indicators

(%)	2017	2018	2019	2020 1H
RBC ¹⁾	455	425	394	407
ROA	1.10	0.97	0.81	0.81
ROE	8.71	8.37	7.06	7.03

1) KLIA reporting basis

02

Companies in the Group

Shinhan Capital

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2-16 Shinhan AI

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

1,118 Wbn.

(Paid-in Capital 180Wbn)

Total Asset

8.5 KRW tril.

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

Vision

Leading credit-specialized financial company in Korea

Strategic Goal

**Leading the future,
CREATIVE CHARGERS!**

Strategic Direction

- Expert Platform Marketing**
- Efficient Support System**
- Exciting Corporate Culture**

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

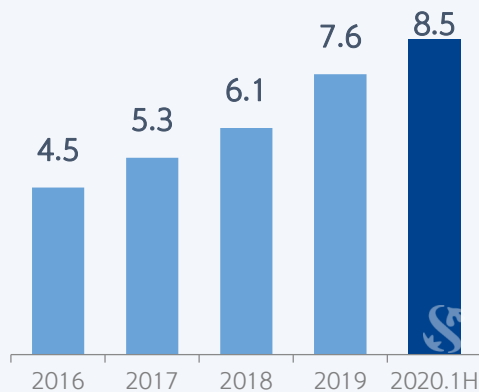
(As of 1H 2020)

Financial Highlights

(KRW billion, %)	2016	2017	2018	2019	2020.1H
Condensed IS					
Operating Revenue	4,506.8	5,315.4	6,116.6	7,566.4	8,529.4
Operating Expense	3,862.4	4,603.8	5,368.3	6,612.5	7,411.1
(SG&A)	644.4	711.6	748.3	854.0	1,118.3
Operating Income	180.0	180.0	180.0	180.0	180.0
Net Income					
Condensed BS					
Total Assets	40.9	110.7	142.9	167.7	113.4
Total Equity	33.9	87.6	103.4	126.1	84.7
Key Financial Indicators					
ROE	5.40%	13.00%	14.50%	15.00%	16.66%
ROA	0.80%	1.80%	1.80%	1.90%	2.12%
Cost-Income Ratio	14.91%	14.05%	13.15%	13.09%	14.11%
NPL Ratio	2.60%	1.40%	0.96%	0.76%	0.71%

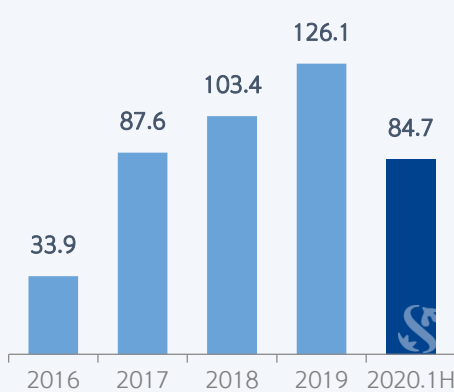
Total Asset

(Unit: KRW tril.)

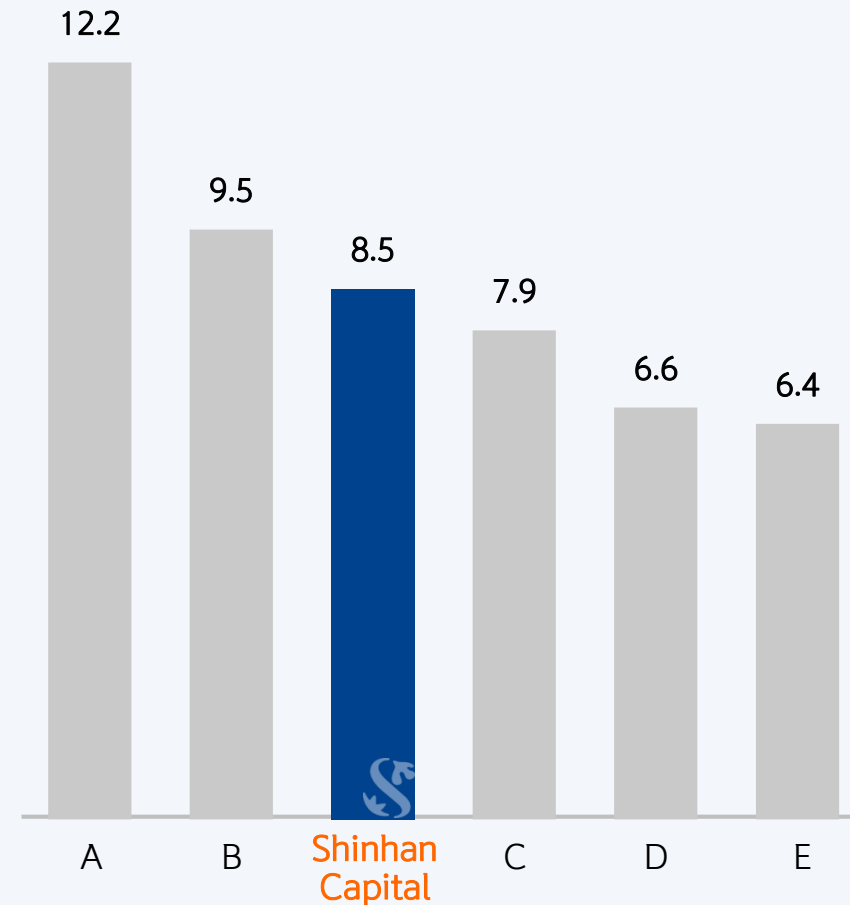


Net Income

(Unit: KRW bil.)



