Shinhan Card

2025 SUSTAINABILITY REPORT

Shinhan Card

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CEO Message

Shinhan Card will faithfully fulfill its role as a corporate citizen and work toward a sustainable future for all.

Dear Stakeholders,

Ten years have already passed since the UN Sustainable Development Goals (SDGs) were established to help build a sustainable planet and human society. Despite the significant attention and efforts of governments, civil society, and businesses around the world, climate change has intensified into a global "climate crisis" felt by people everywhere, while social divisions across classes and groups continue to deepen worldwide.

The role of business has become more important than ever.

For a sustainable future, it is essential not only for each of us to take small actions in our daily lives, but also to drive innovation that can turn these worsening trends around. In this context, the entrepreneurial spirit, which has long contributed to human progress, is expected to once again play a meaningful role in advancing sustainability. Financial institutions are also joining these efforts by mobilizing their capital and risk management capabilities.

Shinhan Card will take a more proactive approach to ESG to build a stronger foundation for sustainability.

Under its motto, "Do the Right Thing for a Wonderful World," Shinhan Financial Group is fully committed to strengthening its capacity to fulfill its responsibilities as a corporate citizen. As a financial institution closely connected to people's everyday lives, Shinhan Card is also undertaking shared-growth initiatives to support financially vulnerable groups and is actively advancing environmental and low-carbon initiatives, including the launch of card products designed to encourage low-carbon consumption. Shinhan Card pledges to continue faithfully fulfilling its role as a corporate citizen and to do its utmost to help create a brighter and more sustainable future.

Shinhan Card Co., Ltd.
Park Chang-hun
President and CEO

박 창 훈

Company Profile

Company Profile

Company Overview

Shinhan Card provides a broad range of financial services, from credit sales to card loans, installment financing, and auto leasing, supporting customers in their everyday purchases and major spending moments. From groceries, shopping, and travel to vehicle purchases, Shinhan Card continues to expand financial touchpoints in the areas closest to customers' daily lives.

Using its accumulated payment data, Shinhan Card designs financial experiences tailored to the needs of each customer and advances inclusive finance for financially underserved customers. Shinhan Card seeks to go beyond simply providing a convenient payment method and to realize "sustainable finance" that has a positive impact on customers, society, and the environment.

Company Information

Name	Shinhan Card Co., Ltd.
Date of Establishment	December 17, 1985
President and CEO	Park Chang-hun
Headquarters	Pine Avenue Building A, 100 Eulji-ro, Jung-gu, Seoul, Korea
Business Areas	Credit sales, short- and long-term card loans, installment financing, auto leasing, and other ancillary businesses
Number of Employees	2,448 (2,437 in Korea, 11 overseas)

Business Areas

Credit Sales and Short-Term Card Loans (Cash Advances)

Shinhan Card provides credit card purchase services that enable customers, from individuals to corporations and public institutions, to conveniently purchase goods and services using credit cards. It also operates cash advance services that allow customers to access cash immediately within their credit limit when they have urgent funding needs. Shinhan Card has continued to develop specialized products that provide more practical benefits through detailed analysis of customers' lifestyles and spending patterns. In addition, by assigning reasonable credit limits suited to each customer's circumstances through an advanced credit assessment system, Shinhan Card is building a sound credit ecosystem for both customers and the company.

Installment Financing Services

Shinhan Card offers a range of installment financing products that allow customers to repay large purchases in installments when making lump-sum payments would be burdensome. Through installment financing services for high-value purchases related to customers' daily lives, such as home appliances, furniture, medical services, and education, Shinhan Card serves as a reliable financial partner for customers.

Long-Term Card Loans and Refinancing Loans

Shinhan Card supports customers' funding needs by providing loan products based on cardholders' credit limits. It also operates refinancing loan products for customers experiencing temporary difficulties in repaying debt, allowing them to convert existing debt into long-term installment repayment and helping them recover financial stability more steadily.

Shinhan Card recognizes that providing reasonable access to finance for customers who may otherwise be excluded from the formal financial system is an important role. By developing products that meet customers' practical needs and maintaining rigorous credit management, Shinhan Card will continue to build a sustainable financial environment for both customers and the company.

Lease Financing (Auto Leasing)

Shinhan Card provides auto leasing services in which the company purchases the vehicle desired by the customer, and the customer uses the vehicle for the requested period while paying a fixed monthly fee. Auto leasing, which allows customers to use the vehicle they want without the burden of a large upfront payment, provides a flexible mobility solution for value-conscious customers. Shinhan Card is also supporting customers' transition to low-carbon mobility by expanding auto leasing for zero-emission vehicles, including electric vehicles.

Platform & Data Business

Centered on its digital platform, "Shinhan SOL Pay," Shinhan Card provides a wide range of financial services conveniently in a digital environment. In addition to financial services, it provides non-financial services and lifestyle-related information needed in customers' daily lives through its platform.

Shinhan Card is also pursuing data sales and data consulting services for corporate clients based on the consumer spending data it has accumulated over the years, while continuing to expand data-driven service models such as MyData and credit assessment for individual business owners.

Key Financial Performance

Active Cardholders		20.52 million (based on personal credit and debit cardholders)
Total Assets		KRW 43.1867 trillion
Net Income		KRW 476.7 billion
Operating Assets		KRW 39.2062 trillion
Credit Rating	Domestic	AA+ (Stable)
	S&P	A- (Stable)
	Moody's	A2 (Stable)

Sustainability Governance

Sustainability Governance Framework

Shinhan Card actively supports Shinhan Financial Group's mission of "Compassionate Finance for a Better Future" and works to advance ESG in a transparent and accountable manner. Shinhan Card's ESG governance is aligned with Shinhan Financial Group's strategic direction, while also maintaining a dedicated operating framework that reflects the distinct value of its credit card business.

ESG Committee In May 2021, Shinhan Card established the ESG Committee under the Board of Directors and has continued to operate it since then. As a Board subcommittee and the highest decision-making body for sustainability, the Committee reviews and approves ESG strategies and related policies and standards, including their enactment and amendment.

SDGs Council The SDGs Council operates as a working-level consultative body among relevant departments to advance ESG initiatives, such as greenhouse gas reduction and green finance, and to address implementation bottlenecks. An expanded council meeting chaired by the CSO is held twice a year to review company-wide progress and strategic direction.

Working-Level Implementation Function The SDGs Planning Department serves as the working-level implementation function, identifying company-wide ESG initiatives and encouraging employee participation.

Composition and Independence of the ESG Committee

Shinhan Card's ESG Committee consists of four directors, including the Chair, and maintains a 75% ratio of independent directors to ensure independence and transparency in decision-making.
In 2025, Shinhan Card appointed Independent Director Cho Jin-hee, an expert in media and the protection of socially vulnerable groups, as Chair of the Committee, further strengthening its governance expertise.

Expertise Committee members with extensive experience in a wide range of fields, including management, law, consumer protection, and media, participate in multidimensional reviews of ESG risks and opportunities.

Authority and Responsibilities The Committee has the authority to request materials from management and seek opinions from external experts, enabling it to perform substantive oversight.

ESG Performance Management and Compensation Framework

To ensure the effective implementation of sustainability, Shinhan Card links ESG performance to the evaluation and compensation framework for executives.

KPI Linkage Quantitative indicators, such as green finance performance and carbon emissions reduction, are reflected in the company's strategic tasks. These indicators are also linked to performance-based incentives for the CEO and other key executives, strengthening ESG implementation.

Risk Management By reviewing and approving matters related to compliance with sustainability-related rules and standards in advance, Shinhan Card proactively manages risks that may affect company-wide business strategy.

Key Activities and Performance of the ESG Committee

In 2025, the ESG Committee held a total of three meetings and discussed key agenda items for embedding sustainability into business practices.

Strategic Direction Established Shinhan Card established and reported three key strategic directions for 2025: "Accelerating Carbon Neutrality," "Promoting Leading by Example," and "Embedding the SDGs."

Double Materiality Assessment The Committee reviewed and approved the results of the double materiality assessment, which identified material topics affecting both the company and society by reflecting internal and external requirements.

Performance Monitoring The Committee reviewed the progress and results of green finance initiatives, including the expansion of green finance volume to approximately KRW 148.3 billion, three times the previous year's level, and the establishment of the Green Lending Management Guidelines, as well as company-wide participation in reducing carbon emissions.

Climate Risk Training Expert training was provided to the Board of Directors on the impact of growing climate risks on the financial sector and response directions.

2025 ESG Committee Key Activities

Category	Date	Key Details	Attendance Rate
1st Meeting	Mar. 25, 2025	Matters concerning the appointment of the ESG Committee Chair	100%
2nd Meeting	May 26, 2025	Report on the 2025 SDGs business plan Report on disclosure of the 2024 Sustainability Report	100%
3rd Meeting	Dec. 23, 2025	Report on 2025 ESG performance and 2026 direction Report on the 2025 ESG materiality assessment	100%

Double Materiality Assessment

Shinhan Card conducts a double materiality assessment to identify internal and external stakeholder requirements from a sustainability perspective, as well as external issues that may materially affect its business, and transparently discloses the assessment process and results. Shinhan Card conducted the assessment based on EFRAG Materiality Assessment Implementation Guidance and disclosed the process and results in this Sustainability Report. Shinhan Card closely analyzed changes in relevant issues within the credit card sector and identified material topics for the reporting year.

Double Materiality Assessment Process

[STEP 1] Understanding the Business	[STEP 2] Identification of Impacts, Risks, and Opportunities	[STEP 3] Assessment of Impacts, Risks, and Opportunities	[STEP 4] Selection of Material Topics
Conduct an in-depth analysis of sustainability-related impacts across the internal and external business environment and identify an initial list of sustainability topics closely related to Shinhan Card's business activities.	Identify the impacts of initially selected sustainability topics on the environment and society, as well as the financial risks and opportunities for the company, from multiple perspectives to establish the basis for identification.	Design double materiality assessment criteria to evaluate the impacts, risks, and opportunities identified for each topic, and collect opinions from internal and external stakeholders to ensure objectivity in the analysis.	Select the final material topics that will drive sustainability in 2025 by integrating the quantitative analysis of survey responses and the qualitative review results from interviews.
1-1. Internal and External Environment Analysis	2-1. Establishing the Basis for Identification	3-1. Design of Assessment Criteria	4-1. Finalization of Material Topics
Conduct analysis to identify changes in global disclosure standards and regulations and to understand stakeholder requirements. Analysis of Global Standards and Regulations Analyze the latest global disclosure standards, including the ESRS (European Sustainability Reporting Standards), GRI Standards 2021, and ISSB (International Sustainability Standards Board), and develop an issue pool. Industry Benchmarking and Media Analysis Analyze ESG agendas prioritized by leading companies in the domestic and global financial and credit card industries, and review social expectations reflected in news and media to identify industry-specific issues.	Structure the analytical foundation based on global guidelines and internal and external materials. Review of Global Standards, Laws, and Regulations Review ESRS requirements and changes in domestic and international financial regulations to identify mandatory reporting elements. Identification of Internal and External Requirements Use media analysis and industry benchmarking as the basis for identifying key ESG agendas in the credit card industry. Alignment with Internal Business Strategy Review internal materials, including Shinhan Card's mid- to long-term strategy and risk management framework, to identify risks and opportunities directly linked to its business model.	Establish a quantitative assessment framework aligned with global disclosure standards to determine the significance of issues. Impact Materiality Assessment Criteria Assess the scale, scope, and remediability of impacts, taking into account positive and negative impacts on the environment and society and the time horizon of such impacts. Financial Materiality Assessment Criteria Assess the likelihood of risk or opportunity factors occurring, the monetary scale of each topic's impact on financial performance and access to and cost of capital, and the time horizon over which such impacts may materialize.	Classify the priority of issues based on the results of the double materiality matrix analysis, and differentiate management approaches to improve reporting focus. Issue Classification by Tier Confirm six key issues with high impact materiality and high financial materiality as Tier 1 material topics. Strategic Alignment Review Conduct a final review to determine whether the selected material topics are aligned with Shinhan Financial Group's ESG strategic directions of "Planet, People, Prosperity" and Shinhan Card's key strategic priorities.
1-2. Initial Topic Identification and Issue Pool Refinement	2-2. Identification of Impacts, Risks, and Opportunities	3-2. Stakeholder Engagement	4-2. Reporting to and Approval by the Board
Based on the analysis of the internal and external environment, develop and refine an issue pool tailored to Shinhan Card in accordance with the topic classification system presented by the ESRS. Issue Identification and Integration Review the relevance of existing issues and merge topics from 2024 to improve the focus of reporting. Identification of New Strategic Issues Identify new issues reflecting growing stakeholder interest, and separately identify Shinhan Card's key strategic priorities as topics to strengthen strategic alignment. Topic Clarification Refine topic names so that the scope of each issue can be understood intuitively.	Identify the impacts of each topic on the external environment and the financial effects on the company. Identification of Environmental and Social Impacts Identify Shinhan Card's actual and potential impacts on the environment and society, distinguishing between positive and negative impacts. Identification of Financial Risks and Opportunities Identify the financial impacts of external ESG factors on Shinhan Card's revenue, earnings, asset value, and access to and cost of capital.	Conduct surveys of internal personnel with practical expertise and external experts with objective perspectives to enhance the reliability of the assessment. Participant Composition A total of 35 key stakeholders participated, including employees from relevant internal departments who understand the business context of the financial industry and external experts in sustainability, enhancing the expertise of the assessment results. Results Analysis Quantitative data collected through the survey were used as the basis for developing the impact-financial materiality matrix by issue, while qualitative reviews, including management interviews, were conducted in parallel to strengthen analytical rigor.	The materiality assessment results and key reporting items were finalized through approval by the ESG Committee under the Board of Directors, the highest decision-making body for sustainability, to support company-wide responsible management. Approval Based on the Governance Framework The materiality assessment agenda item, reviewed by working-level departments and management, was formally reported to the third ESG Committee meeting held on December 23, 2025. Ensuring Disclosure Reliability The Committee reviewed the appropriateness of the assessment process and the validity of the issues identified. The material topics finalized through this process were included as core content in the 2025 Shinhan Card Sustainability Report and transparently disclosed to stakeholders.

Double Materiality Assessment

Double Materiality Assessment Results

Material Topic	Year-on-Year Change	Impact Materiality	Financial Materiality	Potential Risks	Potential Opportunities	Report Page
Customer Experience Innovation	New Topic	◕ Significant	● Critical	· Digital exclusion and customer attrition - If access to services declines for financially vulnerable groups, including older adults and foreign customers, amid rapid digital transformation, Shinhan Card may face public criticism and reputational damage for failing to fulfill its responsibility for inclusive finance. - Provider-centered service delivery may increase customer dissatisfaction, leading to attrition among core customer groups and a decline in market share.	· Expansion of the customer base through inclusive growth - By providing tailored services for underserved groups, including older adults and foreign customers, such as EASY Mode and multilingual support, Shinhan Card can reach new potential customer segments and strengthen brand inclusivity. - Customer-led experience innovation can help strengthen customer loyalty and retention and establish a competitive advantage in platform capabilities.	42-46
Financial Consumer Protection	Maintained (Ranking Increased)	◕ Significant	● Critical	· Regulatory sanctions and loss of trust - In the event of mis-selling, such as revolving credit or card loans, Shinhan Card may incur direct financial losses from regulatory sanctions and administrative fines imposed by financial authorities. - Issues involving infringement of consumer rights may lead to a severe loss of customer trust that is difficult to recover from and may damage brand value.	· Building trust and proactively managing risks - Proactive complaint prevention systems, such as the Soboro System, can reduce regulatory costs and minimize operational risks. - A leading consumer protection framework can help build a differentiated brand image as "the most trusted financial institution."	12-15
Financial Security and Information Protection	Maintained (Ranking Increased)	◕ Significant	◕ Significant	· Security incidents and large-scale compensation liability - Security incidents such as hacking, personal information leakage, and voice phishing may result in substantial legal costs and compensation liability. - Exposure of data security vulnerabilities may lead to the loss of licenses for new businesses such as MyData and undermine digital business continuity.	· Providing a secure digital environment and strengthening competitiveness - Advancing AI-based FDS can help prevent financial fraud at the source, protect customer assets, and reduce loss-related costs. - Robust security capabilities can support the establishment of an information security internal control framework trusted by customers.	16-18
Digital Finance and Technology Innovation	Maintained (Ranking Decreased)	◕ Significant	◑ Important	· Weakening platform competitiveness and risk of falling behind - Amid intensifying competition with big tech companies, failure to differentiate the super app, SOL Pay, may lead to a decline in MAU (Monthly Active Users) and loss of market leadership. - Delays in adopting new technologies such as AI and big data may weaken profitability due to the lack of future growth drivers.	· Creation of data-driven new revenue streams - Hyper-personalized marketing and expansion of the data business can help identify new data revenue models beyond fee income. - Strategy for the AI Agent era: expand Master Agent partnerships, build payment modules, gain a first-mover advantage in the Agent Pay market, and diversify fee revenue. - Operational efficiency through AI Transformation (AX): achieve a 30% automated consultation completion rate by advancing chatbots and AICC, reduce workforce operating costs through RPA-based automation, and enhance customer experience innovation.	47-48
Human Capital Management and Development	Maintained (Ranking Increased)	◕ Significant	◑ Important	· Loss of key talent and weakened innovation momentum - Failure to secure or retain digital and data specialists may weaken the organization's digital innovation capabilities. - An organizational culture that fails to respond to workforce changes, including an increase in Millennials and Gen Z employees, may reduce employee engagement and productivity.	· Securing organizational agility and enhancing enterprise value - Fair job-based evaluation and compensation, together with capability-building training, can enhance employee expertise and strengthen organizational competitiveness. - Respect for diversity, including the PRIDE program, and respect for human rights can help Shinhan Card become a "Great Place to Work" preferred by top talent.	19-21
Business Ethics and Compliance	Maintained (Ranking Unchanged)	◕ Significant	◑ Important	· Legal risks and business uncertainty - Unethical conduct, such as embezzlement, corruption, or unfair trading, may result in sanctions against management and severe damage to corporate reputation. - Financial incidents caused by inadequate internal controls may become existential risks that threaten the company's viability.	· Establishing a foundation for sustainable growth - Operating a transparent governance framework and a robust compliance oversight framework, including anti-money laundering (AML), can support strong ESG ratings and investor trust. - Embedding business ethics can help prevent potential risk-related costs, such as administrative fines and litigation costs.	53-57

Sustainability

Double Materiality Assessment

Management of Material Topics

Beginning in 2025, Shinhan Card reports key activities and performance for each material topic in accordance with the four core elements of the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB): governance, strategy, risk management, and metrics and targets.

