

# Customer Information Handling Policy

## Guidance on the policy for handling of customer information

We would like express our gratitude to our customers, who have always cared for and loved the Shinhan Finance Group.

The Shinhan Finance Group would be able to provide and to use customer information among companies within the group in accordance with the Financial Holding Companies Act.

In this regard, we would like to set out the guiding principles as follows. Please refer to this guidance regarding all matters related to handling of customer information.

※ Article 48-2 of the Financial Holding Companies Act (Provision and Management of Customer Information)

- ① Notwithstanding Article 4 (1) of the Act on Real Name Financial Transactions and Confidentiality and Articles 32 and 33 of the Credit Information Use and Protection Act, a financial holding company, etc. may provide information or data on financial transactions under Article 4 of the Act on Real Name Financial Transactions and Confidentiality, and personal credit information under Article 32 (1) of the Credit Information Use and Protection Act, regarding the following matters to the financial holding company, etc. to which they belong in order for them to use such information for the internal business management prescribed by Presidential Decree, such as credit risk management, according to methods and procedures prescribed by the Financial Services Commission.
- ② Any investment trader or broker under the Financial Investment Services and Capital Markets Act which is a subsidiary, etc. of a financial holding company may provide any of the following information, from among information on money or securities deposited by a depositor who trades, or intends to trade, securities through the relevant investment trader or investment broker, to the financial holding company, etc. to which the investment trader or broker belongs in order for them to use such information for the internal business management prescribed by Presidential Decree, such as credit risk management, according to procedures for providing customer information.

According to this, the Shinhan Finance Group has established the “Customer Information Handling Policy” and operates it in all matters concerning the provision and use of customer information among companies within the group based on the Shinhan Financial Holding Company. The provision and use of customer information have been implemented to resolve any inconveniences with customers’ financial transaction as well as to provide a better financial

service that satisfies customer expectations. The following system has been prepared for the strict management of information in order to prevent any potential side effects.

### 1. Type of customer information to be provided

- ① Information or material regarding the contents of financial transaction in accordance with Article 4 of the Act on Real Name Financial Transactions and Confidentiality
- ② Personal credit information in accordance with paragraph 1, Article 32 of the Credit Information Use and Protection Act
- ③ Information relevant to each of followings among the information about the share or money being deposited by consignor, who wants to trade through an investment trader or investment broker in accordance with the Financial Investment Services and Capital Markets Act.
  - A. Total amount of deposited money
  - B. Total amount of deposited share
  - C. Total amount on each type of deposited share
  - D. Total amount on each type of debt security
  - E. Total amount on each type of collective investment organization in accordance with the classification of each paragraph in Article 229 of the same Act as a beneficiary certificate
  - F. Average possession period of the consignor's share and average number of transactions in a certain period based on the total amount of deposited share

### 2. Places to be provided with customer information

Shinhan Financial Holding Company, Shinhan Bank, Shinhan Card, Shinhan Financial Investment, Shinhan Life Insurance, Shinhan BNP Paribas Asset Management, Shinhan Capital, Jeju Bank, Shinhan Savings Bank, Shinhan Credit Information

### 3. Internal policy on the protection of customer information

- ① The provision and use of customer information shall be used only for the purpose of internal operation management.
- ② More than one executive of Group Company shall be appointed as a manager of customer information, and shall take the overall responsibility related to the provision and use of customer information.
- ③ The department in charge shall be designated on each company within the group for the systematic and intensive management of customer information.
- ④ Strict management and control shall be applied through the standardization of work processes. For example, customer information shall be made available after the approval of the manager of customer information through the electronic approval system or in writing, etc. upon the request for customer information.

- ⑤ The manager of customer information in the Financial Holding Company shall be given the role of overall management on the work in relation with the request, provision, use, etc. of customer information among companies within the group, in order to assure the protection of customer information.
- ⑥ Upon the enactment / amendment of handling policy related to the provision and use of customer information, it shall be posted through more than 2 daily newspapers, and the company shall put the best efforts to meet the obligation to notify the customer including posting notices at each business office (including the relevant department of head office), homepage of each company within the group, etc.
- ⑦ When customer information is provided, we would put our best efforts to meet the obligation to notify the customer through measures such as the establishment of customer information inquiry system, issuing notifications more than once a year, etc.
- ⑧ To process the proper compensation for customers who suffer damages from illegal and unfair methods, a department in charge of the overall work related to processing civil complaints such as guidance and consultation on civil complaints, its processes, results, notification, etc., has been established in each company within the group. Also, the customer may seek relief through the dispute mediation system of the Financial Supervisory Service other than the department in charge.
- ⑨ The following comprehensive security measures have been prepared: 1) customer information shall be accessed only by a person authorized to provide and manage the information, 2) encryption is used requirements such as transmission, reception, storage, etc. of customer information, 3) a security system is established in preparation of force majeure events such as natural disasters as well as cyber-attacks, invasion, etc. from the outside, and 4) the implementation of regular security education for employees and executives related with customer information, etc.

The Shinhan Finance Group shall keep in mind that the permission for the provision and use of customer information is to improve the quality of financial service and to make advancements in the financial industry of Korea. Accordingly, we are committed to providing our customers with more convenient and advanced financial services with higher quality based on the secure exchange of customer information, and we will make the best efforts to ensure the strict management and protection of customer information.

### **Shinhan Financial Holding Company**

Shinhan Bank, Shinhan Card, Shinhan Financial Investment, Shinhan Life Insurance, Shinhan BNP Paribas  
Asset Management, Shinhan Capital, Jeju Bank, Shinhan Savings Bank, Shinhan Credit Information