

Diversity Report

Definition of Diversity

Diversity at Shinhan Financial Group

Shinhan has organizations in charge in relation to diversity and inclusiveness, including policies and execution for sustainability management (ESG Planning Team), CSR-related work (Brand PR Headquarters), and HR policy for gender equality and work-life balance (Shinhan Leadership Center), as well as a reporting system that is suitable for the organizations, each of which are continually discussing strategies. In addition, to prevent unreasonable discriminatory acts, we operate the Sexual Harassment Prevention Committee, Workplace Bullying Prevention Committee, Ombudsman and Grievance Settlement Process, and Employee Happiness Center, thereby establishing various guidelines.

Creation of diversity-related value

- Became the first in Korea in 2021 to be included in the Bloomberg Gender Equality Index (GEI) for three consecutive years
- Signed a gender balance inclusive growth partnership with the Ministry of Gender Equality and Family in 2019
- Chosen as a family-friendly certified company by the Ministry of Gender Equality and Family (Shinhan Bank, Shinhan Asset Management, Jeju Bank, Shinhan Credit Information)

Supporting customer diversity

Shinhan Female CEO Success-Supporting Loan

Shinhan Bank developed and is managing "Shinhan Female CEO Success-Supporting Loan" which was launched in 2016 aimed at supporting the diverse dreams of female CEOs.

OVERVIEW	DETAILS	PERFORMANCE
Loan that provides preferential support to companies owned or managed by female CEOs or family-friendly companies and outstanding employment equality companies	Preferential interest rate up to 1% (including a 0.3% preferential interest rate for member companies of the Korea Venture Business Women's Association)	652 cases, KRW 278.1 billion (As of December 31, 2020)

In addition, Shinhan Financial Group provides financial education and job support to the disabled as part of its efforts to make finance more accessible.

Financial Education

Supporting an independent financial life through a customized financial education program that has identified the characteristics of children with developmental disorders

Job Creation

Providing a space for a cafe and helping with business operations through "S with", a social cooperative, while also providing vocational training and job support to the hearing-impaired

Organizational Diversity

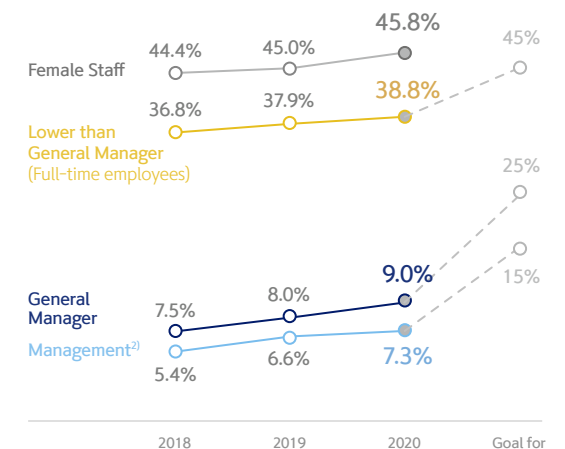
Diversity in BOD expertise

The eight major professional fields and experiences of the 13 BOD members of Shinhan Financial Group mainly consist of business administration, global, and finance. Based on this expertise, they are engaging in management that satisfies global standards and are making continued efforts for a better Shinhan Financial Group. Expertise in the subsequently main fields of economy and risk is contributing to the Group's gender diversity.



Women in the Workplace¹⁾

Shinhan Financial Group is steadily increasing the percentage of female employees. The Group implements competency-enhancing programs to develop more female managers and their capabilities, and is striving to build a foundation for quantitative, qualitative growth of female talent.



¹⁾ Based on 8 Group subsidiaries (Shinhan Bank, Shinhan Card, Shinhan Investment, Shinhan Life Insurance, OrangeLife, Shinhan Capital, Shinhan Asset Management, Jeju Bank)

²⁾ Executives and Division Heads

Corporate Culture that Respects Diversity

Nurturing Female Talent

Shinhan Financial Group became the first in the financial industry to launch a female leader-nurturing program, called Shinhan SHeroes, and has been continually striving to identify leaders and foster female talent.