Material Topic	UN SDGs	Management Objectives	Governance	Strategy	Risk Management	Metrics
Customer Experience Innovation	10, 8	· Inclusive, customer-centric finance that creates differentiated value and makes financial services convenient for all · A BIZ system that creates and delivers customer value from the customer's perspective, rather than the company's perspective	· Board/Committee: Operates the Customer Convenience Council within the Financial Consumer Protection Committee (newly established in 2025); establishes basic policies related to financial consumer protection internal controls and approves management strategies and policies · Responsible Function: Operates an independent consumer protection organization directly under the President and CEO; clearly defines roles and responsibilities and establishes a division-of-duties framework; embeds consumer protection across the full process of product development, sales, and post-sale management	· Customer journey improvement: Prioritize customer convenience enhancement programs to proactively identify and remove factors that may undermine customer trust · Leveraging VOC as a management resource: Establish an operating framework that directly links VOC (Voice of Customer) from customer touchpoints to service improvement and stronger internal controls, and embed this approach into management practices · Platform operation enhancement: Identify and implement VOC-based customer convenience innovation cases through "Shinhan Refresh," a customer communication platform	· Continue expanding the organization and personnel of the Consumer Protection Division to leverage VOC as a management resource · Establish the Customer Experience Innovation Department, a dedicated department for customer convenience innovation · Advance digital technology-based payment services and continuously review and improve customer Pain Points across the full process, from card application to card use	· KPI: Evaluation weight for customer convenience enhancement and improvement performance for VOC-based Pain Points · TARGET: Add a 10% customer convenience item to the CEO's strategic tasks, reflect it in evaluations across all departments, establish a reward system, and increase Pain Point improvements by 15% year-on-year
Financial Consumer Protection	16	· Clear leadership in customer trust, built on fair and compliant sales practices and proactive prevention of customer harm	· Board/Committee: Operates the Internal Control Committee, which meets at least once every six months · Responsible Function: Appoints an independent CCO (Chief Consumer Officer) and operates the Consumer Protection Division	· System enhancement: Fully revamp "Soboro 2.0," a customer experience (CX) data-based preventive framework, and enhance the integrated management of customer touchpoint data and real-time monitoring of customer feedback · Capability building: Assign roles for consumer protection and complaint management and provide regular training to strengthen professional capabilities	· Prevention: Conduct consumer impact analyses across the full product life cycle and require prior consultation on terms and conditions and explanatory materials · Monitoring: Conduct ongoing assessments of the financial consumer protection framework, including the "3-FILTERS" review of consumer protection internal controls; monitor fair and compliant sales practices for advertisements and telemarketing scripts; and analyze internal and external VOC data	· KPI: External complaint rate (cases per 100,000 customers) and number of mis-selling cases · TARGET: Achieve an "Excellent" rating in the Financial Supervisory Service's financial consumer protection assessment, achieve zero mis-selling cases, prevent mis-selling, and foster a culture of mis-selling prevention and training
Financial Security and Information Protection	16, 9	· A "SAFE DIGITAL PLATFORM" supported by a comprehensive data security framework	· Board/Committee: Management convenes security response meetings · Responsible Function: Separately appoints the CISO (Chief Information Security Officer) and CPO (Chief Privacy Officer) and assigns dedicated security personnel	· Technical protection: Advance next-generation AI-based FDS (Fraud Detection System), operate the "Family Phishing Guardian" service to prevent voice phishing, and build an AI defense framework that combines financial and telecommunications data · Physical and managerial safeguards: Enhance the network separation environment and maintain information security and personal data protection management frameworks, along with three major international certifications (ISMS-P, ISO 27001, and PCI-DSS)	· Continuous inspection: Establish step-by-step emergency response manuals, conduct cyber threat simulation drills, and continuously inspect personal information processing practices · Supply chain risk: Provide information security training for suppliers and address vulnerabilities through continuous inspections	· KPI: Information security investment and ratio of dedicated personnel, and employee participation rate in malicious email simulation training · TARGET: Zero major security breaches and the highest rating in the comprehensive information security disclosure assessment
Digital Finance and Technology Innovation	9	· Differentiated customer experiences enabled by new digital technologies and advanced platform capabilities · Long-term enterprise value creation through leadership in the digital finance ecosystem	· Board/Committee: Operates the Data Committee four times a year to deliberate and decide on major data-related issues; composed of the Chair (Group Head responsible for data governance) and executives responsible for data-related functions · Responsible Function: Supports the effective operation of the Committee through the Data Council, a working-level consultative body composed of department heads, by conducting prior review and coordination of agenda items to be submitted	· Platform enhancement: Strengthen core financial functions of SOL Pay and enhance core business competitiveness through data-driven personalized product recommendations · Generative AI adoption: Apply a hybrid LLM approach to chatbots and AICC and develop specialized agents linked to RPA/RDA for issuance screening, debt collection, incident prevention, and other functions to automate consultations and improve operational efficiency	· Stability assurance: Expand server capacity to prepare for large-scale traffic and conduct regular disaster recovery (DR) system drills · Technology risk: Conduct technology validation (POC) and security reviews before adopting new technologies	· KPI: SOL Pay MAU, digital payment transaction volume and coverage ratio, AI service MAU, AICC consultation completion rate, and task substitution rate · TARGET: Achieve 10 million SOL Pay MAU, 33% digital personal payment coverage, 5 million AI service MAU, 30% AICC consultation completion rate, and 20% task replacement rate
Human Capital Management and Development	4, 5	· A sound organizational culture grounded in duty and accountability, and talent development that enables employees to contribute to core business through expertise and leadership	· Board/Committee: The Compensation Committee deliberates and decides on matters including the executive performance evaluation framework · Responsible Function: The HR Department, overseen by the Chief Human Resources Officer (CHRO), manages working-level matters, including the operation of training programs and employee engagement management	· Capability building: Operate core job training programs to strengthen core business competitiveness and expand digital training to promote AI literacy · Respect for diversity: Operate the PRIDE program to develop female leaders, expand employment of persons with disabilities, and promote flexible work arrangements	· Retention of key talent: Regularly conduct the Shinhan Culture Index (SCI) employee engagement survey and operate retention programs based on analysis of turnover drivers · Human rights risk: Operate centers for preventing workplace bullying and sexual harassment and ensure anonymity in grievance handling channels	· KPI: Ratio of digital specialists, ratio of female managers, and number of human rights violations · TARGET: Achieve a 30% ratio of digital specialists and zero human rights violations
Business Ethics and Compliance	16	· A globally aligned compliance framework and proactive prevention of ethics-related risks at the source	· Board/Committee: Establishes and operates the Internal Control Committee · Responsible Function: Appoints a Compliance Officer and operates the Compliance Support Department	· Embedding ethics and accountability: Establish annual implementation plans and reflect them in business strategy to embed ethics and accountability and foster a first-line ethics and compliance culture · Preventive activities: Provide semiannual unfair trading prevention training for departments and employees with access to undisclosed information and require regular reporting of financial investment product transaction details	· Reporting channel: Operate the compliance whistleblowing system and establish and apply standards for anonymous reporting, whistleblower protection, and incentives · Preventive activities: Operate segregation of duties and mandatory leave systems, expand the share of unannounced inspections led by the Compliance Support Department, review the appropriateness of long-term assignments, and implement job rotation as needed	· KPI: Combined deduction points for compliance monitoring and information protection, number of confirmed disciplinary actions for illegal or unfair conduct, and implementation rate of internal control tasks under the CEO's strategic tasks · TARGET: Limit total deductions to 2 points or less, achieve zero cases of evaluation downgrades resulting from confirmed disciplinary actions, and implement internal control strategic tasks

Sustainability

Stakeholder Engagement

Considering the characteristics of its business, Shinhan Card defines five key stakeholder groups that have a significant impact on its management activities. To engage with stakeholders in an open and meaningful way, Shinhan Card operates a variety of online and offline communication channels and collects stakeholder feedback. By identifying key issues of interest for each stakeholder group and responding proactively, Shinhan Card is building constructive relationships built on trust. To support sustainable growth, Shinhan Card will continue to strengthen stakeholder communication, enhance management transparency, and reinforce trust-based relationships with stakeholders.

Stakeholder	Key Areas of Interest	Communication Channels	Key Activities
Customers	· Enhancing customer service · Customer-centric products and services · Listening to customer feedback and strengthening customer engagement · Information and data protection · Protection of vulnerable customers	· Customer panels · "Shinhan POLL," a quick website survey · Website and social media channels · Chatbot 2.0 · Customer satisfaction surveys	· Development of digital and innovative financial products and services · Service satisfaction surveys and operation of customer panels · Operation of official YouTube and social media channels · Support for small business owners and participation in public policy initiatives · Education activities for financially vulnerable groups and process improvements
Shareholders and Investors	· Transparent disclosure · Enhancement of enterprise value · Sound corporate governance · Risk management	· Website · IR activities · Key periodic reports · Disclosures	· Operation of the General Meeting of Shareholders and the Board of Directors · Regular disclosures and publication of the Annual Report on Corporate Governance and Compensation · Proactive risk review and response activities · Risk management by risk type
Employees (including the Labor Union)	· Work-life balance · Employee capability development · Flat and collaborative organizational culture · Employee communication	· Employee communication programs · Regional office and branch workshops · Employee clubs · Labor-Management Council · Internal broadcasting	· Employee grievance handling and psychological counseling · Work-life balance and employee protection programs · Labor-Management Council, employee clubs, and head-office and frontline communication events · Employee training programs
Government and Relevant Institutions	· Inclusive finance · Business ethics · Innovative finance	· Corporate website · Key periodic reports · Disclosures	· Operation of ethics reporting channels · Strengthening internal control responsibilities and implementing job segregation
Community	· Expansion of community engagement activities · Community partnerships and shared growth	· Areumin Program (Shinhan Card's Community Contribution Brand) · Employees · Website and social media	· Operation of employee volunteer groups and community engagement and donation platforms · Development and operation of community engagement programs · Financial education for children, youth, and financially vulnerable groups · Future Generation Support Project

People

Financial Consumer Protection

Financial Consumer Protection Operating Framework

Financial Consumer Protection Governance

Shinhan Card embeds financial consumer protection as a core company-wide management principle and operates an independent, effective governance framework. Grounded in governance transparency, soundness, stability, and diversity, it aligns its organization, accountability, and internal controls to ensure consumer rights protection and mis-selling prevention are effectively reflected across all operations.

Overall Financial Consumer Protection Framework Under the Act on the Protection of Financial Consumers, Shinhan Card appoints a Chief Consumer Officer (CCO) reporting directly to the President and CEO and operates an independent, CCO-led consumer protection framework. The dedicated Consumer Protection Department oversees the planning and operation of financial consumer protection policies and systems, ensuring that consumer protection principles are applied consistently across all operations, beyond any single department. Shinhan Card also runs regular training and evaluation systems to help all executives and employees internalize consumer protection as a core business principle.

Internal Control Committee under the Board of Directors Through the Internal Control Committee, composed of independent directors, Shinhan Card's Board oversees internal control matters, including financial consumer protection, at the highest decision-making level. Chaired by Chung Ho-yul, an expert in fair trade, consumer protection, and law, the Committee also includes Cho Jin-hee, with expertise in public relations, marketing, and ESG, and Choi Jae-Boong, with expertise in digital innovation. It reviews internal control status from diverse perspectives and discusses improvement directions. Its activities comply with applicable laws and regulations, including the Act on Corporate Governance of Financial Companies and Articles 5 and 9 of the Regulations on Supervision of Corporate Governance of Financial Companies, with results transparently disclosed.

Financial Consumer Protection Internal Control Committee At management level, Shinhan Card regularly convenes the Financial Consumer Protection Internal Control Committee to share review items from legal, regulatory, and system changes and review internal process status and improvement needs with relevant departments. The Committee discusses key matters, including the 3-FILTERS review framework, Fair and Compliant Sales Council operations, and financial consumer protection training, evaluation, and rewards, to ensure the consumer protection internal control framework is effectively reflected in frontline operations.

Audit and Monitoring Framework Shinhan Card's Audit Department, an internal audit function of 13 professionals, conducts comprehensive, special, and routine audits under the annual audit plan. Results are regularly reported to the Audit Committee and annually to the Board of Directors, enabling continuous review of the effectiveness of consumer protection-related internal controls at the highest decision-making level. Through this structure, Shinhan Card maintains an integrated governance structure where preventive management and follow-up improvement operate cyclically to protect consumer rights.

Key Elements of Financial Consumer Protection Internal Controls

Category	Key Details
Compliance with Financial Consumer Protection Laws, Regulations, and Policies	· Enhance the legal and regulatory compliance framework · Strengthen protection policies for financially vulnerable groups
Company-Wide Assessment of the Financial Consumer Protection Framework	· Conduct the "3-FILTERS" review of consumer protection internal controls · Conduct pre- and post-sale reviews across all product stages from a financial consumer protection perspective · Review the performance evaluation and compensation framework related to the sale of financial products
Data-Driven Monitoring	· Operate the Fair and Compliant Sales Council · Conduct ongoing monitoring of sales processes · Analyze internal and external Voice of Customer (VOC) data
Raising Financial Consumer Protection Awareness	· Review the appropriateness of sales procedures and provide related training · Provide practical and thematic training on financial consumer protection · Operate financial consumer protection evaluation and reward programs

Financial Consumer Protection Strategy

Financial Consumer Protection Principles and Systems

Shinhan Card has established a framework to ensure that financial consumer protection is not merely a stated principle, but is embedded across the organization as part of its culture by translating it into behavioral principles and operational systems for executives and employees, from sales channels to customer feedback management.

Shinhan Card Sales Conduct Principles Shinhan Card has codified its Sales Conduct Principles so that executives and employees can put financial consumer protection first throughout all stages of product sales, and has embedded these principles as a shared commitment among Shinhan Card employees to maintaining customer trust.

Shinhan Card Sales Conduct Principles

Leveraging Voice of Customer (VOC) as a Management Resource Soboro, its comprehensive consumer protection management system and the core infrastructure for this policy, Shinhan Card integrates, analyzes, and manages customer feedback received through various channels, including general inquiries, consultations, complaints, suggestions, and external panel feedback, on a single platform.

By combining data accumulated through the system with the practical expertise of frontline operations, Shinhan Card continuously identifies improvement tasks that are expected to have broad company-wide impact and generate meaningful results. The identified improvement agenda items are discussed and implemented together with relevant departments through company-wide consultative bodies, including the Financial Consumer Protection Internal Control Committee and the Mis-selling Prevention Council. In doing so, Shinhan Card actively carries out financial consumer protection activities by reflecting customer feedback across its management practices.

Financial Consumer Protection

Financial Consumer Protection Strategy

Enhancing Data-Driven Financial Consumer Protection

Shinhan Card is shifting the focus of consumer protection from reactive complaint handling to proactive prevention before issues arise. By integrating and analyzing data generated across all customer touchpoints, Shinhan Card is building a data-driven consumer protection framework that detects and addresses potential sources of dissatisfaction at an early stage.

Enhancing the Soboro 2.0-Based Protection Model In November 2025, Shinhan Card fully revamped the previous Soboro system, which had focused on post-complaint response, into Soboro 2.0, a preventive framework based on customer experience (CX) data. Going beyond simple complaint analysis, Soboro 2.0 newly introduced functions to integrate customer touchpoint data, including Net Promoter Score (NPS) and digital channel usage pattern analysis. By enhancing the precision of real-time customer feedback monitoring and establishing a process to identify and address potential sources of dissatisfaction in advance, Soboro 2.0 strengthened Shinhan Card's capabilities to prevent financial incidents and mis-selling. This data- and technology-driven preventive consumer protection model contributes not only to improving customer trust but also to strengthening public trust in Shinhan Card as a financial institution.

Operation of the Fair Finance Council Shinhan Card regularly operates the Fair Finance Council, a company-wide consultative body that systematically reviews complaints and unfair financial practices, so that improvement tasks identified through Soboro 2.0 can lead to substantive institutional changes. The Fair Finance Council focuses on preventing recurrence of similar complaints, mitigating legal risks, and strengthening consumer rights. It directly links identified improvement tasks to changes in systems and business processes, driving tangible improvements in consumer protection. If Soboro 2.0 serves as the "eyes" that detect issues, the Fair Finance Council serves as the "implementation engine" that turns them into substantive change. Through the close connection between the two systems, Shinhan Card establishes a virtuous cycle of detection, discussion, and improvement.

Financial Consumer Protection Risk Management

Preventive Framework

Shinhan Card's principle is that true consumer protection lies in preventing mis-selling and financial consumer harm before they occur, rather than responding after the fact. To this end, Shinhan Card links its ongoing monitoring framework, employee self-assessments, and training programs in an integrated manner so that consumer protection capabilities can take root across the organization.

Mis-selling Monitoring Shinhan Card operates a dual monitoring structure, combining self-monitoring functions within each sales department with inspections by the Consumer Protection Team, to continuously review potential mis-selling factors. The Consumer Protection Team continuously monitors VOC received through complaints and other channels to detect and manage early signs of mis-selling that may arise in the sales process. In addition, through the Soboro system, its comprehensive consumer protection management system, Shinhan Card monitors customer feedback from various channels, including consultations, complaints, and general inquiries, in real time, enabling it to immediately capture and respond to risk signals arising in the field.

Employee Self-Assessment for Financial Consumer Protection Shinhan Card conducts a semiannual "Self-Assessment for Embedding Financial Consumer Protection" for all employees so that awareness of financial consumer protection is not limited to specific training sessions, but is consistently reflected in daily work. The self-assessment enables employees to check for themselves how well financial consumer protection principles are reflected in their work and serves as a practical mechanism for embedding consumer protection into the organizational culture.