Market Position (Total Asset basis, Unit: KRW tril.)



02

Companies in the Group

Shinhan BNP Paribas AM

2-01 Shinhan Bank

2-02 Shinhan Card

2-03 Shinhan Investment

2-04 Shinhan Life

2-05 OrangeLife

2-06 Shinhan Capital

2-07 Shinhan BNP Paribas AM

2-08 Jeju Bank

2-09 Shinhan Savings Bank

2-10 Asia Trust

2-11 Shinhan DS

2-12 Shinhan AITAS

2-13 Shinhan Credit Info.

2-14 Shinhan Alternative Inv.

2-15 Shinhan REITs Mgmt.

2-16 Shinhan AI

Shinhan BNP Paribas Asset Management Overview

Shinhan BNP Paribas Asset Management was launched through an integration of two outstanding asset management companies; **SH Asset Management**, specialized in investment in domestic equities and bonds, and **Shinhan BNP Paribas Trust Investment**, whose specialty was foreign equity funds. .

Shinhan BNP Paribas Asset Management has provided trustworthy asset management services to our clients for several years and showed fundamentally solid management skills and performance. Beloved 50 million people in Korea, **we will strive to be recognized as the best asset management company in Korea.**

Total Equity

155.4 KRW bil.

AUM

54.6 KRW tril.

* Including discretionary accounts

Major Shareholders

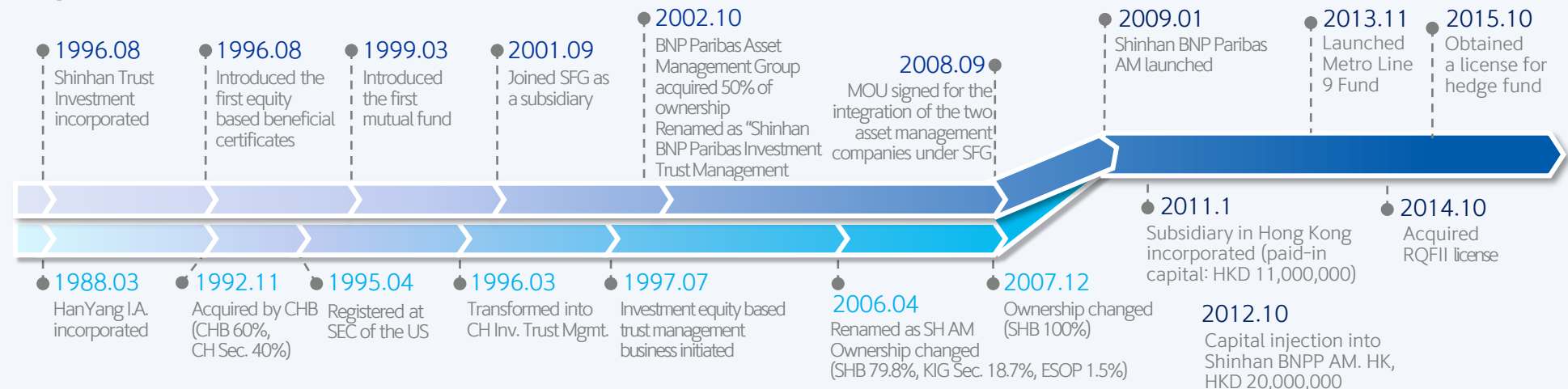
Shinhan Financial Group

65%

BNP PARIBAS Asset Management Holding

35%

Key Milestones (Incorporation Date: 1996.08.26)