- 143 (cumulative figure) department head and higher position employees were chosen and were provided with support for strengthening leader capabilities, including mentoring and academic instruction. Also, the outcomes of nurturing female talent are shared at a conference held every year.
- Selected 27 persons for the 1st group, 49 for the 2nd group, and 67 for the 3rd group
- Plan to further strengthen the female network, while also striving to nurture female talent through career development program, fast-track system, and strategic selection of female leaders

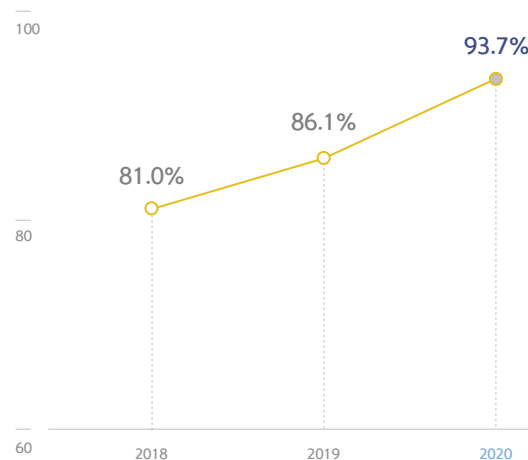
The Group distributes female talent training principles (R.O.S.E) and training guidelines, supports the operation of customized programs for each Group subsidiary, and examines training efforts and outcomes every year. In 2020, it established a mid-term roadmap to foster female talent from a long-term perspective for each Group subsidiary.

- A wide variety of internal programs are run by each company, including a program per position for nurturing of competent female talent, leadership training, coaching program, and meeting with executives
- Specialized programs of Group companies for prospective female leaders: Shinhan SHeroes Blue (Bank), S-Diva (Card), S-Wing (Life), Sai-Salon (Aitas), etc.

Corporate Culture that Promotes Work-family Balance

Shinhan Financial Group runs competency development programs and maternity protection systems that are suitable for the female lifecycle. We help female employees work without having to worry due to gender issues. The number of Group subsidiaries that are certified as a family-friendly company has been increasing, and we also improve our corporate culture by encouraging employees to use a five-consecutive-day leave and paternity leave. As of 2020, the 12-month retention rate among those who went on parental leave is as follows:

Retention rate after using parental leave



Systems to build a family-friendly corporate culture

- Systems to protect female employees, including reduced work hours during pregnancy, maternity leave, miscarriage leave, and parental leave
- Family-care leave, system of reduced work hours for employees with an infant, system of coming to work at 10 am for employees with a child in elementary school, work from home and flexible working hours system

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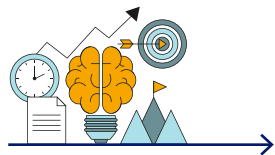
Respect for Diversity

We need each other to go far, and Shinhan Financial Group will create the trust that keeps us together.

Diversity is emerging as a keyword among business leaders pursuing sustainable growth, for it, along with inclusiveness, gives businesses a broader perspective on where to look for new growth drivers. Investors demand that the board of directors (BOD) comprises industry leaders of diverse backgrounds. The NASDAQ of the U.S., where over 3,300 businesses are listed, mandates that both listed and aspiring companies maintain at least two board members from minorities.

Shinhan Financial Group proactively pursues gender equality. We became the first company in Korea to be included in the Bloomberg Gender Equality Index (GEI) in 2019, and we have since remained on the list for three consecutive years. Our outside board directors, including a female member, are professionals from diverse fields, such as accounting, law, economy, and business management.

Mid-term goals & key tasks



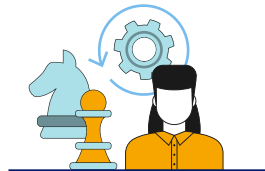
Build a platform to foster female leaders

Build foundations



More support for developing competencies

Fully implement



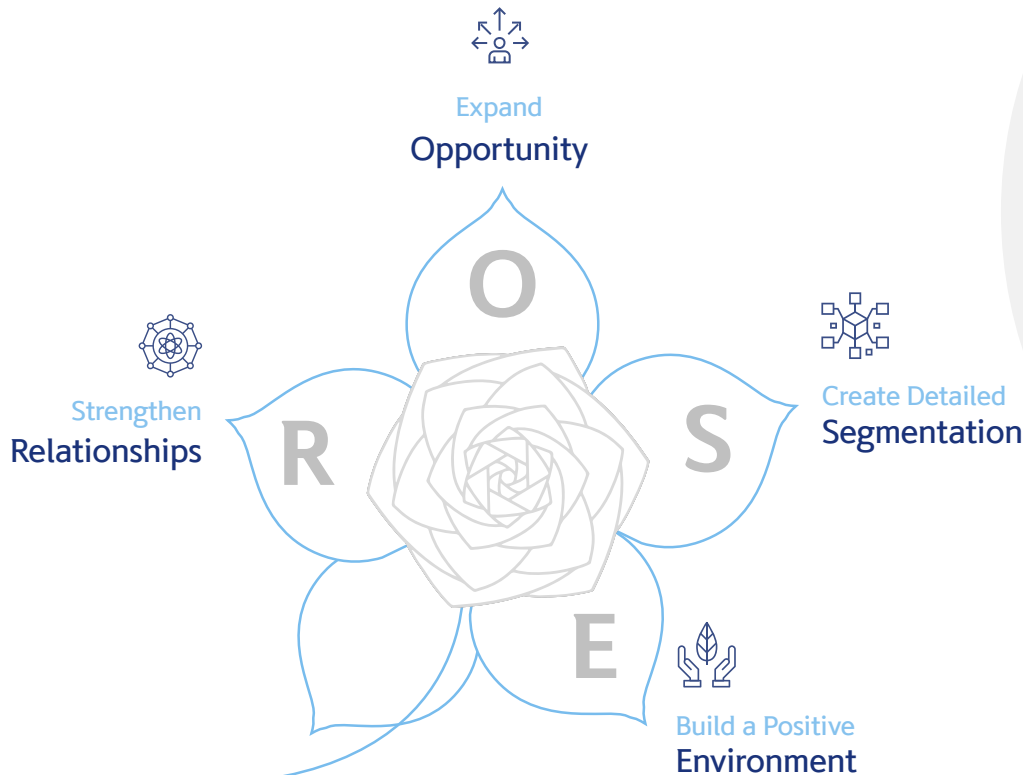
Continuous cycle of fostering female leaders