Employee Financial Consumer Protection Training Shinhan Card operates multi-layered training programs, including regular training, practical training, and thematic training, to help employees fully understand the principles of financial consumer protection and apply them in practice. Shinhan Card provides training content that promptly reflects changes in relevant laws and regulations, including the Act on the Protection of Financial Consumers, and continuously strengthens employees' response capabilities through practice-oriented training based on situations that may actually occur in the field.

CC Leader Capability-Building Training CC Leaders, who are responsible for financial consumer protection and complaint management in each department, play a key frontline role in helping a consumer protection culture take root throughout the organization. Shinhan Card regularly provides professional capability-building training to help CC Leaders fully perform this role. The training shares key review items related to financial consumer protection, as well as practical response methods and resolution cases for customer complaints, enabling CC Leaders to build practical capabilities that can be immediately applied in the field.

Financial Consumer Protection Training Content

1. Self-Assessment for Embedding Financial Consumer Protection
2. Regular Financial Consumer Protection Training
3. Practical Financial Consumer Protection Training
4. Thematic Financial Consumer Protection Training
5. Understanding Financial Consumer Protection Principles
6. Training on Laws and Regulations Related to Financial Consumer Protection
7. Field-Based Practical Training
8. CC Leader Capability-Building Training
9. Training on Key Review Items
10. Customer Complaint Response and Case Sharing

Financial Consumer Protection

Financial Consumer Protection Risk Management

Protecting Customer Rights and Interests

Shinhan Card has built an institutional foundation to effectively protect customers' rights throughout the financial transaction process. Its operation of the right to request interest rate reductions and debt collection management framework are key practices for protecting customers' financial rights and interests and safeguarding them from unreasonable situations in financial transactions.

Right to Request an Interest Rate Reduction Under Article 50-13 of the Specialized Credit Finance Business Act, Shinhan Card operates the right to request an interest rate reduction, allowing customers to reflect improved credit status in their interest rates. Customers may request a reduction at any time if their credit status improves through increased income from employment or promotion, a higher credit score, or improved financial standing. Acceptance is assessed mainly based on improvements in Shinhan Card's internal credit rating, while comprehensively considering creditworthiness information, including loan and credit card transaction history and overdue amounts and periods, as well as credit transaction capacity, such as annual income and financial assets.

Eligible Grounds and Evaluation Criteria for Interest Rate Reduction Requests

Eligible Grounds for Request

- Increased income due to employment, promotion, etc.
- Improved credit score
- Cases where improved creditworthiness is recognized, such as improved financial standing

Evaluation Criteria for Acceptance

① Improvement in internal credit rating (primary criterion)

② Creditworthiness assessment information for credit card loan products at the time of loan screening

③ Comprehensive consideration of credit transaction capacity, including annual income and financial assets

Debt Collection Management Framework Shinhan Card operates a rigorous debt collection management framework based on the principle that customers who are unable to fulfill their debt obligations must also be treated with dignity and protected under the law.

Debt Collection Procedures Shinhan Card's debt collection is conducted through phased and lawful procedures. Shinhan Card first requests debt repayment by mail, phone, or text message and informs customers of the disadvantages that may arise in the event of debt default. If repayment is still not made, Shinhan Card may visit the customer's residence or workplace after prior notice, and in cases of prolonged non-payment, recover claims through legal procedures. Throughout the entire process, Shinhan Card respects customers' rights, and customers may contact the Collections Management Department at any time at +82-2-6950-8018 for related inquiries.

Framework for Addressing Illegal Debt Collection Practices Shinhan Card has established clear response standards to protect customers from illegal or unfair practices that may occur during the debt collection process. Customers may immediately report the situations described below to the Consumer Protection Department at +82-2-6950-7455.

Debt Collection Management Framework

Respect for Dignity — Legal Protection

Debt Collection Procedure (Phased and Lawful)

1. Request debt repayment by mail, phone, or text message
2. Notify customers of adverse consequences in the event of debt default
3. Visit the customer's residence or workplace after prior notice
4. Recover receivables through legal procedures in cases of prolonged non-payment

Collections Management Department +82-2-6950-8018

Framework for Addressing Illegal Debt Collection Practices

Clear response standards established to protect customers from illegal or unfair practices

Immediate Reporting → Consumer Protection Department +82-2-6950-7455

Complaint and Dispute Management Framework

Shinhan Card operates a complaint and dispute management framework covering the entire process from complaint submission and guidance on dispute mediation to digital-based response and feedback-driven improvement. Complaints received are handled in accordance with established procedures, and disputes and recurring complaints are linked to improvements in systems and processes.

Complaint Submission and Handling Shinhan Card enables customers and stakeholders to submit complaints related to financial services, including objections and petitions, through various channels such as the website, customer center, and regional branches. Complaints received are assigned to the relevant department and person in charge in accordance with established procedures, and the results are communicated to the complainant. Through this process, Shinhan Card ensures that the entire complaint handling process is managed in a systematic and transparent manner.

Shinhan Card Complaint Handling Process

① Complaint Submission	Complaints are received through various channels, including the website, customer center, and branches.
② Assignment of Person in Charge	Complaints are forwarded to the relevant department and assigned to a person in charge.
③ Receipt Notification	Notification is sent immediately by email, SMS, phone, or other channels.
④ Result Notification	Results are provided when complaint handling is completed.

Dispute Mediation Process When a dispute arises with a customer, Shinhan Card first seeks to resolve it internally. If internal handling is difficult, Shinhan Card provides guidance on external mediation procedures, such as the Financial Dispute Mediation Committee of the Financial Supervisory Service.

Financial Consumer Protection

Key Achievements in Financial Consumer Protection

Establishing a Group-Wide Financial Fraud (Phishing) Information-Sharing Framework

Voice phishing methods are becoming increasingly sophisticated. Fraud schemes that lure customers through calls impersonating "card delivery" or "card issuance" and then induce them to install malicious apps, resulting in financial incidents, have become a common challenge across the financial sector. When customers suffer losses, not only credit card companies but also banks, insurers, and securities firms must respond at the same time. Previously, however, relevant laws and regulations, including the Financial Holding Companies Act, prevented affiliates within a financial holding group from sharing phishing information with one another. In practice, even when affiliates sought to protect customers, each company had to respond individually due to these legal barriers.

Shinhan Card directly addressed this structural limitation. After several months of preparation and engagement with supervisory authorities, Shinhan Card was designated as an Innovative Financial Service by the Financial Services Commission on September 17, 2025, formalizing the first financial fraud (phishing) information-sharing framework in Korea among affiliates of a financial holding company.

Service Overview and Operating Structure The financial fraud information-sharing framework among group affiliates is a service that enables the real-time sharing of confirmed and suspected phishing information to support a joint response to increasingly sophisticated financial fraud. When customers use financial transactions such as card loans or cash advances, Shinhan Card's Fraud Detection System (FDS) classifies suspected and confirmed information in real time using rules and a phishing prediction model, and shares this information among group affiliates for real-time monitoring.

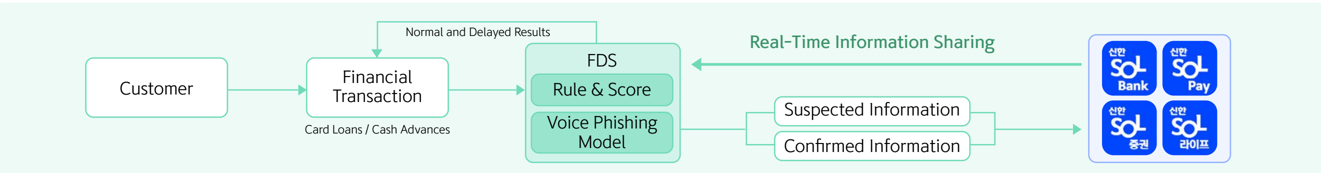
Frontline Customer Experience Review

Frontline Customer Experience Review Program "Woomun Hyeondap" (The Answers Are in the Field) Based on the principle that "the answers to our problems are in the field," Shinhan Card relaunched the "Woomun Hyeondap" program in March 2025 to strengthen customer-centric management. Executives and department heads directly review customer complaints, experience frontline operations such as call centers and card delivery, and connect identified improvement tasks to actual business process innovation, thereby embedding frontline voices into management practices.

Customer Roundtable In 2025, Shinhan Card held a customer roundtable in which the President and CEO met directly with customer advisory panel members to strengthen customer convenience. Before the roundtable, Shinhan Card conducted a preliminary survey of approximately 300 customer panel members and, based on the results, invited five customer advisory panel members across a wide range of age groups, from their 20s to their 60s, to share their views.

President and CEO Park Chang-hun and Shinhan Card executives and employees responsible for customer convenience and consumer protection attended the roundtable, listened directly to customer experiences across card issuance and use, and discussed future service directions together. Shinhan Card also appointed a long-serving panel member as a mentor, further developing its ongoing customer relationships into a management asset. Shinhan Card continues to practice customer-centric management by promptly reflecting customer feedback collected through the roundtable in improvements to convenience across card issuance and use.

Shinhan Card Financial Fraud Information-Sharing Framework Process



AI-Based Innovation in Complaint Response

AI Chatbot "Help! LAY!" Through "Help! LAY!" an AI chatbot dedicated to complaint consultations that officially launched in September 2024, Shinhan Card handled a total of 23,550 consultations in 2025 and operates it as a complaint consultation channel accessible 24 hours a day. Shinhan Card plans to continue strengthening its capability to respond to customer inquiries by updating response algorithms and scenarios on an ongoing basis.

VOC Processing Innovation Based on Generative AI "AINa" Shinhan Card introduced "AINa," its in-house generative AI platform, into its complaint response process to quickly summarize and analyze VOC data and generate optimized response drafts and improvement proposals. In doing so, Shinhan Card reduced complaint handling time and established a more sophisticated data-driven decision-making framework, setting a new standard for VOC processing.

Customer Satisfaction

Shinhan Card regularly conducts satisfaction surveys among customers who use its touchpoint services and uses the results as a key indicator for consumer protection activities, including mis-selling reviews and improvements in digital channel satisfaction. In 2025, Shinhan Card recorded a customer satisfaction score of 90 points, maintaining a stable level of trust for the third consecutive year.

Shinhan Card Customer Satisfaction Survey Results

(Unit: Points)

Category	2023	2024	2025
Customer Satisfaction	89.6	90.5	90.0

Information Security and Data Protection Framework

Information Security Governance

Dedicated Information Security Function and Accountability Framework

Information Security Management Framework Shinhan Card operates a comprehensive information security management framework to securely protect customer information, covering the establishment of information security policies, anomaly monitoring, and the implementation of security systems. Shinhan Card has also obtained and continues to maintain domestic and international information security certifications, continuously ensuring the reliability of its information security management standards.

Shinhan Card is responding to the changing security environment driven by the expansion of digital financial services, including Data Biz, Cloud Infra, and easy payment services. Through these efforts, Shinhan Card strives to provide safe and reliable financial services that customers can use with confidence.

Information Security Division and Board Reporting Framework Shinhan Card upgraded its existing Information Security Team to the Information Security Division and operates it as an independent division-level organization within the Management Support Group. This organizational structure reflects Shinhan Card's commitment to embedding information security as a core management function. The Information Security Division operates around the following key functions.

Core Functions of the Information Security Division

Function	Description
Establishing Security Policies	Establish and manage information security strategies, policies, and standards
Operational Status Review	Conduct ongoing reviews of key IT systems and personal data processing practices
Anomaly Detection and Monitoring	Detect threats in real time based on the security monitoring framework
Emergency Response Training	Conduct regular simulation drills based on the information security incident response manual
Group Compliance Review	Improve ICT and information security levels annually under the supervision of Shinhan Financial Group, the holding company

Information Security Strategy

International Standards-Based Information Security Management Framework

Shinhan Card does not rely solely on internal standards to demonstrate its information security capabilities. Instead, it objectively verifies them through domestic and international certification frameworks. Shinhan Card has obtained and continues to maintain three major certifications—ISMS-P, ISO 27001, and PCI-DSS—covering information security and personal information protection.

Status of International Standard Certifications

Certification	Scope	25년 현황
ISMS-P	All customer-facing services, including credit cards, website, and electronic financial services	Maintained
ISO/IEC 27001	Overall information security management system	Maintained
PCI-DSS v.4.0	Card information processing system	Maintained

Enhancing the Fraud Detection System (FDS) through AI Technology Integration

Voice phishing is no longer a simple form of financial fraud. As it has evolved into a form of "gaslighting" that psychologically manipulates victims into transferring funds themselves, conventional rule-based FDS models have faced structural limitations. This is because a model designed to block abnormal transactions after card theft or hacking cannot detect voice phishing cases in which the victim voluntarily makes a payment under manipulation. To overcome this structural limitation, Shinhan Card made a strategic decision to integrate data across the financial and telecommunications sectors.

AI Defense Framework Linking SKT-FAME with Financial and Telecommunications Data In October 2025, Shinhan Card signed an official integration agreement with SK Telecom to connect SK Telecom's proprietary big data-based AI security platform, FAME (Fraud Detection AI for MNO & Enterprise), to Shinhan Card's FDS architecture and began full scale operation. As the first AI-based defense framework in the credit card industry to combine financial and telecommunications data in real time, this initiative is recognized as an exemplary industry collaboration that combines public interest with technological innovation.

How FAME Works — From Post-Event Detection to Preventive Blocking By linking FAME with FDS, Shinhan Card expands the scope of monitoring and detection. The system integrates telecommunications traffic data detected during network routing, including call records involving suspicious phone numbers, abnormal URL click histories, and malicious app access information on smartphones, with Shinhan Card's real-time payment stream and analyzes them simultaneously. The AI model continuously learns each customer's unique calling habits and payment patterns through machine learning, enabling autonomous defense capabilities that proactively identify new and constantly evolving voice phishing scenarios.

FAME Detection Scenario

The customer has a prolonged call with a phone number suspected of voice phishing

Immediately after the call, the customer attempts an unusual financial payment that deviates from normal patterns

AI model determines that anomaly thresholds have been exceeded

Payment is immediately suspended or blocked at the source, and an alert is sent to the customer's device

The psychological link with the criminal is physically broken

Information Security and Data Protection Framework

Information Security Risk Management

Information Security Review Framework

IT System Vulnerability Assessments Shinhan Card continuously identifies and manages vulnerabilities in key IT systems by applying assessment criteria and methods tailored to the characteristics of each system. Websites, mobile apps, and infrastructure systems are classified and managed according to the required levels of confidentiality, integrity, and availability. Shinhan Card applies assessment methods optimized for each area to ensure that no security gaps arise.

Ongoing Reviews of Personal and Credit Information Processing Practices Shinhan Card systematically manages the entire process through which customers' personal and credit information is collected, stored, used, and destroyed. By continuously reviewing the processing practices of relevant departments along the flow of personal information, Shinhan Card prevents customer information from being used for unintended purposes or unnecessarily exposed. Review results are linked to immediate improvement actions and are reported regularly to the Board of Directors.

Emergency Response Training Shinhan Card has established step-by-step emergency response manuals to enable prompt and systematic responses in the event of an actual information security incident. It also conducts regular simulation drills based on the roles and responsibilities of each department. Through these drills, Shinhan Card periodically verifies the effectiveness of its response procedures and immediately reflects any identified gaps in the manuals.

Information Security Training for Employees and Suppliers Shinhan Card regularly provides information security training to all employees. The training covers information security-related laws and regulations, internal standards, security precautions, and major actual threat cases, helping employees build practical capabilities that they can immediately apply in their day-to-day work.

Shinhan Card also provides separate information security training for suppliers entrusted with its business processes so that they can maintain the same level of information security capabilities. By helping supplier employees fully understand and apply Shinhan Card's information security standards and security practices, Shinhan Card ensures that its information security framework operates consistently across the supply chain beyond organizational boundaries.

Information Security Training Performance

Category	Unit	2023	2024	2025
Employee Information Security Training Hours	Hours	18,270	16,023	14,964
Employee Information Security Training Participants	Persons	2,483	2,486	2,306
External Party and Supplier Information Security Training Hours	Hours	15,649	14,821	12,843
External Party and Supplier Information Security Training Participants	Persons	2,967	2,887	2,647

Key Information Security Performance

Information Security Performance Indicators

Shinhan Card transparently discloses the level of its information security activities through objective external evaluations and investment status. Quantitative results provide the clearest evidence of the reliability of Shinhan Card's information security framework to customers and stakeholders.

Ongoing Information Security Assessment — Highest Rating for Five Consecutive Years, S Rating Achieved in 2025 In response to the ongoing information security assessment conducted by the Financial Security Institute (FSI), Shinhan Card continuously reviews 59 assessment items and regularly reports the results to the Board of Directors. The ongoing assessment is a representative evaluation system in which an external institution objectively measures the level of information security management at financial institutions. In 2025, Shinhan Card received an S rating, with a score of 100 out of 100, in FSI's ongoing information security assessment, maintaining the highest rating for the fifth consecutive year. Shinhan Card will continue to proactively respond to the evolving cyber threat environment and further enhance its information security management framework.

Information Security Investment Status Shinhan Card maintains a stable level of information security investment as a share of its IT budget to strengthen its customer information protection capabilities. Although the annual ratio is adjusted according to changes in the cyber threat environment and internal system enhancement schedules, Shinhan Card continues to maintain its investment commitment to information security.

Information Security and Data Protection Framework

Key Information Security Performance

Intelligent Security Monitoring Shinhan Card operates an AI-based security monitoring framework 24 hours a day, 365 days a year, continuously monitoring external attacks and anomalies. Information detected and blocked by each security system is collected and analyzed through the AI security monitoring system, enabling Shinhan Card to respond not only to known, pattern-based attacks but also to previously unknown, atypical attacks. Shinhan Card also applies threat detection models to respond to security threats in web and mobile environments, thereby protecting customer information and the financial transaction environment.

Integrated Customer Consent Information Management System Shinhan Card ensures customers' right to self-determination over personal information by integrating the management of consent information for the use of personal credit information. Through its integrated customer consent information management system, Shinhan Card checks the accuracy and validity of consent data and whether legal requirements are met, while supporting customers in reviewing and choosing the scope of their information provision and use. Shinhan Card also continuously reviews the status of personal credit information provision and use, enhancing transparency and reliability in personal information processing.