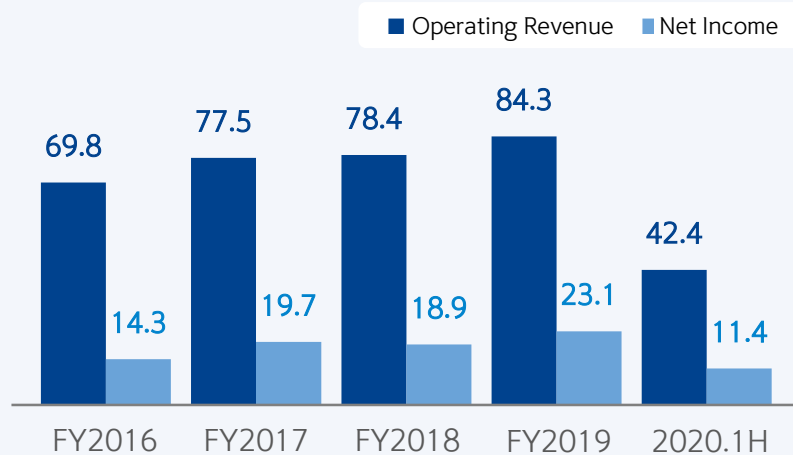


Financial Highlights

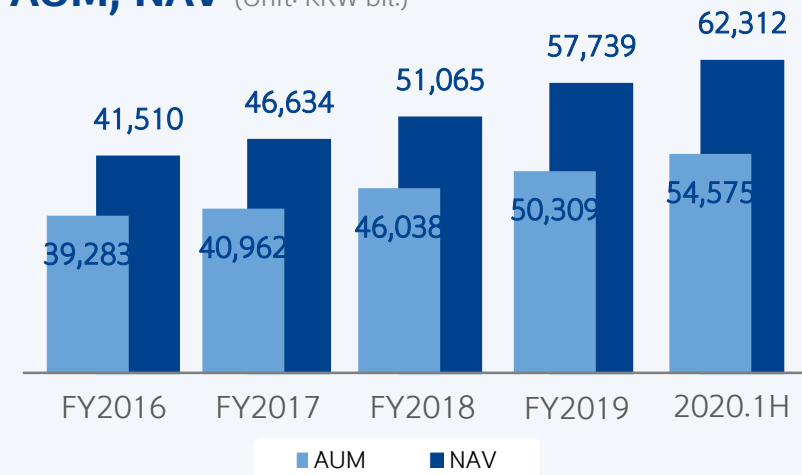
(As of 1H 2020)

Financial Highlights

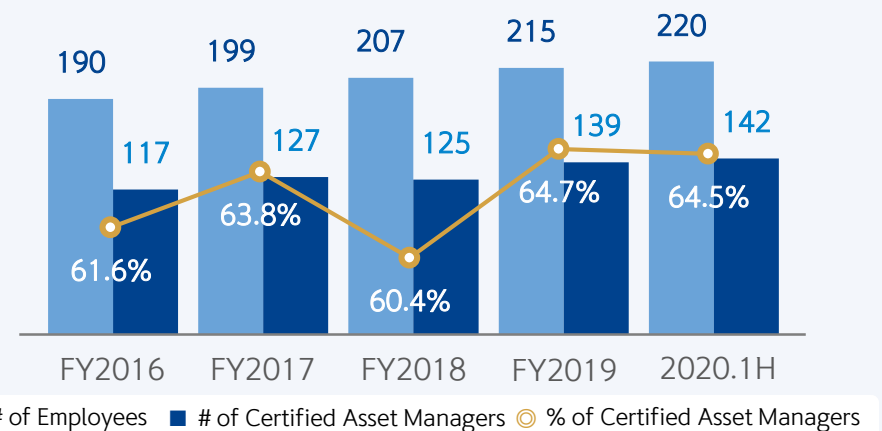
(KRW billion, %)	2015	2016	2017	2018	2019	2020.1H
Condensed IS						
Operating Revenue	83.7	69.8	77.5	78.4	84.3	42.4
Operating Expense	51.8	51.0	51.8	53.8	53.1	26.9
(SG&A)	41.6	42.8	42.5	44.6	46.7	23.0
Operating Income	31.9	18.8	25.7	24.6	31.2	15.5
Net Income	23.7	14.3	19.7	18.9	23.1	11.4
Condensed BS						
Total Assets	170.2	161.2	174.8	174.0	184.2	168.9
Total Equity	154.8	147.8	156.6	159.1	164.5	155.4
Key Financial Indicators						
ROE	15.20%	9.93%	13.25%	12.31%	14.71%	15.34%
ROA	13.18%	8.42%	11.97%	11.07%	13.09%	13.84%



AUM, NAV (Unit: KRW bil.)



Human talent (Unit: persons, %)



02

Companies in the Group

2-01 Shinhan Bank

2-02 Shinhan Card

2-03 Shinhan Investment

2-04 Shinhan Life

2-05 OrangeLife

2-06 Shinhan Capital

2-07 Shinhan BNP Paribas AM

2-08 Jeju Bank

2-09 Shinhan Savings Bank

2-10 Asia Trust

2-11 Shinhan DS

2-12 Shinhan AITAS

2-13 Shinhan Credit Info.

2-14 Shinhan Alternative Inv.

2-15 Shinhan REITs Mgmt.

2-16 Shinhan AI

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 (5.93%)
- **Total Equity:** 507.5 Wbn **Total Assets:** 6.5 Wtn.
- **Networks:** 35 branches and sub-branches (33 in Jeju)
- **Market share in Jeju:** 33.6% of deposits, 24.7% of loans (as of 1H 2020)

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"

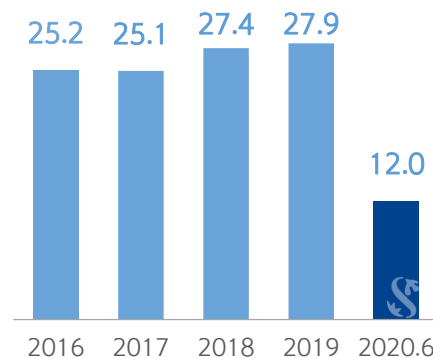
Vision & Strategy



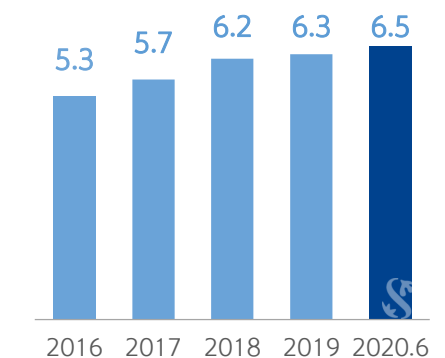
The "Local Best Bank" that enhances value for customers and for Jeju, enshrining them in basic business guidelines.

Financial Highlights

Net Income (Unit: KRW bil.)



Total Asset (Unit: KRW tril.)