Build a healthy cycle



A composite of “Shinhan”, “she” and “heroes”, “SHeroes” represents the Group’s awareness of women’s contributions to its growth. The Group in 2018 became the first financial institution in Korea to launch a professional program to foster female talent, and has since been upgrading the program’s content and expanding its scale and scope. The beneficiaries of the program are given opportunities to practice their new skills and become leaders in diverse areas, while sharing their knowledge and experience with their junior colleagues and helping them grow into smart leaders themselves.

“Shinhan SHeroes” is a leadership program for female employees and clearly illuminates Shinhan’s advanced gender equality culture.



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No. of new female executives and department heads developed through Shinhan SHeroes

* Cumulative figures from the first to third group of Shinhan SHeroes (based on current Shinhan employees)



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I was able to understand the pride of Shinhan people through the SHeroes program, and also to look back on the roles and responsibilities of leaders.

I hope to fully demonstrate the creativity and sensitivity, and the ability to identify and communicate with others as a female leader, and will strive to contribute to further enhance diversity and flexibility of Shinhan’s corporate culture. In addition, I will support and make efforts for gender-equal society by helping reduce social inequalities rooted in gender differences and improve the social status of women.

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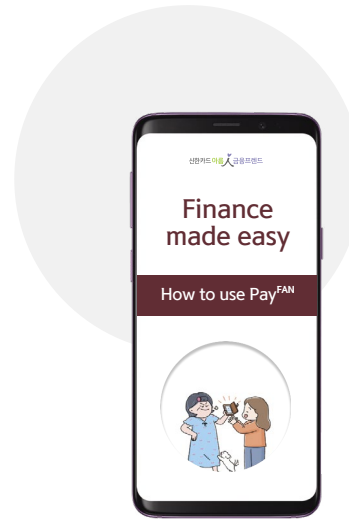
Ryu Jeong-hui
Center Head of Shinhan Bank
3rd Group of Shinhan SHeroes

Nurturing a healthy ecosystem of finance through sustainable finance

As society gets complex, diversity needs to be respected; and technology makes progress, inclusiveness needs to be protected to ensure everyone to enjoy benefits from the progress. Under the motto of “Compassionate Finance”, Shinhan Financial Group is expanding the target base and scope of its inclusive finance. In 2020, as non-face-to-face channels came to the fore amid the spread of COVID-19, the growing educational gap and the isolation of seniors from the tide of digital finance surfaced as social issues. In response, by leveraging our digital knowhow and infrastructure, we sought to keep the schooling of students uninterrupted and its financial services accessible for all.

A leading example is Shinhan Card’s “Areumin Financial Friend”, launched in 2020. An online education donation platform, Areumin Financial Friend describes actual cases of identity theft, illegal bank passbooks, voice phishing, and other irregularities in a story format to help customers with general learning disabilities avoid similar fates. Also, by improving services developed for senior customers, we are extending the reach of digital finance to seniors and thus enlarging the positive impact of finance. In 2020, we created and distributed a mobile channel manual to help senior customers easily access and adapt to the digital finance culture.

We are also improving our systems and expanding infrastructure so that even physically-challenged customers can enjoy our customer-centered services. We offer a sign language service for the hearing-impaired, and by applying text-to-speech barcodes to product provisions and booklets, help the visually-impaired fully understand their purchases. We also make sure all our online channels are available to all customers. For customers with disabilities, Shinhan Bank’s mobile channel, SOL, offers information on branches equipped with facilities designed for the physically-challenged as well as a service that reserve teller windows dedicated to the disabled.



Areumin Financial Friend is a website dedicated to helping customers with general learning disabilities avoid financial crime-related losses.



For further information, please refer to the "Diversity Report" in the Special Report section