Takedown of Phishing and Pharming Pages Shinhan Card works with Shinhan Financial Group to respond to phishing and pharming sites and malware. Phishing is an attack that induces customers to enter personal or financial information through emails, text messages, and similar channels, while pharming is an attack that redirects customers to malicious sites by disguising them as legitimate websites when the customer's PC has been infected with malware. Shinhan Card detects these threats, blocks or takes down risky sites, and blocks malware, thereby preventing the leakage of customers' personal and financial information.

Family Phishing Guardian Service To prevent voice phishing damage, Shinhan Card operates the Family Phishing Guardian Service, which alerts both customers and pre-registered family members or acquaintances when a malicious app is detected on the customer's mobile phone. Through Shinhan SOL Pay app notifications, customers can check malicious app detection on the devices of connected family members or acquaintances designated for protection. The service also uses an AI voice bot to guide users on preventing malicious app installation and deleting such apps. Customers may register up to four family members in addition to themselves, and malicious apps can be detected 24/7, year-round, even when the Shinhan SOL Pay app is not running.

Strengthening the Information Security Management Framework

The December 2025 information leakage incident involving merchant owners did not result from external intrusion such as hacking, and no damage from the leaked information has been identified to date. Shinhan Card has used the incident to reaffirm the importance of customer information protection, reinforce internal monitoring, and strengthen its company-wide information security management framework. It will continue making every effort to prevent recurrence and actively protect customers.

Strengthening Anomaly Detection and Monitoring Shinhan Card had already operated a monitoring system to prevent misuse or overuse of personal information, including excessive access. Following the incident, it immediately implemented a least-privilege access system and a tracking system for potential information leakage through printing or screen photography. It also restricted access to personal information to business-necessary cases and strengthened detection and monitoring of access and inquiry histories.

Strengthening and Embedding Employee Information Security Awareness Following the incident, Shinhan Card worked to raise awareness of information leakage risks and embed information security awareness across the organization. It updated and displayed warnings on unauthorized customer information access and customer information handling precautions on personal information inquiry screens, strengthened case-based information security training for frontline sales organizations, and reinforced information security KPI standards and internal management standards governing unauthorized access to and photographing of customer information.

Strengthening Customer Information Protection Across Public System Linkage Channels Shinhan Card protects customer information transmitted from its Core system to public systems through an end-to-end (E2E) encrypted network. By securely managing transmission channels during public system linkages, it reduces personal information leakage risks and strengthens the reliability of information protection throughout the financial service experience.

Personal Information Breach and Leakage Response Framework Shinhan Card regularly conducts simulated response training for major cyber threats, including DDoS, APT, and server hacking, to prepare for potential electronic intrusions and personal information leakage. Through these exercises, it reviews attack detection, response procedures, cross-department collaboration, customer damage minimization, prompt support and remediation, and follow-up management, while strengthening its capabilities to respond to actual breach scenarios.

Operating a Pseudonymized and Anonymized Information Management System Shinhan Card operates a system to safely manage the expanded use of pseudonymized and anonymized information following amendments to Korea's three data laws. It sets control objectives to comply with the Financial Services Commission's pseudonymization and anonymization guidelines and information protection regulations, and manages the entire process—from application to creation, export, and destruction—through a unified data-use application channel. Shinhan Card also regularly reviews processing appropriateness and re-identification risks, strengthening the foundation for safe use of customers' personal information.

Human Capital Management

Talent Strategy and Acquisition

Talent Strategy Direction

Based on a talent development framework that pursues the sustainable growth of both the company and individuals, Shinhan Card is strengthening its foundation for future growth through talent acquisition and development and fair HR practices.

HR Direction and Key Agenda Shinhan Card manages talent acquisition and development, evaluation and compensation, and organizational culture in an integrated manner based on its HR direction aligned with its vision and business strategy. It is also strengthening people-centered systems and execution capabilities that connect employee growth and engagement to organizational performance.

HR Direction and Key Agenda

Strengthening Human Capital Competitiveness	Self-Directed WX Innovation*	Evolution of HR Roles and Mission
Building a Healthy Organization That Supports the Sustainable Growth of Both the Company and Individuals	Expanding Open Opportunities Based on Capabilities and Performance	Contribution to Social Value Creation Through Work-Family Balance
	Building an Organizational Culture That Employees Can Take Pride In	Strengthening the Role as a Corporate Citizen
Proactively Securing Future-Ready Talent to Lead Change	Providing an Optimal Work Environment for Engagement and Performance	Contribution to Strategic Cost Savings and Revenue Generation

* Work Experience

Talent Development Framework Shinhan Card's talent development philosophy reflects its management slogan, "Empty and Fill," as well as its desired talent profile and organizational culture direction. In the short term, Shinhan Card seeks to create an environment that supports the continuous development of employees through employee development programs focused on individual growth. Over the mid- to long term, it aims to build a virtuous cycle in which employees contribute to the organization by enhancing job expertise based on self-leadership and driving AI-enabled work innovation.

Talent Acquisition

Shinhan Card is pursuing systematic HR and talent development strategies to secure talent capable of proactively responding to changes in the future business environment. While identifying talent with diverse capabilities and potential based on fair opportunities, Shinhan Card continues to expand its talent base to support stronger competitiveness in digital and future businesses.

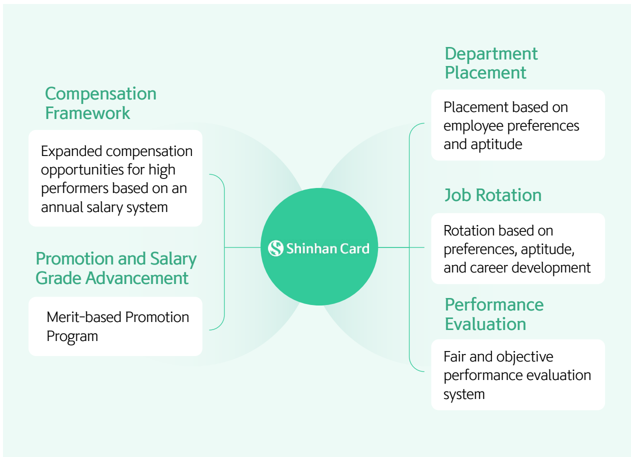
Open Recruitment Shinhan Card operates open recruitment to provide all applicants with fair opportunities to compete. The recruitment process is conducted systematically by stage, and recruitment information is provided through various channels so that applicants can fully demonstrate their capabilities and suitability. Shinhan Card also enhances applicants' understanding through recruitment briefings and job interview videos, while improving accessibility and convenience throughout the recruitment process. In addition, by continuously advancing digital-based recruitment methods, Shinhan Card flexibly responds to changes in the recruitment environment and provides applicants with a fairer and more efficient recruitment experience.

Securing Top Talent Shinhan Card is working to secure top talent, particularly in core digital fields, to strengthen growth drivers that will lead future industries. In addition to open recruitment, Shinhan Card uses various channels, including rolling recruitment and the hiring of external specialists, to secure the expertise and capabilities needed by the organization in a timely manner, while broadly identifying talent in key areas such as internal control and AI. Shinhan Card also actively uses remote interview systems and digital recruitment processes to expand touchpoints with applicants and improve accessibility and efficiency so that top talent can participate in the recruitment process more conveniently. Through these efforts, Shinhan Card continues to strengthen its talent base to proactively respond to the changing industry environment.

HR Management Framework

Shinhan Card HR System Shinhan Card systematically operates its HR system so that employees can grow and be recognized for their performance based on fair standards. The HR system consists of the compensation framework, promotion and grade advancement, department assignment, job rotation, and evaluation framework, and is designed to consider both organizational needs and employees' capabilities and career development directions. Through this system, Shinhan Card helps employees clearly understand their roles and performance and supports their long-term career development. It also strengthens trust within the organization based on fair and objective HR practices and establishes a foundation that enables employees to continuously demonstrate their capabilities.

Shinhan Card HR System



Employee Capability Development

Learning Infrastructure

Employee Training Framework Shinhan Card has established and implemented a two-track training framework consisting of level-based training to cultivate practice-oriented leadership and job training to enhance employee expertise. Through programs targeting management leaders, women leaders, and future leaders, Shinhan Card supports the acquisition of the capabilities required at each level. To strengthen the competitiveness of management leaders, Shinhan Card sets annual competency-based programs aligned with the leadership pipeline and operates them on a continuous basis. In addition, from the perspective of respecting diversity, Shinhan Card continues to enhance PRIDE, its specialized program for women leaders, and improve its training curriculum to strengthen both leadership and job capabilities. Change Leaders, who serve as future leaders and a change-driving force within the organization, independently plan and implement organizational culture improvement campaigns by embedding Shinhan Culture. In terms of job training, Shinhan Card selects key roles within core business processes to strengthen competitiveness in its core business, and establishes and provides a training framework that reflects learner needs. It also operates future talent development programs in areas such as digital and global business. After training is completed, Shinhan Card continuously improves training content and delivery methods based on participant feedback so that training can lead to stronger practical job performance.

Employee Training Framework

Category	Key Details
Level-Based Training	· Supports the acquisition of required capabilities by level for management leaders, women leaders, and future leaders · Operates programs based on the leadership pipeline
Job Training	· Establishes and provides a training framework by selecting key roles in core business processes and reflecting learner needs · Operates future talent development programs in areas such as digital and global business

S-Learnch S-Learnch is an internal lecture program operated by Shinhan Card, combining the words "Learn" and "Lunch." The program uses lunchtime to share internal and external lectures and helps employees broadly learn about industry trends and the latest issues. Operated in a hybrid online and offline format that combines videoconferencing with in-person participation, S-Learnch shares a wide range of topics, including issues faced by each organization, topics that need to be shared, and key takeaways from external training, while enhancing applicability to actual work.

2025 S-Learnch Training Topics

Category		Topic
February	1st	Introduction to CES 2025 and sharing of the latest technology trends
	2nd	Sharing of "REVIVE," 2025 consumer trends
April	1st	DMS 2025: The Future of Marketing
May	1st	Sharing cost reduction cases through transaction documentation and VAT savings
June	1st	Top 10 marketing strategies and dedicated services
	2nd	Interest rate outlook for the second half and funding trends
July	1st	Gen AI Seoul 2025 review: Entering the era of the Gen AI revolution
	2nd	KakaoBank ZupZup Shinhan Card (PLCC)
August	1st	Lateral Movement: Recent intrusion attacks and leakage incidents, and implications for internal controls
September	1st	CMS 2025: Content marketing and the latest trends in the AI era
November	1st	Embedding AI governance
December	1st	AI Work Innovation Contest
	2nd	Current status of the stablecoin market and response progress

Onboarding and Adaptation Support

Soft-Landing for New Employees and Experienced Hires Shinhan Card operates customized Soft-Landing programs for new employees and experienced hires to support their smooth adaptation to the organization and stable job performance. For new employees, Shinhan Card provides introductory training, organizational culture training, basic work and job capability learning, One Team Activity, and on-the-job projects to enhance their understanding of the organization and strengthen their collaboration capabilities. For experienced hires, Shinhan Card supports early adaptation through basic manuals, online job training, programs to understand the company and organizational culture, and job adaptation support. Shinhan Card also provides mentoring and networking support to help new joiners settle into the organization and demonstrate their capabilities.

Key Elements of the New Employee / Experienced Hire Soft-Landing Program

Category	Key Details
New Employees	Introductory training, organizational culture training, basic work and job capability learning, One Team Activity, and workplace projects
Experienced Hires	Basic manuals, online job training, understanding of the company and organizational culture, and job adaptation support
Common	Mentoring, networking support, early adaptation support

Human Capital Management

Employee Capability Development

Leadership Development

Shinhan Card systematically develops leaders who will drive its future core businesses and operates tailored support programs to ensure that talent with diverse backgrounds and growth potential can continue to demonstrate their capabilities. Shinhan Card also strengthens employees' creativity and willingness to take on challenges, while fostering an organizational culture of shared growth through a fair performance evaluation and compensation framework.

Management Leader Development Program Shinhan Card operates the Management Leader Development Program to systematically manage talent who will drive future core businesses and carry forward and advance Shinhan Culture. Management leaders are selected and managed based on performance and leadership capabilities from the perspective of systematically securing and developing key talent. Through a range of programs, including self-directed growth programs, leadership training, seminars, on-site training, transfers, and secondments, Shinhan Card supports the development of next-generation leaders. In particular, Shinhan Card prioritizes the selection of talent in internal control roles, including consumer protection, risk, compliance, audit, and information security, as well as talent with digital and big data capabilities who can lead the company's transformation into a platform-based and digital enterprise, thereby responding to changes in the future business environment.

Management Leader Development Direction

Category	Key Details
Selection Criteria	Selection and management of candidate pools based on performance and leadership capabilities
Priority Development Areas	Internal control roles and talent with digital and big data capabilities
Development Methods	Self-directed growth programs, leadership training, seminars, field training, transfers, and secondments
Development Goal	Driving future core businesses and inheriting and advancing Shinhan Culture

Fostering Female Leaders Shinhan Card operates PRIDE, a dedicated development program for women leaders, to support the growth of women talent. In 2025, Shinhan Card provided a range of training programs based on three pillars: leadership, job capabilities, and growth mindset. The program presented the leadership capabilities required in line with Shinhan Card's desired talent profile and provided the same educational experience offered to management leaders, thereby supporting a foundation for leadership development. Shinhan Card also worked to strengthen job capabilities by establishing a specialized course for junior leaders and providing opportunities to take courses through external job training platforms. Lastly, Shinhan Card supported the development of a growth mindset through internal sponsorship programs and special lectures by invited women entrepreneurs.

2025 Women Leader Training Performance

Category	Operating Status
Conference Participation	3 sessions
Online Leadership Courses	2 sessions
External Job Training	2 sessions
Sponsorship Program	Annual program (5 months)
CEO Roundtable and Special Lectures	2 sessions
Number of Participants	718 participants

Professional Capability Development

Employee Capability Development Shinhan Card operates a variety of programs to help employees continuously strengthen the capabilities required in a changing business environment. Through voluntary participation-based activities, such as patent idea contests and innovation idea proposals, Shinhan Card supports employees in identifying new business opportunities and contributing to work innovation. These programs also help enhance creativity and problem-solving capabilities, while laying the foundation for employees' initiative and execution to translate into organizational growth.

Strengthening Expert Development To develop financial professionals, Shinhan Card provides employees with learning opportunities at various external professional education institutions, including master's-level programs for digital/AI experts and courses offered by the Korea Banking Institute (KBI).

Job Training To develop top experts in each field, Shinhan Card conducted division-level needs surveys and reorganized its training framework based on the results. Shinhan Card provides continuous job training by matching internal and external training with required capabilities, focusing on job areas related to the core credit card business, such as customer acquisition, debt collection, internal control, and regional sales.

Support for Self-Directed Learning Shinhan Card actively supports Communities of Practice (CoPs), which are self-directed learning communities. The company encourages certification-related CoPs linked to its core business and has newly established job knowledge-sharing CoPs, supporting the systematic dissemination and sharing of professional capabilities and expertise within the organization. In 2025, Shinhan Card operated a total of 130 CoPs, with participation from 468 employees. Shinhan Card also implemented various programs to embed a self-directed learning culture, including the launch of "Ogongwan," a learning certification challenge whose name means "Today's Study Completed."

Organizational Culture Innovation

Career Support Across Life Stages

Retirement Transition Training Program Shinhan Card operates life planning and reemployment support programs for employees scheduled to retire, helping them design a stable future and transition their careers. Since 2021, Shinhan Card has introduced a reemployment support program for retirees, with a total of 141 participants through 2025. The program consists of a 16-hour course covering guidance on government programs and career planning education.

Key Elements of the Retiree Support Program

Category	Key Details
Reemployment Support Services	16-hour program covering guidance on government programs, career planning education, curriculum guidance, support for individual career planning, etc.

Performance Management Framework

Performance Evaluation and Compensation Shinhan Card seeks to maintain a collaborative organizational culture and build an organization that grows together through fair evaluation and compensation. All employees are evaluated under the same performance evaluation system regardless of age, gender, or job type, and organizational and individual performance, together with capabilities, are reflected in differentiated compensation. Shinhan Card also operates an evaluation process that includes goal-setting meetings and agreement, coaching and feedback, and confirmation of goal achievement to ensure that evaluations are conducted fairly.

Evaluation Process

STEP 1	· Establishment and Agreement on Work Goals
STEP 2	· Coaching and Feedback on Goals
STEP 3	· Confirmation and Documentation of Goal Achievement
STEP 4	· Evaluator Assessment
STEP 5	· Employee Review of Evaluation Results

Compensation Framework

Salary / Compensation	Evaluation results are linked to base salary, performance-based incentives, and other compensation elements and are reflected in compensation.
Promotion / Grade Advancement	Evaluation results are reflected as a basis for promotion, grade advancement, and position appointments.

Fair and Objective Evaluation System Shinhan Card conducts a multi-rater evaluation for leaders, consisting of 19 items related to Group Citizenship-based Humanitas (self-awareness and reflection), Communitas (leadership), and performance outcomes. Through this system, Shinhan Card reflects data-based, objective evaluation indicators for prospective leaders and leaders, and conducts promotion suitability assessments for promotion candidates based on objective performance and organizational contribution.

Shinhan Card Communication Culture

Fair and Objective Evaluation System

Data-Based Multi-Rater Evaluation System for Leaders

Multi-Rater Evaluation (19 Items) » Data-Based (Reflection of Objective Indicators) » Promotion Suitability (Performance + Organizational Contribution) » Individual Feedback (Individual Growth Support)

Humanitas (Self-Awareness and Reflection)	Communitas (Leadership)	Performance Outcomes
Citizenship-Based Self-Awareness and Reflection	Citizenship-Based Leadership Role in the Organization	Objective Performance Evaluation for Prospective Leaders and Leaders
Self-Awareness	Leadership	Performance Indicators

Performance and Career Development Support Shinhan Card operates the Open Job Market and the Group-Wide Internal Job Posting Program to support employees' work performance, expertise, and career development. Based on employees' individual needs and job capabilities, Shinhan Card supports the establishment of self-directed career development plans (Self Career Planning), aiming for effective and fair performance management and open, employee-led HR practices.