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

194.7 Wbn.

Total Asset

1.6 Wtn.

Networks

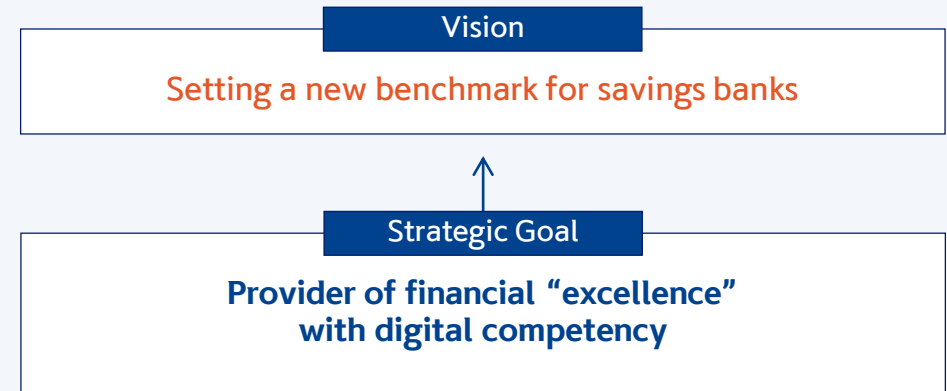
7 branches

* In Seoul metropolitan area

Key Milestones

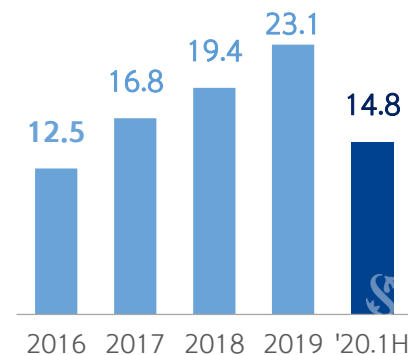
2011. 12	Acquired a savings bank licenses and changed its name to Shinhan Savings Bank upon joining Shinhan Financial Group
2012. 01	Launched business operations
2013. 01	Yehanbyeol Savings Bank joined Shinhan Financial Group
2013. 04	The former Shinhan Savings Bank and Yehanbyeol Savings Bank were merged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

Vision and Strategy

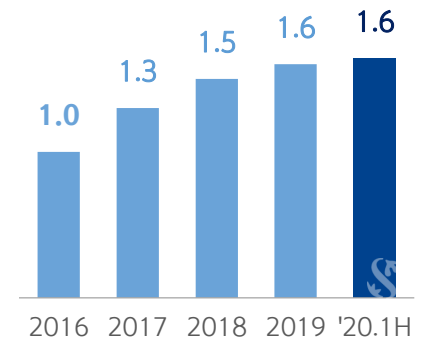


Financial Highlights

Net Income (Unit: KRW bil.)



Total Asset (Unit: KRW tril.)



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
148.1 Wbn.	34.8 Wtn.

Key Milestones

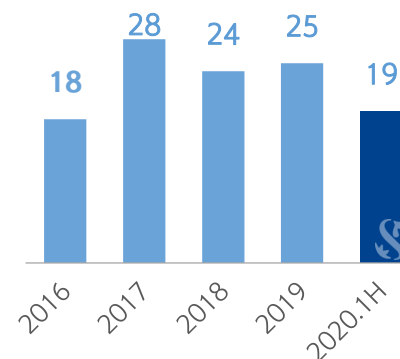
2006.10.18.	Company established
2007.07.06.	Obtained Trust Business License
2007.08.24.	Renamed to 'Asia Asset Trust'
2008.02.21.	Obtained Managed Land Trust License
2008.11.25.	Renamed to 'Asia Trust'
2009.01.15.	Obtained Borrowed Land Trust License
2010.03.17.	Increased Paid-in capital (173,400 shares, 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

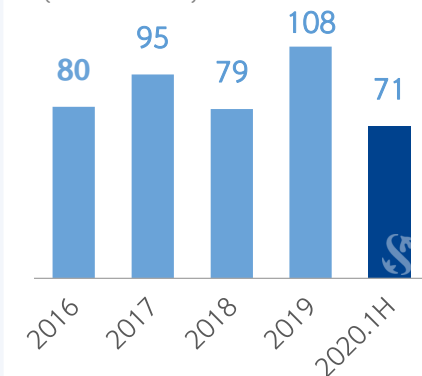


Financial Highlights

Net Income
(Unit: KRW bil.)



Order Performance
(Unit: KRW bil.)



Shinhan DS Overview

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



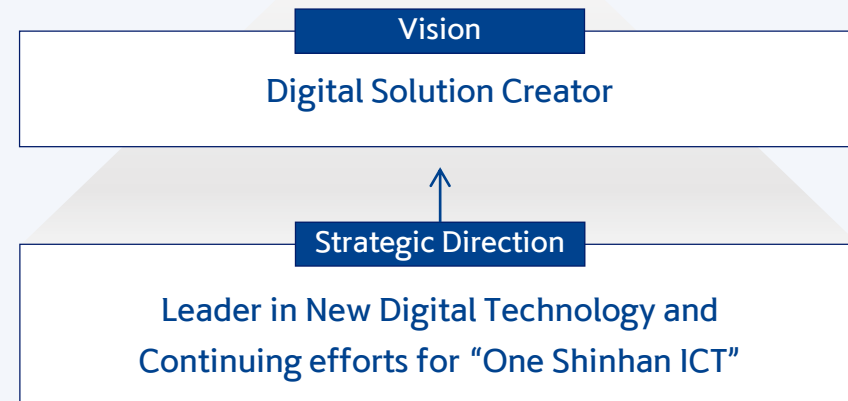
* As of '20.1H (Consolidated basis)