Organizational Culture and Employee Well-Being

Organizational Culture Innovation

Direction of Organizational Culture Innovation

Shinhan Card aims to become a customer-centric organization that objectively reviews and challenges itself from the customer's perspective. To this end, Shinhan Card continues to strengthen cohesion so that all employees can create shared outcomes.

Through the Shinhan Culture Index (SCI), Shinhan Card regularly assesses improvements in organizational culture and operates various programs to identify and address cultural pain points at the group and division levels. Through these efforts, Shinhan Card examines ways of working, work culture, and the overall employee experience, creating changes that employees can feel in day-to-day work. In addition, Shinhan Card has conducted separate surveys and focus group interviews (FGIs) to improve its work culture, identify current conditions, and derive and implement tasks to eliminate inefficient practices.

Organizational Culture Innovation In alignment with the Group's organizational culture direction of "Customer-Centric First-Class Shinhan, Humanitas, and Communitas," Shinhan Card carried out various activities to embed this culture across the organization. Through company-wide leadership and organizational culture training, all employees had the opportunity to understand Shinhan Citizenship and build consensus. The innovation tasks identified through this process were categorized into four values — wisdom, justice, courage, and temperance — and have been implemented on an ongoing basis. Shinhan Card seeks to connect organizational culture innovation not to a one-off campaign, but to changes in everyday ways of working, and continues to work toward building an organizational culture that functions effectively in actual business operations.

Ways of Working Innovation To innovate the way employees work, Shinhan Card carried out phased embedding activities to strengthen professionalism. By sharing a video series on themes such as expertise, ownership, collaboration, and temperance, Shinhan Card built consensus among all employees. In addition, items emphasizing professionalism were added to capability and competitiveness level diagnosis and feedback, making these elements measurable. Peer evaluations also reflected factors such as sound work practices and accountability, helping employees improve self-awareness of their professional capabilities and providing feedback for improvement. At the organizational level, related content was reflected in survey items to quantitatively measure the value of professionalism, and when group heads led organizational culture improvement activities, improvement measures for these items were identified and announced.

Key Activities for Ways of Working Innovation

Embedding Professionalism	Shinhan Card conducted phased embedding activities to strengthen professionalism. It shared a video series on professionalism, ownership, collaboration, and temperance to build employee consensus.
Reflecting Diagnosis and Improvement	Shinhan Card added items emphasizing professionalism to capability and competitiveness level diagnosis and feedback to make them measurable. It also reflected related items in peer evaluations and surveys to measure the value of professionalism and identify improvement measures.

Organizational Culture Diagnosis and Communication

SCI(Shinhan Culture Index) Through the SCI, Shinhan Card diagnoses the work environment, collaboration methods, and organizational culture actually experienced by employees on a data-driven basis. The company uses department-level diagnosis results to support autonomous improvement activities and link them to company-wide organizational culture improvement tasks, while continuing related improvement activities to create substantive changes across ways of working and business processes.

Building a Trust-Based Communication Culture To ensure that trust-based communication and organizational culture innovation are translated into day-to-day work, Shinhan Card organized casual meetings between group heads and employees from other groups, between management leaders and young leaders, and between internal control teams and frontline business teams, creating opportunities to share each participant's views and diverse insights. Shinhan Card also supports communication across generations, job functions, and levels through programs to help newly transferred employees integrate into the organization and activities to expand the Regional Talent Network. Through open feedback and coaching, Shinhan Card is building a culture where employees share their perspectives and experiences with one another.

Shinhan Card Communication Culture

Activating Trust-Based Communication + Organizational Culture Innovation → Connection to Day-to-Day Work

Communication Meetings	Development and Networking Activities
· Meetings between group heads and employees from other groups · Roundtables between management leaders and young leaders · Luncheons between internal control teams and frontline business teams	· Development program for newly transferred employees · Regional Talent Network
→ Sharing each participant's views and diverse insights	→ Building a foundation for communication across levels and generations

▼ Integration of the two types of activities

Open Feedback and Coaching
Building a culture where employees share their perspectives and experiences with one another.

Organizational Culture and Employee Well-Being

Employee Well-Being and Health

Work-Life Balance

Shinhan Card operates a range of employee benefits and work arrangements designed to enhance both employees' quality of life and work engagement. By creating a family-friendly work environment, expanding flexible work arrangements, building region-based smart working environments, and operating health promotion programs, Shinhan Card supports a work environment that reflects employees' diverse needs across life stages and daily life. Through these efforts, Shinhan Card is creating a workplace where employees can work with greater stability, maintain work-life balance, and grow in a healthy and sustainable manner.

Work-Life Balance Programs Shinhan Card operates work-life balance programs to help employees balance work and personal life. By operating systems that comprehensively consider employees' life stages, family care needs, and working conditions, Shinhan Card enables each employee to choose a work style suited to their individual circumstances.

Creating a Family-Friendly Work Environment Shinhan Card supports employees throughout the entire process from marriage to childcare and helps reduce financial burdens by introducing marriage support grants and expanding or newly establishing childbirth congratulatory grants and childbirth support grants. Shinhan Card also provides attentive welfare benefits, including the operation of a comfortable workplace childcare center and an additional six-month childcare leave for employees caring for children with disabilities or premature infants. In particular, employees with children entering elementary school may reduce their working hours by one hour, either in the morning or afternoon, during March and April, actively supporting work-family balance.

Creating a Flexible Organizational Culture Shinhan Card regards improving employees' quality of life as a core management value. By embedding the flexible working hours system, Shinhan Card has strengthened organizational flexibility, while increased support for health checkups and vacation facility subsidies has provided employees with more practical support for physical well-being and rest.

Work-Life Balance and Employee Protection Programs

Program	Key Details
Work Arrangements	PC On/Off System, flexible working hours, parental leave, fertility treatment leave, fertility treatment expense support, etc.
Reduced Working Hours	Reduced working hours during pregnancy and childcare periods, reduced working hours during children's school entry period, and reduced working hours for employees' own studies or family caregiving
Leave Programs	Menstrual leave, maternity leave, miscarriage/stillbirth leave, prenatal checkup leave, fertility treatment leave, paternity leave, sabbatical month system, unpaid leave, health checkup leave, etc.
Health Management	Advancement of a personalized smart health checkup system and operation of an in-house gym
Employee Assistance Program (EAP)	In-house counselors (4), external counseling agencies (3), operation of the EAP website, and regular visiting programs by professional counselors
Occupational Safety and Health Committee	Discussion of matters related to the prevention of occupational accidents and the promotion of employee health
Other Programs	Family care leave, chairs reserved for pregnant employees, women-only lounge, family counseling support services, and operation of three joint workplace childcare centers operated by the Group

Smart Working Place Shinhan Card operates Smart Working Places (SWPs), regional remote work offices for headquarters employees in four locations nationwide, providing flexible workforce allocation and a stable working environment for employees. In addition, Shinhan Card has provided 50 seats in 14 major locations nationwide, including the headquarters (SWP+), enabling employees to choose their workplace flexibly when needed due to personal circumstances such as caregiving or health needs, or business trips.

Employee Health and Psychological Support

Employee Health Promotion Programs Shinhan Card operates a variety of health promotion programs to help employees stay engaged in their work in good health and stable condition. By supporting health management through the operation of an in-house gym and in-house clinic, Shinhan Card works to create a healthy workplace. These efforts go beyond basic employee benefits and support employees' sustainable work performance and a vibrant organizational culture. Specifically, Shinhan Card provides comprehensive health checkup expense support by age group for all employees and their spouses, as well as health checkup support for employees' parents aged 60 or older. In addition, when employees' spouses or parents incur medical expenses due to injury or illness, Shinhan Card provides related support and operates group insurance for employees to prepare for unexpected events such as accidents, cancer, and illness. Shinhan Card also supports a range of employee health promotion programs, including annual influenza vaccinations.

Support for Employee Connections and Mental and Physical Well-Being Shinhan Card provides institutional support to help employees strengthen emotional resilience by maintaining mental and physical stability within the organization. In 2025, Shinhan Card held mental wellness events featuring invited speakers on topics such as life design for restoring emotional balance, mind leadership, and self-care skills. Reflecting employees' strong interest, Shinhan Card also offered lectures to enhance understanding of pension products, including special lectures on retirement pensions. In addition, Shinhan Card actively supports stronger employee connections and a healthy organizational culture by supporting various employee club activities that employees can enjoy with colleagues and families, including weekend farms, yoga, and running.

Human Rights and Occupational Safety and Health

Respect for Human Rights

Approach and Principles

Approach and Principles for Respecting Human Rights Based on Shinhan Financial Group's human rights principles and commitments, Shinhan Card respects the fundamental rights of all stakeholders, including employees, customers, and suppliers, and reflects these principles across its business and organizational operations. In accordance with Group-wide internal rules, Shinhan Card embeds the value of respect for human rights based on the Group Code of Ethics and the Supplier Code of Conduct. It also advances a systematic approach to respecting human rights through a framework designed to prevent potential human rights violations in advance and respond promptly if violations occur.

Commitment to Respect for Human Rights In line with the Group's direction for respecting human rights, Shinhan Card supports the fundamental principles of human rights protection and respect set out in the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights, and strives to comply with employment and labor laws in all regions where its workplaces are located.

Human Rights Principles Through the Group Human Rights Declaration, Shinhan Card establishes fundamental principles for the human rights of all stakeholders, including employees, and reflects them in its business activities and financial service delivery. In terms of labor rights protection, Shinhan Card's key principles include creating a safe working environment, preventing unfair labor practices, complying with working hours, paying appropriate wages, and prohibiting discrimination. In terms of investment screening, Shinhan Card restricts business and investment activities involving specific regions, industries, or companies that may involve forced labor or child labor, as well as investment activities that may infringe on the human rights of Indigenous Peoples. In terms of access to financial services, Shinhan Card considers both accessibility and fairness based on the principles of equal service provision, information protection, and protection of financially underserved groups.

Implementation Framework

Shinhan Card ensures that respect for human rights is not limited to a declarative commitment but is practiced in day-to-day work. To this end, Shinhan Card continuously informs all employees of human rights-related laws and regulations and prohibited illegal or unfair conduct, and provides training to raise human rights awareness so that a culture of respect for human rights can function effectively in everyday work, including customer service, and across the organizational culture.

Human Rights Training Framework To raise employees' human rights awareness and strengthen compliance with relevant laws and regulations, Shinhan Card provides systematic human rights training for all employees, including disability awareness training, training on the prevention of workplace bullying and sexual harassment, and guidance on prohibited illegal or unfair conduct. Through this training, Shinhan Card supports all employees in practicing a culture of respect for human rights and uses human rights training as a means to embed the organization's core values and standards of conduct.

Human Rights Training Hours

(Unit: hours)

Category	2023	2024	2025
Human Rights Training	8,452	10,696	8,892

Prevention and Response

Protecting the Human Rights of Frontline Customer-Facing Employees Shinhan Card recognizes repeated acts that disrupt work, including sexual harassment, verbal abuse, and threats, as key human rights risks and operates a step-by-step response framework to protect frontline customer-facing employees. Customers engaging in problematic behavior are selected based on internal criteria, including frequency, duration, and content, and are managed in stages, from requests to stop problematic behavior to transfer to the automated response system (ARS) or call disconnection and legal action. In 2025, the Review Committee for Customers Engaging in Problematic Behavior was held twice, and among seven persons subject to review, measures were taken against four persons: formal written notices were sent to three persons, and one person was subject to a formal written notice and card issuance restrictions.

Performance Indicators

Human Rights-Related Measures Shinhan Card operates the Review Committee for Customers Engaging in Problematic Behavior to address human rights risks that may arise in the customer service process, and manages related measures and performance.

Operating Status of the Review Committee for Customers Engaging in Problematic Behavior

Category	Details
Number of Deliberations	2 sessions
Subjects Reviewed	7 persons
Confirmation Rate of Customers Engaging in Problematic Behavior	57% (4 persons)

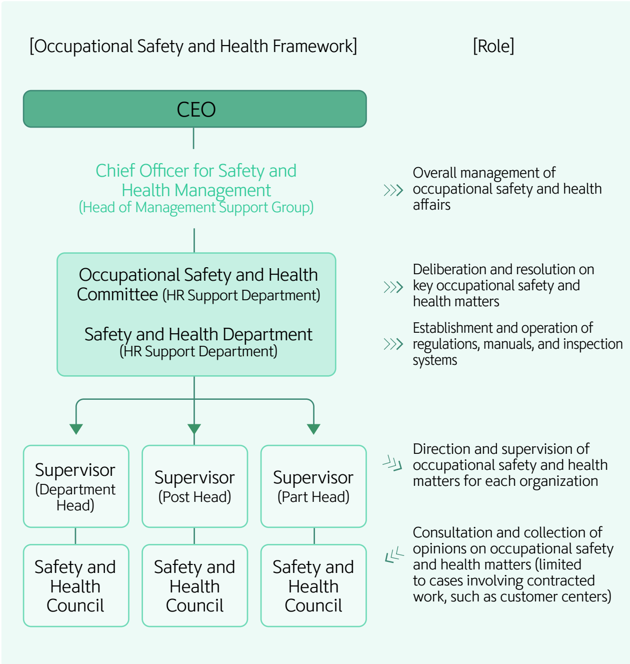
Occupational Safety and Health

Approach and Principles

Occupational Safety and Health Management Approach and Principles Shinhan Card manages occupational safety and health as a key management priority so that employees can work in a safer and healthier environment. To this end, Shinhan Card has established a systematic occupational safety and health management framework and continues to carry out management activities focused on legal compliance and the prevention and improvement of hazards and risks. Shinhan Card also identifies and improves workplace hazards and risks based on worker participation, ensuring that occupational safety and health practices are embedded in day-to-day operations.

Occupational Safety and Health Management Framework Shinhan Card operates a management framework that integrates the person with overall responsibility for occupational safety and health management, the Safety and Health Committee, the department responsible for occupational safety and health, supervisors at each organizational level, and the Occupational Safety and Health Council. Through this framework, Shinhan Card systematically deliberates and decides on key occupational safety and health matters, establishes and operates regulations and manuals, and directs and supervises occupational safety and health matters by organization. Shinhan Card also proactively identifies and improves hazards and risks, while continuously reviewing its response framework under the Serious Accidents Punishment Act (SAPA) and faithfully fulfilling related legal obligations.

Occupational Safety and Health Management Framework



Occupational Safety and Health Management Policy Shinhan Card prioritizes the protection of workers' lives and the creation of a safe working environment above all else. To this end, Shinhan Card provides sufficient human and material resources to eliminate and control workplace hazards and risks, establishes and implements occupational safety and health goals and action plans, and continues preventive occupational safety and health activities in compliance with relevant laws, regulations, and internal rules. Shinhan Card also improves identified hazards and risks based on worker participation and feedback, and supports safety enhancement activities so that they can operate effectively in the workplace.

Occupational Safety and Health Management Policy

1. Make the protection of workers' lives and the creation of a safe working environment the highest priorities of business activities.
2. Establish an occupational safety and health management framework at each workplace and provide sufficient human and material resources to eliminate and control workplace hazards and risks.
3. Set occupational safety and health goals and establish and implement action plans to achieve them.
4. Establish and faithfully implement internal regulations that comply with occupational safety and health-related laws and regulations, including obligations to secure safety and health, to prevent accidents.
5. Identify risk factors through worker participation, ensure that identified risk factors are improved, and share them through education and training.
6. Conduct periodic worker consultations and awareness-raising activities to build workers' occupational safety and health awareness, and support workers' active participation in safety enhancement activities.

Human Rights and Occupational Safety and Health

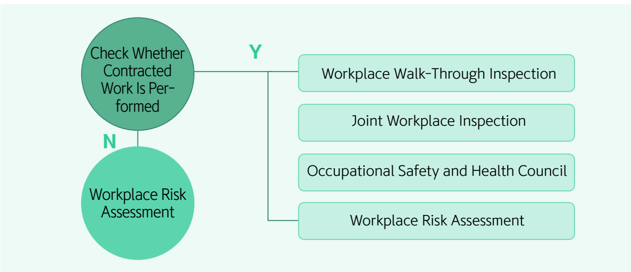
Occupational Safety and Health

Implementation Framework

Shinhan Card operates an occupational safety and health management framework that identifies and improves workplace hazards through regular inspections and risk assessments. For contracted work, Shinhan Card conducts joint inspections with suppliers to ensure the safety of workers across both the company and its supply chain. Even without contracted work, it continuously manages potential hazards through workplace risk assessments. Through this approach, inspections go beyond procedural checks and function as a practical management framework linked to hazard identification, improvement actions, and consultative body operations.

Occupational Safety and Health Inspection System Shinhan Card regularly inspects workplace hazards through its occupational safety and health inspection system. For contracted work, it conducts workplace walk-through inspections, joint inspections, Occupational Safety and Health Council meetings, and workplace risk assessments. Even without contracted work, it manages occupational safety and health matters through workplace risk assessments. As of 2025, walk-through inspections are conducted weekly, joint inspections and risk assessments quarterly, and the Occupational Safety and Health Council monthly, enabling management supervisors and supplier employee representatives to jointly review occupational safety and health issues.

Occupational Safety and Health Inspection System Process



Types and Frequency of Occupational Safety and Health Inspections

Inspection Type	Inspection Frequency	Responsible Party
Workplace Walk-Through Inspection	Once a Week	Supervisor (Organization Head)
Joint Workplace Inspection	Once a Quarter	Supervisor (Organization Head) + Supplier Employee Representative
Occupational Safety and Health Council	Once a Month	Supervisor (Organization Head) + Supplier Employee Representative
Workplace Risk Assessment	Once a Quarter	Supervisor (Organization Head)

Performance Indicators

Occupational Accident Status Shinhan Card continues to strengthen proactive and preventive occupational safety and health management to create a safe working environment for employees.

Occupational Accident Status

Category	Unit	2023	2024	2025
Number of Occupational Accidents	Cases	0	0	1
Days Absent Due to Occupational Accidents	Days	0	0	0
Working Hours	Hours	5,326,880	5,256,160	4,894,648

Occupational Accident Prevention and Response Framework Shinhan Card continues to strengthen proactive and preventive occupational safety and health management to create a safe working environment for employees. Shinhan Card has also established the Serious Industrial Accident Response Manual and manages the occupational safety and health of all workers, including executives and employees, as well as contractors, service providers, and outsourced personnel. All workers are required to immediately report any identified hazards or risks to the department head or the department responsible for occupational safety and health. In the event of an accident, Shinhan Card conducts an ad hoc emergency risk assessment and resumes work only after safety has been secured. Shinhan Card also analyzes the cause of the accident, establishes recurrence prevention measures, shares them with all workers, and continuously checks for recurrence of the same type of accident through annual regular risk assessments.

Serious Accident Response Procedure

Stage	Action Details
Risk Identification	Immediate reporting by workers and department heads and suspension of work
Evacuation and Initial Response	Evacuate all personnel through designated evacuation routes and conduct initial internal response
Rescue and First Aid Measures	Call emergency services (119) and provide first aid, including CPR
Reporting	Immediately report the incident overview, damage status, and actions taken to the regional employment and labor office
Recurrence Prevention	Analyze causes, establish recurrence prevention measures, and share them with all workers

Trust-Based Labor-Management Relations

Labor-Management Relations

Approach and Principles

Shinhan Card builds cooperative labor-management relations based on mutual respect and trust, and creates a healthy organizational culture through continuous communication with employees. Shinhan Card operates structured consultation mechanisms, including the Joint Labor-Management Grievance Committee and the Labor-Management Council, and works to ensure that employees' views are reflected across organizational operations through employee communication programs.

Direction for Trust-Based Labor-Management Relations Shinhan Card pursues labor-management relations based on mutual respect and trust, and strengthens the foundation for sustainable organizational operations through cooperation between labor and management. Shinhan Card also operates its workplaces to ensure that there are no workplaces where workers' rights to freedom of association or collective bargaining are infringed or exposed to significant risk, and actively supports respect for and realization of workers' rights.

Labor-Management Council Operating Framework Shinhan Card continues labor-management communication based on its cooperative relationship with the Shinhan Card Branch under the Credit Finance Industry Division of the Korean Finance & Service Workers' Union. Wage negotiations are conducted annually, while the collective agreement is renewed every two years. Shinhan Card operates the Labor-Management Council at least once every quarter to respect and reflect employees' views.

Employee Communication Programs Shinhan Card operates various programs to promote communication among employees and enhance organizational vitality. Through joint labor-management programs and other activities, Shinhan Card expands interaction among employees and continues activities to build a cooperative organizational culture.

Implementation Framework

Status of Employee Communication Programs

Program	Key Details
Enhancing Internal Communication	Department lunch events, team-building events, and fall cultural events
Family Participation	Camping events and Family Month events
Employee Health	Smoking cessation campaign and 10,000-step challenge
Family Support	College entrance information sessions, Junior Mentoring Camp, and college regular-admission consulting

Prevention and Response

Shinhan Card operates various reporting channels at all times, including phone lines through the HR Support Department and the labor union, the EAP system, and online channels, so that employees can easily report grievances. Grievances received are reviewed and handled by the Joint Labor-Management Grievance Committee within 10 days, and the results and measures taken are individually notified to the relevant employee. At the request of the affected employee, the HR Support Department and HR Department promptly implement affected-employee-centered protective measures, such as workplace transfer, department reassignment, or paid leave. Shinhan Card also maintains a fair and safe working environment by taking personnel and disciplinary measures against the employee responsible for the misconduct in accordance with internal rules. The Joint Labor-Management Grievance Committee operates through two internal grievance counseling offices. The Head of the HR Division and the Vice Chair of the labor union are appointed as committee members through the Labor-Management Council. The Committee supports the resolution of employee grievances by promptly reviewing reported grievances and notifying the relevant employee of the handling results.

Management of Labor-Management Relations

Shinhan Card builds stable labor-management relations based on mutual respect and trust, and operates various communication and support systems to ensure that employees' views and grievances are reflected in organizational operations. Through a multi-layered operating framework, including the Labor-Management Council, employee communication programs, and psychological counseling programs, Shinhan Card continues ongoing communication with employees and works to create a healthier and more cooperative work environment.

Labor-Management Council Operating Status Shinhan Card maintains cooperative labor-management relations based on mutual respect and trust. Through regular communication with the labor union, Shinhan Card conducts wage negotiations and renews the collective agreement, while listening to employees' views and sharing key management issues through the Labor-Management Council held at least once every quarter. Shinhan Card also operates various communication channels, including the Grievance Committee, to ensure that employees' views and grievances are reflected in organizational operations, and continues to maintain cooperative relations for harmony and shared growth between labor and management.

Labor-Management Relations Status and Performance

Labor Union Membership and Collective Bargaining Agreement Status

Category	Unit	2023	2024	2025
Number of Employees Covered by the Collective Agreement	Persons	2,561	2,527	2,373
Percentage of All Employees Covered by Collective Bargaining Agreements	%	100	100	100
Number of Employees Eligible for Union Membership	Persons	2,383	2,328	2,176
Number of Union Members	Persons	2,119	2,112	1,965

Planet

Climate Action

Climate Action Framework

Climate Governance

Through the Board-level ESG Committee, Shinhan Card reviews, approves, and oversees climate-related policies and strategies. As the highest internal decision-making body for sustainability, including climate issues, the ESG Committee comprises four members, including the Chair.

Shinhan Card has appointed a Chief Sustainability Officer (CSO) and established a management framework for climate-related matters. The CSO reports climate risk matters to the ESG Committee and Risk Management Committee through quarterly management meetings for review. Shinhan Card's climate governance is structured in four tiers: the Board of Directors, CEO, responsible executives, and working-level organizations.

Board Level The ESG Committee, Risk Management Committee, and Audit Committee are positioned at the Board level. The ESG Committee receives regular and immediate exception reports from the Management Council and provides final review and approval of climate-related policies and strategies. The Risk Management Committee receives quarterly and immediate exception reports from the Risk Management Council and reviews climate risk-related matters. The Audit Committee oversees climate risk-related activities of the Board of Directors and management.

CEO Level The Management Council regularly receives and reviews climate-related matters from the CSO, while the Risk Management Council receives and discusses quarterly reports on climate risk-related matters from the Chief Risk Officer (CRO).

Responsible Executive Level The CSO oversees climate-related strategies and policies, as well as working-level ESG activities, while the CRO oversees working-level activities related to climate risks.

Working-Level Functions The SDGs Council, SDGs Planning Department, Risk Working Council, Risk Overall Management Team, and business departments serve as the working-level functions and directly carry out activities related to climate action.

Climate Strategy

Climate Strategy and Policy

Shinhan Card has established two main strategic directions for climate action: reducing emissions from its own operations and decarbonizing its financial portfolio. Reducing emissions from its own operations is a strategy to directly reduce Scope 1 and 2 emissions through measures such as improving energy efficiency at business sites, transitioning to renewable energy, and expanding low-emission mobility. Decarbonizing the financial portfolio is a strategy to contribute to climate action through Shinhan Card's core financial business by systematically measuring and managing Scope 3 financed emissions generated from financial activities, including loans and investments, and by expanding low-carbon financial products and services.

Net-Zero Target and Reduction Roadmap Shinhan Card has set 2020 as its base year and established the achievement of net zero by 2050 as its ultimate goal. To achieve this goal, Shinhan Card has developed and is implementing a phased reduction roadmap.

Reduction Target Framework To achieve net zero by 2050, Shinhan Card is working to reduce carbon emissions in stages each year. It operates an integrated management framework that covers all greenhouse gas emissions subject to management, including Scope 1 direct emissions from business sites, Scope 2 indirect emissions, and Scope 3 financed emissions generated from financial activities.

Scope 1 and 2 — Operational Emissions Reduction Strategy Shinhan Card's major sources of direct carbon emissions (Scope 1) are city gas (LNG) used for heating and cooling its buildings and gasoline consumed by company vehicles. Indirect emissions (Scope 2) arise from electricity consumption at Shinhan Card's buildings. To reduce Scope 1 and 2 emissions, Shinhan Card is implementing the following measures in stages.

First, Shinhan Card continues to implement its own carbon reduction activities, including flexible management of heating and cooling hours and temperatures, internal energy-saving campaigns, and the transition of company vehicles to low-emission vehicles. Second, Shinhan Card is promoting the transition of electricity used in its buildings to renewable energy through the purchase of Renewable Energy Certificates (RECs). Third, Shinhan Card continues to expand the share of renewable energy use through Green Premium purchases. By expanding these measures in stages, Shinhan Card plans to achieve net zero by 2050.

Scope 3 — Financed Emissions Management Strategy Shinhan Card uses its financed emissions measurement system to measure financed emissions in accordance with the standards of the Partnership for Carbon Accounting Financials (PCAF), including The Global GHG Accounting and Reporting Standard for the Financial Industry (2020). Shinhan Card prioritizes high-carbon industries for financed emissions management and systematically measures and manages financed emissions.

Financed emissions are calculated for asset classes such as corporate bonds, loans, unlisted equities, and vehicle loans. Shinhan Card calculates emissions by asset class, monitors the carbon intensity of its overall portfolio, and works to decarbonize its financial portfolio.

Climate Action

Climate Risk Management

Risk Management Process

Shinhan Financial Group was the first financial institution in Korea to establish the "Group ESG Risk Management Rules" and has continued to strengthen its climate risk management framework by building a three-lines-of-defense model for climate-related risk management and internal control. Through the publication of its TCFD Report, the Group assesses the financial impacts of climate change and identifies key risk and opportunity factors. It also refines its assessment of business risks associated with climate change through a comprehensive materiality assessment that includes scenario modeling and sensitivity analysis, and reflects the results in its prioritized management plans.

STEP 1. Identification and Selection Shinhan Financial Group identifies climate-related risks and opportunities and selects the factors subject to assessment. It reviews current and potential future climate issues with reference to the TCFD recommendations and peer analysis.

STEP 2. Review and Assessment Shinhan Financial Group reviews the financial impacts of the identified risks and opportunities and conducts a climate-related materiality assessment involving employees.

STEP 3. Prioritization Shinhan Financial Group prioritizes risks and opportunities based on financial impact analysis. To this end, it selects and updates scenarios and analyzes potential financial impacts under each scenario.

STEP 4. Planning, Implementation, and Monitoring For prioritized risks and opportunities, Shinhan Financial Group establishes management plans and reviews Group-level management and response measures.

STEP 5. Reporting to the Board and Management As the final stage of the risk management process, key climate risk-related matters are reported to management and the ESG Committee. Based on the reporting results, areas for improvement in climate risk management are identified and reflected in the next risk management cycle.

Risks and Opportunities

Climate change creates both new risks and opportunities across Shinhan Card's business environment. Shinhan Card does not view these changes merely as external environmental factors, but recognizes them as key management factors that must be directly reflected in its business strategy and decision-making. Accordingly, Shinhan Card continues to take a systematic approach to proactively identifying risks that may arise from climate change, while actively capturing new business opportunities created by the transition to a low-carbon economy.

Transition Risks As the global movement toward carbon neutrality accelerates, the regulatory environment surrounding the financial industry is also changing rapidly. Shinhan Card closely monitors risks arising from this transition from four perspectives: policy and legal, technology, market, and reputation.

From the policy and legal perspective (medium term), as climate-related regulations are strengthened in Korea and abroad, financial institutions may face growing demands to reduce financed emissions, and new restrictions may emerge on lending and investment in high-carbon industries. Violations of environmental laws or regulations, or greenwashing issues, may lead to legal action by customers, investors, or civil society, making transparent and substantive climate action more important than ever.

From the technology perspective (long term), substantial costs may be incurred for the development of new technologies and capital investment required for the low-carbon transition. If unexpected side effects arise during the adoption of new technologies, they may create financial burdens, requiring careful judgment in technology selection and transition timing.

From the market perspective (long term), companies that emit large amounts of carbon or have negative environmental impacts are increasingly facing lower market valuations. A decline in the value of investments and credit assets related to such companies could directly affect Shinhan Card's portfolio soundness.

From the reputation perspective (medium term), if customers and investors perceive Shinhan Card's climate response as passive or lacking sincerity, this could lead to a decline in brand trust, reduced demand for products, and lower operating revenue. Aligning words with actions in climate response is essential to maintaining stakeholder trust.

Physical Risks Climate change is increasing the frequency and intensity of natural disasters and, over the long term, changing climate patterns themselves. These changes may directly affect Shinhan Card's physical assets, including office buildings, data centers, and infrastructure, as well as the financial services provided to customers.

Acute risks (medium term) refer to the risk that sudden extreme weather events, such as typhoons, floods, heavy snowfall, and disease outbreaks, may damage or disrupt Shinhan Card's assets and facilities, increasing recovery costs. More broadly, infrastructure damage may undermine business continuity and create situations in which customers cannot use payment and financial services when they need them. This is why Shinhan Card continuously reviews and strengthens its Business Continuity Plan (BCP).

Chronic risks (long term) refer to the risk that electricity use and energy costs may continue to rise as extreme heat and extreme cold become more common. This may directly increase operating costs and may also lead to a decline in the asset value of investee companies located in industries and regions vulnerable to climate change, potentially affecting long-term financial soundness.

Climate Action

Climate Risk Management

Risks and Opportunities

Opportunities Climate change brings not only risks. Shinhan Card believes the transition to a low-carbon economy can create new markets and customer value, opening a window of opportunity. Companies that prepare ahead of change can secure future competitiveness.

From a resource efficiency perspective (short term), the transition to digital documents is a practical change that reduces paper use and improves operational efficiency. Although a small step, it is the first step in embedding Shinhan Card's commitment to reducing resource consumption into daily operations.

From an energy resources perspective (medium term), the transition to zero-emission vehicles and adoption of energy-efficient products reduce carbon emissions from operations and lower energy costs. By pursuing RE100 for its data centers and accelerating the renewable energy transition across its digital infrastructure, Shinhan Card is further strengthening the foundation for low-carbon operations.

From a products and services perspective (medium term), low-carbon financial products and green investments are key tools for Shinhan Card to directly contribute to reducing carbon emissions through its core financial business. By continuously developing products that help customers practice low-carbon consumption and investment, Shinhan Card is building an ecosystem where the company and its customers participate in climate action.

From a market perspective (short term), green bond issuance and support for green businesses, including low-emission transportation and green buildings, accelerate the transition to a low-carbon economy and open business opportunities in new markets. Leadership in green finance provides a foundation for enhancing Shinhan Card's brand value and attracting new customer segments.

From a resilience perspective (medium term), expanding low-carbon financial products and services is a strategic choice beyond environmental contribution, strengthening Shinhan Card's long-term business competitiveness and profitability. Building a climate-resilient portfolio and creating sustainable economic value with customers is the future Shinhan Card envisions.

Metrics and Targets

Greenhouse Gas Emissions Measurement Framework

Shinhan Card measures and manages greenhouse gas emissions by classifying them into Scope 1, Scope 2, and Scope 3 financed emissions in accordance with the GHG Protocol. Scope 2 emissions are calculated using both the location-based and market-based methods, and Shinhan Card uses market-based figures, which reflect renewable energy procurement performance, as the official basis for tracking reduction performance.

Financed emissions are calculated for seven major asset classes, including loans, corporate bonds, and vehicle loans, in accordance with the PCAF global standard, and Shinhan Card regularly monitors the carbon intensity of its portfolio.

Energy Consumption

In 2025, total energy consumption was 172,152.2 GJ. In the fossil fuel category, city gas (LNG) decreased by 4.1% year-on-year to 17,052.0 GJ, while gasoline for vehicles decreased by 24.7% to 7,444.6 GJ. In the electricity category, purchased electricity decreased by 1.6% year-on-year to 215,998.2 GJ, while electric vehicle charging increased by 431.7% to 33.5 GJ, indicating an accelerated transition to electric vehicles. Shinhan Card continued its renewable energy procurement efforts through 48,825.6 GJ of Green Premium purchases.

Greenhouse Gas Emissions

Scope 1 and 2 — Operational Emissions In 2025, Scope 1 direct emissions decreased by 13.8% year-on-year to 1,367 tCO_2eq.

Location-based Scope 2, which reflects actual physical emissions, decreased by 2.1% year-on-year to 10,338 tCO_2eq. Total location-based Scope 1 and 2 emissions decreased by 3.6% year-on-year to 11,705 tCO_2eq, demonstrating the actual emissions reduction effect of expanded renewable energy use.

Market-based Scope 2 emissions increased by 36.7% year-on-year to 7,065 tCO_2eq, while total market-based Scope 1 and 2 emissions increased by 24.9% year-on-year to 8,432 tCO_2eq. These figures reflect the application of the market-based accounting approach, which incorporates renewable energy procurement such as RECs and Green Premium purchases.

Scope 3 — Financed Emissions In 2025, financed emissions amounted to 694,714.0 tCO_2eq, representing a slight increase year-on-year. This reflects the advancement of Shinhan Card's calculation framework through the expansion of measurement coverage and improved data accuracy. Shinhan Card plans to gradually reduce the carbon intensity of its portfolio by prioritizing the management of high-carbon industries and expanding low-carbon financial products.

Shinhan Card Energy and GHG Key Performance Indicators

Total Energy Consumption	Electric Vehicle Charging	Green Premium Procurement	Scope 1 (Direct Emissions)	Scope 1+2 (Location-Based)	Scope 1+2 (Market-Based)	Scope 3 (Financed Emissions)
172,152.2 GJ	33.5 GJ	48,825.6 GJ	1,367 tCO_2eq	11,705 tCO_2eq	8,432 tCO_2eq	694,714 tCO_2eq

Environmental Management

Environmental Management Practices

Employee Environmental Practices

Shinhan Card is fostering a culture of voluntary participation so that climate action does not remain a broad policy commitment, but is translated into everyday practices by each employee.

Give & Run Campaign Shinhan Card regularly operates the "Give & Run" campaign, through which employees donate by running, to support efforts to address the climate crisis. Launched in 2022 through voluntary participation centered on the company's internal running club, the campaign adds up the distance voluntarily run by employees during the campaign period, and the company makes matching donations in proportion to that distance.