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

Compassionate ICT,
Your Companion for the future



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 1H 2020)

69.9 KRW bil.

No. of Employees

267 persons

Key Milestones

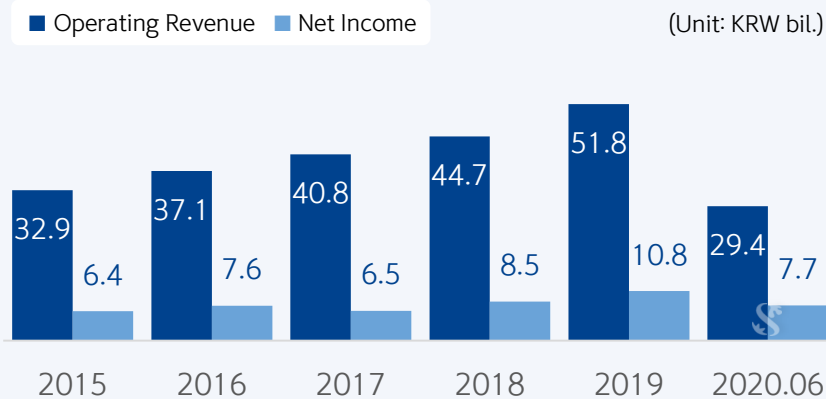


Financial Highlights

(As of 1H 2020)

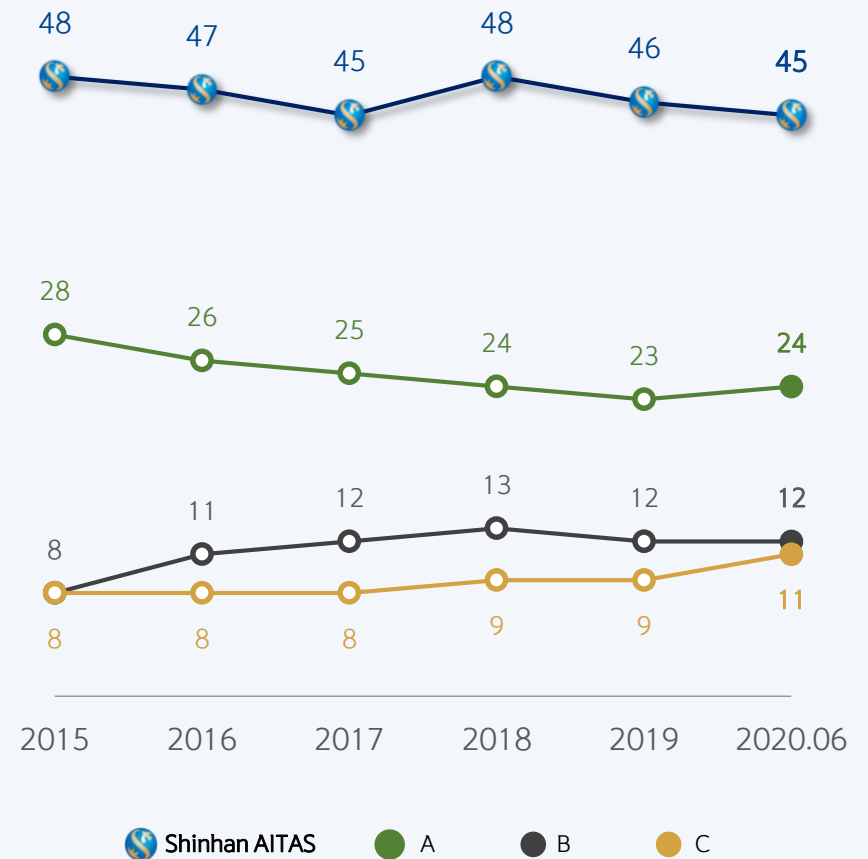
Financial Highlights

(Unit: KRW bil.)	FY2015	FY2016	FY2017	FY2018	FY2019	2020.06
Condensed IS						
Operating Revenue	32.9	37.1	40.8	44.7	51.8	29.4
Operating Expense	25.1	27.6	33.0	34.4	38.7	19.9
(SG&A)	25.1	27.6	33.0	34.4	38.7	19.9
Operating Income	7.8	9.5	7.9	10.4	13.1	13.1
Net Income	6.4	7.6	6.5	8.5	10.8	9.5
Condensed BS						
Total Asset	42.7	53.9	58.2	65.7	77.1	79.3
Total Equity	37.8	45.5	52.0	58.4	66.1	69.9
Key Financial Indications						
ROE	16.96%	16.79%	12.48%	14.50%	17.56%	22.64%
ROA	14.99%	14.16%	11.14%	12.87%	15.46%	19.78%
Cost-Income Ratio	76.18%	74.37%	80.76%	76.82%	74.70%	67.74%



Market Position

(term-end basis, including discretionary assets)



(As of 1H 2020)

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)