Held to mark Shinhan Card's 18th anniversary, this year's campaign ran for 21 days from September 22 to October 12, with a total of 204 participants, including members of the internal running club and individual employees. The campaign consisted of virtual running, in which employees ran freely at their preferred place and time and certified their records, and offline running along the Cheonggyecheon and Gyeongbokgung courses near the headquarters. Reflecting the growing popularity of running, the offline running events attracted strong interest, with 69 participants joining across a total of 10 sessions.

Over 21 days, employees ran a combined distance of 8,327 km, generating KRW 8.327 million in donations through matching donations of KRW 1,000 per kilometer. Together with KRW 2.04 million in voluntary employee donations, a total of KRW 10.37 million was raised. The funds will be donated to the World Wide Fund for Nature (WWF) and used for climate crisis response and nature conservation projects.

SDGs Challenge Shinhan Financial Group operates the "Shinhan SDGs Challenge" as a Group-led initiative through which employees practice and certify carbon reduction activities in their daily lives. Joined by all Group affiliates, including Shinhan Card, the holding company, Shinhan Bank, Shinhan Securities, and Shinhan Life, the challenge is based on the belief that small everyday actions can come together to create meaningful carbon reduction outcomes.

A total of 94% of Shinhan Card employees participated in the challenge, achieving a high average completion rate of 66%. Through employees' voluntary participation in eight daily practices, including turning off power strips, achieving zero food waste, using public transportation, deleting emails, using handkerchiefs, turning off lights, using reusable cups or tumblers, and choosing low-carbon meals, the challenge reduced carbon emissions by approximately 10 tons of CO_2. This is equivalent to driving around the Earth once by car, or 40,000 km, growing 1,000 trees for one year, or the electricity used by a four-person household for three years.

Energy-Saving Campaign "Save Together" Through Shinhan Financial Group's energy-saving campaign "Save Together," Shinhan Card is fostering a culture where employees practice energy conservation in daily work. The campaign embeds carbon neutrality in employee awareness and behavior while linking employees' energy and resource savings with donations to energy-vulnerable households and communities. As part of this flagship Group campaign, Shinhan Card donated KRW 350 million in 2025.

The monthly "Save Together Week" encouraged participation through three practical tasks focused on cars, emails, and multifunction printers. On Car-Free Day, employees were encouraged to use public transportation at least twice a week, while executives and department heads joined a five-day vehicle rotation system. On Email-Free Day, employees reduced their digital carbon footprint by deleting unnecessary Swing and webmail messages. On Multifunction Printer-Free Day, employees reduced paper use by working digitally instead of using printouts. In addition, on "Save Together Day," held on the 21st of each month, Shinhan Card encouraged employees to reduce disposable cup use by offering a KRW 1,000 discount at S-Cafe on the 25th floor of the headquarters when they used reusable cups or tumblers.

Employee Environmental Campaign Performance

Give & Run
Employee Running-to-Donate Campaign

204
Participating Employees (persons)

8,327
Cumulative Running Distance (km)

Distance-Based Donation Conversion + Voluntary Employee Donations → Donation to WWF

KRW 10.37 million
Total Funds Raised (including KRW 2.04 million in voluntary donations)

SDGs Challenge
Eight Daily Carbon Reduction Practices

94%
Employee Participation Rate

66%
Challenge Completion Rate

10,414 kg CO_2
Reduction Effect (approximately 10 tons)

Equivalent to 40,000 km by car and 1,000 trees grown for one year
Equivalent to three years of electricity use by a four-person household

Shinhan "Save Together" Campaign (held from March to November)
Employees practice energy and resource conservation, and the amount saved is donated to energy-vulnerable households and communities in winter

"Save Together Day" held on the 21st of every month

Car-Free Day
Use of public transportation encouraged at least twice a week

Email-Free Day
Delete unnecessary emails
Reduce the digital carbon footprint

Multifunction Printer-Free Day
Minimize paper use by shifting to digital work processes

Reusable Cup Day
KRW 1,000 discount at the in-house café when using a reusable cup or tumbler

Environmental Management

Environmental Management Practices

Creating ECO Zone No. 4 Together with Seoul Green Trust, Shinhan Card is creating ECO Zones by regenerating aging urban parks into green spaces and developing sustainable urban green spaces. Funded by Eco Points from ECO Plan card customers who create value through environmentally conscious consumption in daily life, as well as donations from Shinhan Card's Green Campaign, ECO Zone is Shinhan Card's project to create healthier urban parks that provide citizens with places for everyday rest and environmental benefits and values.

Since creating its first ECO Zone at Seoul Forest in Seongdong-gu, Seoul in 2021, Shinhan Card has continued its nationwide efforts to create environmentally sustainable spaces by opening the fourth ECO Zone at Galma Park in Seo-gu, Daejeon, following ECO Zones at APEC Naru Park in Busan and Hansae-bong Agricultural Eco Park in Gwangju.

The Daejeon Galma Park ECO Zone was designed under the theme of a park where people and nature come together, reflecting Galma Park's characteristics as a green space located in a densely populated residential area. By introducing vegetation of various sizes, Shinhan Card created a sustainable space that enhances biodiversity and allows visitors to experience a diverse forest landscape that changes with the seasons. Shinhan Card will continue its efforts to strengthen ecosystem conservation and biodiversity management, which are strategic SDGs indicators of Shinhan Financial Group.

"Bee-meal" Pollinator-Friendly Planting Through "Bee-meal," a pollinator-planting initiative carried out in cooperation with Seoul Green Trust and linked to employee volunteer activities, Shinhan Card plants a variety of pollinator-friendly species in Seoul Children's Grand Park, a public park widely used by local communities. By creating ecological habitats where diverse species, including pollinators and birds, can thrive, Shinhan Card contributes to enhancing biodiversity in urban parks and fostering a healthy urban ecosystem.

Shinhan Card ECO Zone

Through the Urban ECO Zone Project

- Reduce carbon emissions and particulate matter by creating green spaces
- Increase urban plant species diversity
- Restore aging parks as sustainable green spaces

Resource Savings through Digital Transformation

Shinhan Card is actively using digital technology to reduce unnecessary paper use, enhance customer convenience, and transform its business processes in a way that minimizes environmental impact.

Building a Mobile ID-Based Identity Verification Framework In line with the government's expansion of mobile ID cards, Shinhan Card proactively built and implemented identity verification and document receipt functions using mobile resident registration cards and mobile foreign registration cards across online and offline channels. This enables customers to complete identity verification conveniently without the cumbersome process of preparing and photographing a physical ID card, while also accelerating digital innovation that reduces paper document use.

Expanding Mobile-Based Customer Document Submission and Receipt Functions Shinhan Card is reducing paper use by both customers and internal employees by developing and expanding the use of mobile-based customer document receipt functions. Customers can process required documents on mobile devices anytime and anywhere, while Shinhan Card can substantially reduce resource consumption and carbon emissions from printing, storing, and processing paper documents. Digital transformation is not merely a way to improve operational efficiency; it is also a practical approach through which Shinhan Card reduces environmental impact in its everyday business operations.

Environmental Management

Green Finance Implementation Principles

Green Bond Management Framework

Shinhan Card complies with a standardized green bond management framework that defines four core elements in accordance with the Green Bond Principles established by the International Capital Market Association (ICMA) and the Korean Green Bond Guidelines issued by the Ministry of Climate, Energy and Environment and the Financial Services Commission. The four core elements consist of use of proceeds, process for project evaluation and selection, management of proceeds, and investor reporting.

Green Bond Management Framework

Core Element	Key Details
Use of Proceeds	Support eligible green projects aligned with the purpose of issuance
Process for Project Evaluation and Selection	Operate criteria to assess and select eligible projects based on environmental suitability
Management of Proceeds	Allocate proceeds appropriately to eligible projects and continuously track related information
Investor Reporting	Transparently disclose the status of use of proceeds and environmental performance

Shinhan Card has issued green bonds totaling KRW 440 billion, including KRW 180 billion in 2021, KRW 110 billion in 2022, and KRW 150 billion in 2024, based on this management framework. The proceeds were used in full for installment loans dedicated to low-emission vehicles and related financial products. Shinhan Card strictly manages the proceeds to ensure that they are appropriately allocated to eligible projects, including low-emission transportation and infrastructure development, and plans to continue expanding green bond issuance in line with market conditions.

ESG Investment

ESG Investment Principles Shinhan Card complies with the standards of the International Capital Market Association (ICMA) in the issuance and management of ESG bonds. The applicable standards include the Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines. Shinhan Card's ESG bond management framework is structured around the use of proceeds, evaluation and selection of eligible projects, management of proceeds, and investor reporting. Shinhan Card issues green bonds, social bonds, and sustainability bonds according to the purpose of each bond issuance, and manages the proceeds to ensure that they are allocated to eligible projects aligned with the relevant purpose. The use of proceeds is continuously monitored, and any unallocated proceeds are managed in accordance with internal fund management rules. In such cases, Shinhan Card manages the funds using financial instruments with high liquidity and stability.

Standard ESG Bond Management Framework

Korean Green Bond Management Framework

Green Finance Strategy

Shinhan Card has established a structured strategy for expanding green finance in line with Shinhan Financial Group's green finance objective of accelerating the transition to a low-carbon economy, and is working to generate substantive outcomes.

In August 2025, Shinhan Card established the Green Lending Management Guidelines in accordance with the Group Green Lending Guidelines. Based on these guidelines, Shinhan Card developed a phased implementation plan to implement green finance initiatives and generate measurable performance. In particular, Shinhan Card plans to prevent greenwashing and continue strengthening financial support for the transition to a low-carbon economy by promoting green finance in accordance with the Ministry of Environment's Korean Green Taxonomy (K-Taxonomy).

Environmental Policy Funds

Environmental Policy Fund Borrowings

In May 2023, Shinhan Card entered into an agreement to borrow environmental policy funds through Shinhan Bank's green policy finance interest-subsidized loan program. Loans totaling KRW 92.2 billion were executed in phases, including KRW 10.5 billion in 2025. The borrowed funds were used in full to support auto finance for the purchase of low-emission vehicles, making a substantive contribution to expanding the adoption of low-emission vehicles in Korea and reducing carbon emissions.

Environmental Policy Fund Borrowing Performance

Year	Amount Disbursed
2023	KRW 25.7 billion
2024	KRW 56.0 billion
2025	KRW 10.5 billion
Cumulative	KRW 92.2 billion

Environmental Management

Green Financial Products

Shinhan Card EVerywhere

Through "Shinhan Card EVerywhere," which actively supports the everyday lives of electric vehicle users, Shinhan Card is creating an environment where customers can practice low-carbon consumption more affordably.

The core benefit of Shinhan Card EVerywhere is 30–50% cashback on electric vehicle charging fees. Customers receive 30% cashback when their previous month's card spending is KRW 400,000 or more, up to KRW 15,000 per month, and 50% cashback when their previous month's card spending is KRW 800,000 or more, up to KRW 20,000 per month.

In addition, the card provides lifestyle service benefits for digital subscriptions (20%), mobile telecom charges (5%), convenience stores (5%), and bakeries and coffee shops (5%). It also provides KRW 5,000 cashback when customers spend KRW 5,000 or more through parking apps, once per day and up to twice per month.

By substantially reducing charging costs, one of the most frequent expenses after purchasing an electric vehicle, this product provides a positive incentive for customers considering a transition to electric vehicles. Shinhan Card will continue to develop and expand products that support low-carbon lifestyles, such as EVerywhere, and practice low-carbon living together with customers through its core financial business.

Shinhan Card ECO Plan

Shinhan Card operates "ECO Plan," a card designed for low-carbon lifestyles, so that customers' everyday consumption activities can naturally lead to environmental protection practices.

ECO Plan automatically accumulates 0.2% of spending at domestic and overseas merchants as Eco Donation Points. When accumulated points reach 1,000 or more, they are automatically donated to Seoul Green Trust on the 28th of each month and used for urban green space development and tree-planting activities. With no previous-month spending requirement or accumulation limit, the donation amount increases in proportion to card usage, creating a virtuous model that links consumption with environmental contribution. Completed donations are automatically treated as eligible for a donation tax deduction, providing customers with a practical incentive to participate.

In addition, through its "Green Challenge Service," ECO Plan provides additional benefits to customers who practice low-carbon lifestyles, such as switching to digital statements and using public transportation on Mondays. It also offers a 10% discount on low-carbon consumption across three categories: Eco Life, including shared mobility, electric vehicle charging, and environmentally conscious shopping; Healthy Plan, including fitness and green food; and Daily Vibe, including convenience stores and health and beauty stores. Customers can receive benefits of up to KRW 60,000 per month.

ECO Plan is an example of how Shinhan Card realizes, at the product design level, the value of "finance that creates a positive impact on society and the environment" by linking individual consumers' everyday financial activities with climate action.

Rental Factoring Financial Support

Since 2023, Shinhan Card has provided factoring finance support when customers rent food waste disposers and electric bicycles to contribute to carbon emissions reduction. In 2025, Shinhan Card provided a monthly average outstanding balance of KRW 1.88 billion, and plans to continue strengthening various forms of financial support to expand green finance and support the transition to a low-carbon economy together with customers.

Putting Green Finance into Practice by Expanding Electric Vehicle Adoption

Shinhan Card operates financial support policies to expand electric vehicle adoption and promote low-carbon mobility. For customers purchasing Volvo electric vehicles, Shinhan Card provides welcome kits that include various benefits needed for vehicle use, thereby improving convenience during the initial period after purchasing an electric vehicle. Shinhan Card is also actively promoting carbon reduction practices and the expansion of green finance by supporting electric vehicle sales and infrastructure development.

Prosperity

Community Engagement

Community Partnerships and Shared Growth

Community Partnerships and Shared Growth Framework

Under the value of "creating beauty together," Shinhan Card carries out sustainable community engagement activities centered on Areumin, its social contribution brand whose name means "people who create a beautiful world." Shinhan Card has established three strategic directions: a world that shares the warmth of inclusion with vulnerable groups, a clean world that protects the planet, and a world where future generations and local communities can thrive together. Through support programs that leverage its financial expertise, Shinhan Card is taking the lead in creating social value.

Shinhan Card Support Programs

I BELIEVE, WARM WORLD	· Support for Areumin Libraries · Education support for financially vulnerable groups · Areumin Donation Campaign · Support for medical expenses for children from low-income families through employee payroll giving · Support for welfare funds for persons with disabilities
I HOPE, CLEAN WORLD	· Forest ecosystem conservation project · Urban ECO Zone project to create environmentally sustainable parks · Support for "One Company, One Village" partner communities and sales of environmentally sustainable agricultural products · Sign language services and multicultural interpretation and counseling support ·Issuance of Braille cards and Braille notice services
I LIKE, JOYFUL WORLD	· Future Generation Protection Project · Areumin Financial Reading Quiz Contest · Picasso Kids' Art Fest · Cham Shinhan Font Contest · Art fair "The Preview Seoul"

Community Partnerships and Shared Growth Strategy

Shinhan Card is strengthening its connections with local communities through shared-growth activities closely linked to the daily lives of vulnerable groups and local residents. Through various forms of support, including support for community spaces, participatory programs, and volunteer activities, Shinhan Card responds to the practical needs of local communities and enhances the continuity of shared growth through a participation model that brings customers and employees together.

Shinhan Card is expanding the foundation for program implementation through cooperative networks with local welfare institutions, public institutions, and social economy organizations. It plans to continue community-linked activities, including support for vulnerable groups, local shared-growth programs, and the creation of environmentally sustainable community spaces.

Community Partnerships and Shared Growth Activities

Based on employees' voluntary participation, Shinhan Card operates employee-led volunteer activities and carries out a variety of shared-growth activities in partnership with local communities.

Shinhan Card fulfills its social responsibility as a corporate citizen across a broad range of areas, from support for vulnerable groups and local environmental conservation to the protection of cultural heritage and animals.

Since 2003, Shinhan Card has operated payroll giving programs, including the "One Account of Love" campaign, through which employees donate a fixed amount from their monthly salary, and "Salary Rounding," through which employees donate amounts of less than KRW 1,000 or KRW 10,000 from their monthly salary. To date, approximately KRW 3 billion has been raised through these programs to support Areumin Libraries in local communities and medical expenses for pediatric patients from low-income families.

Diverse Volunteer Activities with Local Communities Shinhan Card carries out employee volunteer activities in various fields, including support for animal rescue shelters, work assistance at sheltered workshops for persons with disabilities, Sungkyunkwan cultural heritage stewardship activities, and the removal of invasive plants along Cheonggyecheon Stream.

Areumin Shared Growth Market Shinhan Card annually holds the Areumin Shared Growth Market to provide income-generating opportunities for vulnerable groups and support their self-reliance. The market sells products from 16 participating organizations, including senior job creation project groups, self-reliance support institutions for single mothers, sheltered workshops for persons with disabilities, and "One Company, One Village" partner communities, with participation from Shinhan Card employees, office-building tenant employees, and local residents. Marking its fourth year, the market received around 400 donated items from employees, such as clothing, winter supplies, toys, and small home appliances, with proceeds used to support vulnerable older adults, single-parent families, and persons with disabilities.

Volunteer activities are also held alongside the market. Employees personally assemble Dream Boxes containing antibacterial products and stationery, which are delivered through the Korea Council of Social Welfare to 1,000 children with cancer or rare and intractable diseases. Shinhan Card has continued this activity since 2012.

Participatory Community Shared-Growth Programs Shinhan Card participated in the Korea Grand Festival, jointly promoted by government ministries such as the Ministry of SMEs and Startups and the private sector, and supported local economic revitalization and shared growth with small merchants by providing customer benefits linked to local commercial districts, including Good Price Businesses, traditional markets, and Onnuri Gift Certificates, government-issued vouchers used at traditional markets. Shinhan Card also offers the Traditional Market Love Debit Card to support the revitalization of traditional markets and supports traditional markets in local communities through marketing using MyShop Partner.

Community Engagement

Community Partnerships and Shared Growth

Community Partnerships and Shared Growth Activities

Support for Older Adults in Partnership with Woori Mapo Welfare Center Shinhan Card has continued a range of volunteer activities for vulnerable older adults in partnership with Woori Mapo Welfare Center. In addition to providing meal service support for older adults using the welfare center, Shinhan Card carries out emotional support activities during Family Month, including donations of food and daily living supplies and flower basket-making activities. Shinhan Card also supports the emotional stability and daily lives of older adults through support with winter supplies and kimjang kimchi, as well as 70th, 80th, and 90th birthday celebration events.