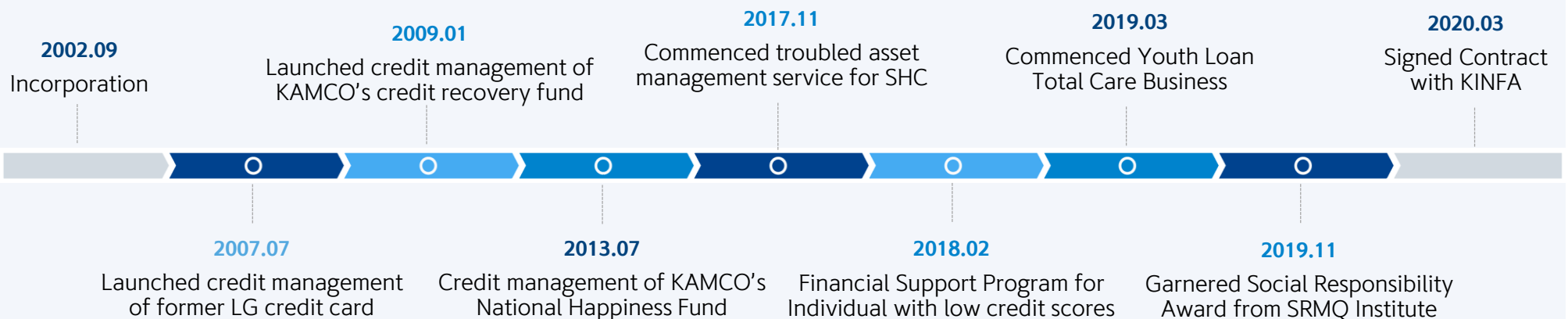
- Sales Revenue: 21.6 Wbn.
- Customers: approx. 450,000
- Debt Collection: 99.1 Wbn.

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), 3.2 Wtn. (Public credit)
- # of credit research: approx. 200,000 cases
- Beneficiaries of financial support program: 8,895 persons (accumul.)

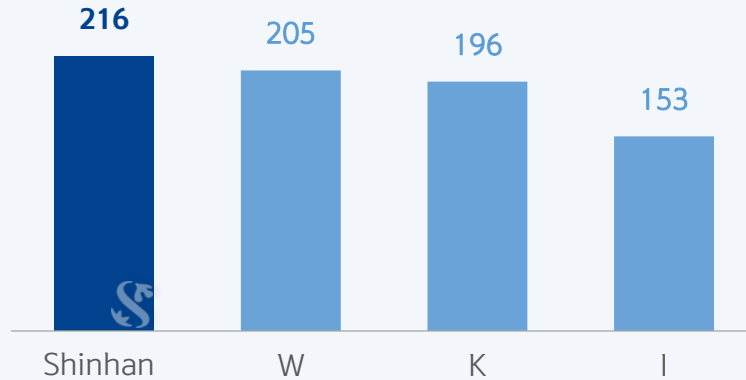
Key Milestones



Market Position & Network

(As of 1H 2020)

Operating Revenue (Unit: KRW mil.)



Global Certification (Information Security)



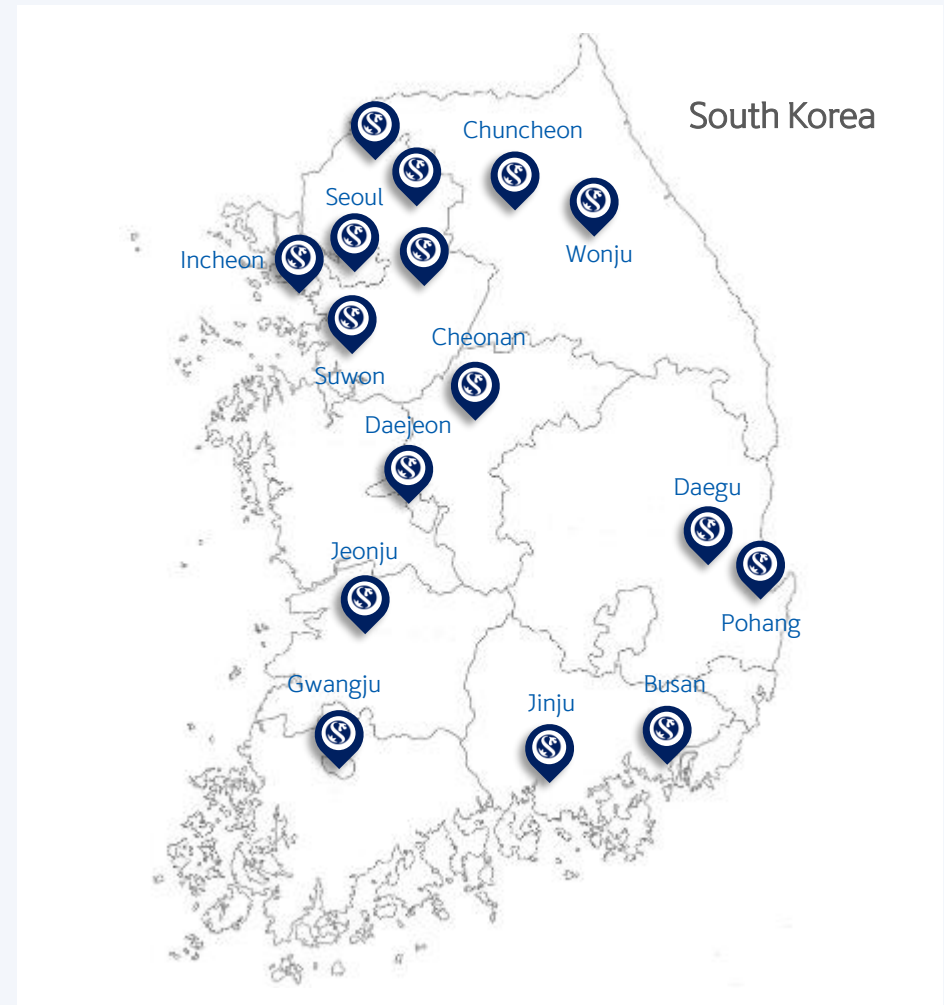
ISO 27001

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 1H 2020)

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

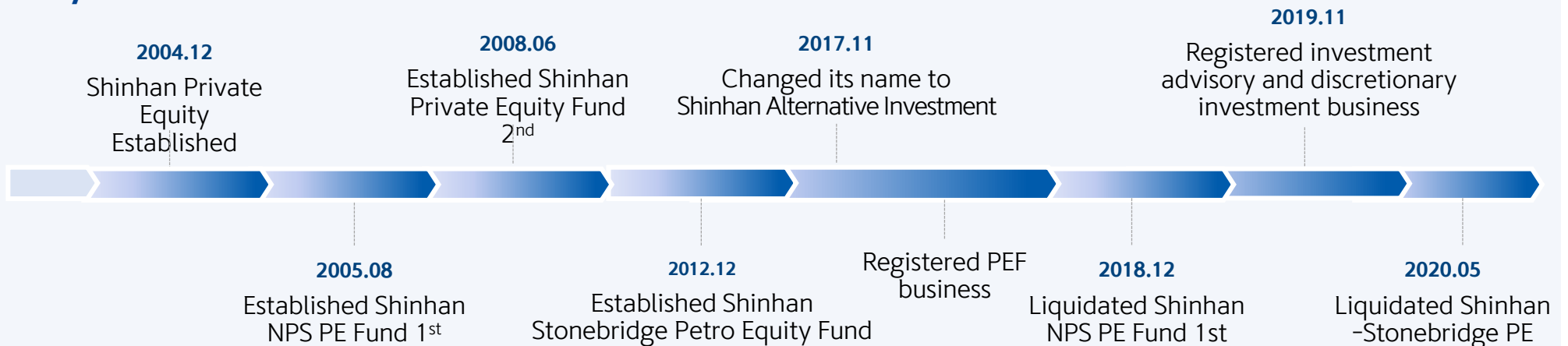
Incorporation Date
Dec. 8, 2004

CEO
KIM Hee-song

Total Equity
14.8 KRW bil.

AUM (committed basis)
Approx. **7.5** KRW tril.

Key Milestones

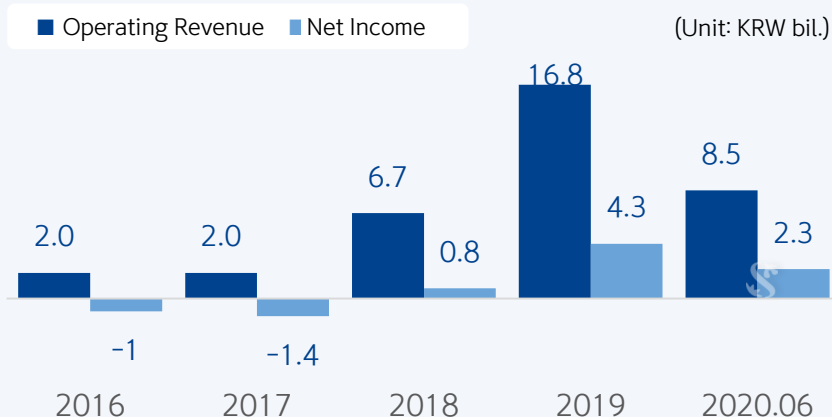


Financial Highlights

(As of 1H 2020)

Financial Highlights

Unit: KRW bil., %	2016	2017	2018	2019	2020.06
Condensed IS					
Operating Revenue	2.0	2.0	6.7	16.8	8.5
Operating Expense (SG&A)	2.3	2.9	6.1	11.2	5.5
Operating Income	-0.2	-0.9	0.5	5.6	3.0
Net Income	-1.0	-1.4	0.8	4.3	2.3
Condensed BS					
Total Assets	14.2	13.1	15.2	19.7	58.2
Total Equity	8.8	7.4	8.2	12.5	14.8
Key Financial Indicators					
ROE	-10.8%	-19.2%	9.9%	34.2%	15.4%
ROA	-6.7%	-10.8%	5.4%	21.7%	3.9%
Cost-to-Income Ratio	112.0%	142.5%	91.9%	66.6%	64.2%



Operation Overview

Private Equity Funds

Shinhan Private Equity Fund 2nd

- 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'

Private Placement Funds

Real Estate Funds (Real estate, structured, etc.)

- # of Funds: 25
- Committed amount: 3,661 Wbn
- Launch date: DEC 22, 2017

Infrastructure (Infrastructure, FOF, Credit, etc.)

- # of Funds: 26
- Committed amount: 3,318 Wbn
- Launch date: FEB 28, 2018

Others (Social Enterprise, etc.)

- # of Funds: 2
- Committed amount: 32 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

38.9 Wbn.

AUM

1.06 Wtn.

Key Milestones

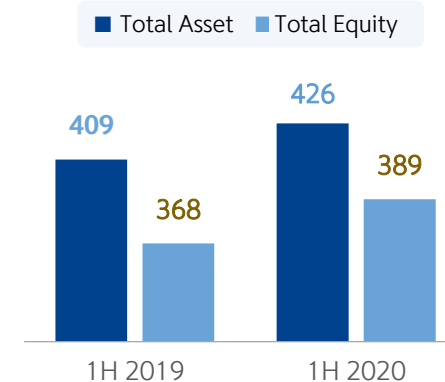
2017.10	Shinhan REITs Management Established (100% owned by SFG)
2017.12	Selected as a preferred bidder for Pangyo Alpha dome(6-4BL) Project
2017.12	Launched 1st REITs (Shinhan Alpha REITs)
2018.04	Shinhan Alpha REITs Acquired underlying assets (Pangyo Alpha dome 6-4BL, The Prime Tower equity)
2018.07	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

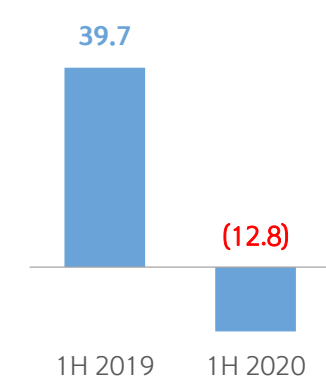
Strategic Direction	Strategic Tasks
Leading the Real Estate Finance Business	<ul style="list-style-type: none"> ① Expand AUM ② Increase REITs returns ③ Preemptive response to regulatory changes
Accelerating One Shinhan Synergy	<ul style="list-style-type: none"> ① Increase collaboration within the Group ② Develop diversified products ③ Increase the asset management capacity
Strengthening Management Infrastructure	<ul style="list-style-type: none"> 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

Shinhan REITs Management Business Highlights



Pangyo
Alpha Dome City

Shinhan Alpha REITs

Launch Date	DEC 18, 2017
Listed Date	AUG 8, 2019
Underlying Assets	- Pangyo Alpha Dome City 6-4BL - The Prime Tower (Wonhyo-ro) - Daeil Building (Gwanggyo)
AUM	837.1 KRW bil. - Market Capital: 350.6 KRW bil. (as of June 2020)
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	131.0 KRW bil. (as of June 2020)

Shinhan Hotel Cheonan REITs

Launch Date	JUL 18, 2019
Underlying Assets	Cheonan Shilla Stay
AUM	82.7 KRW bil. (as of June 2020)

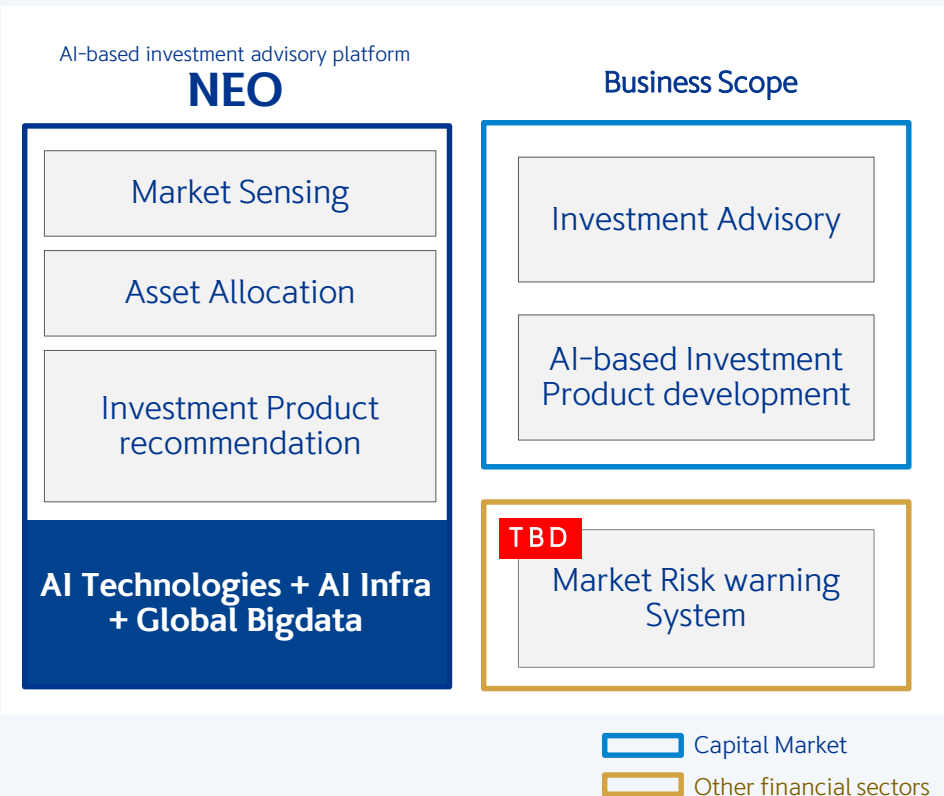
Shinhan AI Overview

- 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 42.4 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
MAY 2020	<ul style="list-style-type: none"> • Initiated the beta service for Market Warning System

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, and is preparing to invest in AI-based investment products, risk detection/alert systems.



Forward-Looking Statements

Shinhan Financial Group's 1H 2020 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.



Shinhan Mobile IR Application ① ir.shinhangroup.com or ②