Recognized for Community Contribution for Seven Consecutive Years As a result of various activities to address community issues and revitalize local communities, Shinhan Card has been recognized for community contribution for seven consecutive years since the recognition program was launched in 2019. This demonstrates that Shinhan Card's community partnerships and shared-growth activities are recognized as community contribution activities with continuity and public value.

Community Partnerships and Shared Growth Performance

Shinhan Card is expanding a culture of giving created together with customers and employees, while continuing to receive external recognition for its community partnerships and shared-growth activities.

Cumulative Expansion of Areumin Libraries Since 2010, the Areumin Library program has opened 557 Areumin Libraries, including seven overseas locations. The libraries are used by an average of approximately 240,000 people per day and have provided more than 850,000 books, including e-books.

Shinhan Card opened its 557th Areumin Library, and the 12th library funded through employee payroll donations, at the Municipal Suseo Youth Center in Gangnam-gu, Seoul.

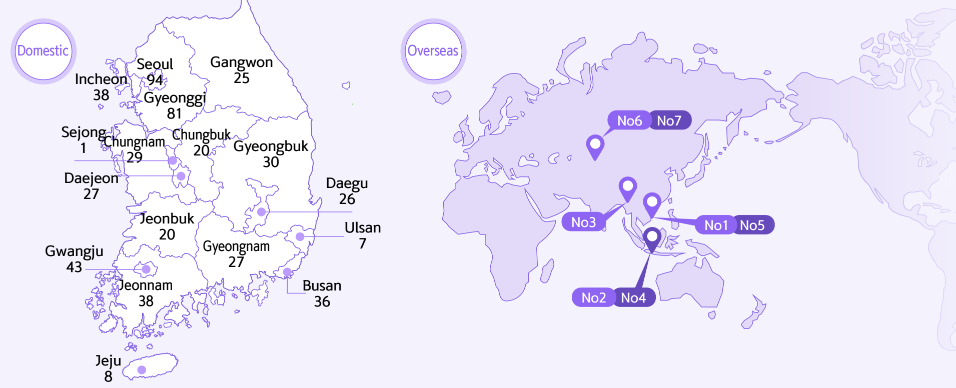
It is also steadily expanding the scope of sharing by continuing to support Areumin Libraries at military units to improve reading culture infrastructure for service members, beginning with the Republic of Korea Army 1st Infantry Division, Republic of Korea Air Force 20th Fighter Wing, Republic of Korea Navy Logistics Command, and Republic of Korea Marine Corps Headquarters.

Fundraising with Employee and Customer Participation Through employee payroll giving programs, Shinhan Card has raised approximately KRW 3 billion to date, which has been used to build Areumin Libraries and support medical expenses for children with rare and intractable diseases. In addition, customer donations raised through the Areumin Donation Campaign on Shinhan SOL Pay and the website are used to create Areumin Libraries. By making donations to libraries in customers' names, Shinhan Card is expanding a culture of giving in which customers participate together.

Status of Areumin Libraries

(As of December 2025)

Total 557 | Seoul 94 | Busan 36 | Daegu 26 | Incheon 38 | Gwangju 43 | Daejeon 27 | Ulsan 7 | Sejong 1 | Gyeonggi 81 | Gangwon 25 | Chungbuk 20 | Chungnam 29 | Jeonbuk 20 | Jeonnam 38 | Gyeongbuk 30 | Gyeongnam 27 | Jeju 8 | Overseas 7



Areumin Library in Vietnam
Overseas [Global No1] Quyet Thang, Ninh Giang District, Hai Duong, Vietnam

Areumin Library in Indonesia
Overseas [Global No2] Sentul, Bogor, West Java, Indonesia

Areumin Library in Myanmar
Overseas [Global No3] Dala, Yangon, Myanmar

Areumin Library in Indonesia
Overseas [Global No4] Sentul, Bogor, West Java, Indonesia

Areumin Library in Vietnam
Overseas [Global No5] Dai Tu District, Thai Nguyen Province, Vietnam

Areumin Library in Kazakhstan
Overseas [Global No6] Almaty, Kazakhstan

Areumin Library in Kazakhstan
Overseas [Global No7] Almaty, Kazakhstan

Community Engagement

Support for Future Generations

Future Generations Support Framework

To support the healthy growth of future generations and help create an inclusive financial environment, Shinhan Card operates a variety of programs in cooperation with public institutions, professional organizations, and educational institutions. Centered on its social contribution brand, Areumin, Shinhan Card maintains consistency and continuity in its support activities.

Future Generations Support Direction

Shinhan Card supports future generations in three key areas: improving financial literacy, building emotional resilience, and strengthening digital capabilities. Through tailored financial education, Shinhan Card is expanding the reach of financial education to children, adolescents, students in special education classes, and young people preparing for independent living and other young adults starting out in society. It also supports balanced growth by providing mental health support and cultural experience opportunities, while expanding its support both in Korea and overseas by participating in efforts to improve the educational environment for children and adolescents in digitally underserved regions abroad.

Management of Support Programs

Shinhan Card operates a range of programs for future generations, including financial education, mental health support, and cultural experiences, based on cooperation with public institutions and professional organizations.

Creating Social Value through Cooperation with Public and Professional Organizations Shinhan Card signed an agreement with the Korean Committee for UNICEF for the Future Generation Protection Project. To protect children and adolescents from risks and harmful factors arising from the development of digital technology, Shinhan Card developed and distributed mental health content in Korea tailored to children, adolescents, guardians, and teachers, and held briefing sessions on mental health programs for teachers in cooperation with the Seoul Metropolitan Office of Education.

Overseas, Shinhan Card is supporting the development and research of digital and AI capability-building education programs for teachers and students in digitally underserved regions, in cooperation with Vietnam's Ministry of Education and Training and the Vietnam National Institute of Educational Sciences.

Mental Health Literacy Education with UNICEF In cooperation with the Korean Committee for UNICEF and Seodaemun-gu, Seoul, Shinhan Card held the "Reading Minds, Growing Minds" event to promote children's psychological and emotional health. It provided mental health literacy education to about 10,000 students at 65 elementary, middle, and high schools in Seoul, and developed and distributed educational content, including workbooks, guidebooks, and books. Held around the Waterfall Bookstore Areumin Library at Hongje Waterfall Plaza, the event offered experiential and cultural programs, such as a mental health book concert, mind card making, and mind doll making, creating an opportunity for children and guardians to build a shared understanding of mental health.

Financial Education Programs for Adolescents and Children Shinhan Card operates financial education programs tailored to adolescents, children, and students in special education classes. The Areumin Financial Expedition and Areumin Financial Classroom deliver key topics such as finance, consumption, credit, and digital finance to elementary, middle, and high school students through experiential and participatory activities. Areumin Financial Friend, designed for students in special education classes and special schools, provides education on understanding finance in daily life and preventing financial crime. Shinhan Card also offers expanded programs linked to financial education. For young adults entering society, including youth preparing for independent living, children in extended care, military service members, and local youth, Shinhan Card operates online financial concerts to support economic independence and sound financial habits, and holds a financial reading quiz contest for elementary school students.

Emotional Support Programs for Children and Youth Shinhan Card's flagship family cultural event, the Picasso Kids' Art Fest, marked its 24th year. The event, held at the multipurpose plaza of the Gwacheon National Science Museum, provides children with opportunities to develop their dreams and imagination through drawing. This year, reflecting Fourth Industrial Revolution trends such as AI, robotics, and space, Shinhan Card added a new participant experience by holding the Picasso Kids' AI Drawing Contest, which uses generative AI, as a preliminary event.

Performance in Supporting Future Generations

Shinhan Card continues to expand financial education and emotional support activities for future generations, with outcomes confirmed through quantitative indicators and external evaluations.

Expanding Tailored Education to Improve Financial Literacy From 2015 to 2025, Shinhan Card conducted a cumulative total of 9,888 financial education sessions for approximately 147,000 participants. It currently operates the One Company–One School financial education program in partnership with 150 schools nationwide.

Through cooperation with UNICEF, Shinhan Card provided mental health literacy education for approximately 10,000 students at 65 elementary, middle, and high schools in Seoul, and continues to expand participating institutions and educational content.

Financial Education Performance and External Recognition At the 2025 One Company–One School Financial Education Best Practice Awards hosted by the Financial Supervisory Service, Shinhan Card received the Governor of the Financial Supervisory Service Award in the Outstanding Financial Company Employee category. Since receiving its first award in 2019, Shinhan Card has continued to gain external recognition for its expertise and continuity in financial education.

Community Engagement

Arts, Culture, and Creativity Support

Arts, Culture, and Creativity Support Policy

Shinhan Card has set the core direction of its support for arts and culture as helping emerging artists and galleries enter the art market and improving customers' access to arts and culture. At the intersection of finance and art, Shinhan Card connects creators and audiences and fulfills its responsibility as a corporate citizen contributing to the healthy growth of the arts and culture ecosystem.

Arts, Culture, and Creativity Support Strategy

Shinhan Card pursues its support strategy for arts, culture, and creativity across three pillars: creating a foundation for emerging artists and galleries to enter the market, expanding arts and culture experiences for customers, and supporting cultural and creative activities for children and adolescents. Shinhan Card continues to expand the art market ecosystem through art fairs, enhance customers' access to culture through performing arts sponsorships, and support creative activities for future generations through family cultural events.

Management of Support Programs

Shinhan Card carries out support activities across the arts and culture ecosystem through various initiatives, including art fair operations, cultural content partnerships, and children's cultural events.

Support Programs for the Development of Arts and Culture Shinhan Card has entered into sponsorships to expand diverse cultural content and operates the "Shinhan Card The Moment" event. By offering two-for-one ticket benefits or discounts for a wide range of performing arts and cultural content, including musicals, concerts, and exhibitions, Shinhan Card is improving customers' access to arts and culture.

Hosting The Preview Seoul Shinhan Card has hosted "The Preview Seoul," the first art fair launched by a financial company, for five consecutive years, expanding the foundation for emerging galleries and artists to enter the art market. Over the past five years, 240 galleries have participated, generating approximately KRW 5.8 billion in artwork sales, and emerging artists who participated in the fair have continued to advance to major international art fairs such as KIAF and Frieze Seoul. During the exhibition period, Shinhan Card supports marketing and promotion and provides financial infrastructure, including card payment and interest-free installment payment services, creating an environment where participating galleries and artists can focus on their exhibition activities. Shinhan Card has also hosted Seongsu Art Week with Shinhan Card for four consecutive years, supporting the expansion of the art market ecosystem with a focus on emerging artists and new galleries.

Support Performance and External Recognition

Centered on The Preview, Shinhan Card is expanding the growth foundation for emerging artists and galleries and contributing to the revitalization of the arts and culture ecosystem through locally connected arts and culture programs. Based on the continued hosting and advancement of the art fair, Shinhan Card is increasing the continuity and effectiveness of its arts and culture support activities, and these efforts have led to external recognition and tangible outcomes.

Selected for the MCST Support Program and Awarded at the Arts Management Awards Shinhan Card was selected for the Art Fair Support Program hosted by the Ministry of Culture, Sports and Tourism for four consecutive years from 2022 to 2025. It was also selected as an outstanding case at the 2025 Arts Management Awards, organized by the Ministry of Culture, Sports and Tourism and the Korea Arts Management Service, and received the Korea Arts Management Service President's Award. Shinhan Card was the first company outside the arts sector to be selected, in recognition of its contribution to revitalizing the arts and culture ecosystem through The Preview art fair.

Expanding the Growth Foundation for the Emerging Art Ecosystem The Preview art fair, which began with the meaning of offering a "preview," has remained true to its original purpose of introducing new galleries, artists, and works first. By continuously expanding points of contact between the art market and customers and building a sustainable ecosystem, The Preview has come to be known as a gateway for emerging galleries and artists.

Contributing to the Global Expansion of Korea's Emerging Art Scene Through The Preview, Shinhan Card supports emerging galleries and artists in expanding overseas and explores various ways to introduce Korean contemporary art to global audiences. Following Bangkok in 2024, Shinhan Card supported the expansion of The Preview galleries to Jakarta in 2025.

Inclusive Finance Implementation and Funding

Inclusive Finance Implementation Framework

Shinhan Card has established a standard management framework for green, social, and sustainability bonds in line with the Social Bond Principles (2018) of the International Capital Market Association (ICMA). Based on this framework, Shinhan Card carries out inclusive finance activities to address social issues, including support for vulnerable groups and the development of social infrastructure.

Funds raised through social bonds are managed according to the following four types of support areas and target beneficiaries.

Social Bond Types

Category	Support Areas and Target Beneficiaries
Basic Infrastructure	Projects that supply basic social infrastructure for vulnerable groups
Basic Services	Projects that provide and expand education, financial, and cultural services for vulnerable groups
Affordable Housing	Projects that support the purchase or lease of residential facilities for vulnerable groups
Socioeconomic Development	Financial benefits for microbusinesses and other small businesses, support for inclusive finance, and support for venture companies, SMEs, and early-stage startups

Inclusive Finance Funding Strategy

Shinhan Card operates an inclusive finance funding framework based on two pillars: social bond issuance and the use of overseas capital markets.

Securing Funding for Inclusive Finance through Social ABS Issuance
Shinhan Card issues social bonds as a funding tool to expand inclusive finance. The funds raised are used in areas where social value creation is needed, including support for vulnerable groups, improvement of housing and living foundations, and expanded access to education and cultural services. Shinhan Card also contributes to expanding the growth foundation and revitalizing local economies by supporting microbusinesses and early-stage startups.

Strengthening the Foundation for Inclusive Finance through Domestic and Overseas Capital Markets In addition to issuing domestic card bonds, Shinhan Card actively uses overseas capital markets to strengthen the stability and diversity of funding for inclusive finance. Through collaboration with DBS Bank and ING Bank, leaders in ESG finance, Shinhan Card has diversified its funding sources by issuing Social ABS in overseas markets. It is also expanding its annual overseas funding volume in parallel with overseas syndicated loan financing. Through these efforts, Shinhan Card is easing the burden of domestic card bond issuance while building a stable funding environment to provide financial support for vulnerable groups.

Inclusive Finance Funding Performance

Shinhan Card continues to expand funding for inclusive finance by using domestic and overseas capital markets, supported by its overseas issuance performance.

Expansion of Offshore Social ABS Issuance Shinhan Card issued USD 400 million, equivalent to approximately KRW 555.1 billion, in offshore Social Asset-Backed Securities (Social ABS) in collaboration with DBS Bank and ING Bank. The ABS was backed by credit card receivables and structured with an average maturity of three years and six months. It received “Aaa,” the highest credit rating, from Moody’s, an international credit rating agency. Shinhan Card minimized foreign exchange and interest rate fluctuation risks through currency and interest rate swaps, and used the proceeds to provide financial support for vulnerable groups, including low-credit and low-income customers.

Inclusive Finance and Shared Growth

Shared-Growth Financial Support for Small Merchants and Self-Employed Business Owners

Support Framework for Small Merchants and Self-Employed Business Owners

Shinhan Card has established a support framework that combines platforms, loans, and data to help small merchants and self-employed business owners facing difficulties due to the economic slowdown stabilize their businesses and strengthen their self-reliance and business resilience. Going beyond financial support, Shinhan Card is expanding its support into non-financial areas such as marketing, commercial district analysis, and enhanced credit assessment, while strengthening the execution of shared-growth financial support for small merchants based on public-private cooperation networks.

Support Strategy for Small Merchants and Self-Employed Business Owners

Shinhan Card improves financial access for small merchants and self-employed business owners and supports their business capabilities through platform support, enhanced credit assessment, and the launch of financial products tailored to individual business owners.

Support for Small Merchants and Local Commercial District Revitalization Through MySHOP Partner, an integrated marketing platform for small merchants, Shinhan Card provides merchant promotion, app push marketing, big data-based commercial district analysis, legal counseling, and other services. Operated as an open platform available to all small merchants regardless of Shinhan Card merchant status, MySHOP Partner also works with branch offices to strengthen the promotional capabilities of small merchants within local communities.

Shinhan Card also carries out a range of activities to revitalize local commercial districts. In 2025, it provided cashback benefits for purchases at approximately 100,000 small merchant locations in traditional markets nationwide. It also offers specialized services through the Traditional Market Love Debit Card, supporting both local commercial district revitalization and increased merchant sales.

Building a Foundation for Self-Sustaining Growth by Reducing Financial Burdens Shinhan Card operates the Business Loan Stepdown Service to ease financial burdens on small merchants struggling amid the economic slowdown. For new business loan customers who repay on time without delinquency, interest rates are reduced in stages by 0.5 percentage points every six months, with a maximum reduction of up to 3.0 percentage points after three years of timely repayment. Interest rates are automatically reduced when conditions are met without a separate application, improving small merchants' access to benefits. Upon acceptance of an interest rate reduction request, an additional stepdown discount is applied to the customer's loan.

Enhancing the Alternative Credit Assessment Model In cooperation with Korea Credit Bureau (KCB), Shinhan Card is enhancing its alternative credit assessment model to expand the SOHO (individual business owner) market and enable individual business owners with limited financial history to access financial services based on actual business capabilities. Using its card merchant information as alternative credit data, Shinhan Card more precisely analyzes and predicts individual business owners' business sustainability and stability, reflecting the results in financial institutions' loan screening strategies. This approach can expand loan opportunities and limits for business owners with short operating histories or relatively low personal creditworthiness if they operate sound businesses, while improving practical financial access by optimizing loan limits and terms based on business stability and the expected duration of business operations.

Launch of Npay biz Shinhan Card Shinhan Card launched a new card product for 3.5 million individual business owners operating within the Naver ecosystem. Regardless of spending in the previous month, customers can earn up to 1.5% in Npay points for Npay online simple payments and business operating expenses, and up to 5% in key business expense categories, including the four major social insurance premiums, electricity bills, city gas bills, and fuel purchases. In collaboration with Shinhan Bank, Shinhan Card also offers a preferential interest rate of 0.4% per year to customers who link the "Npay biz Shinhan Account" as their payment account.

Management of Support for Small Merchant Resilience and Recovery

Through cooperation with the government and the private sector, Shinhan Card operates a range of support activities to reduce the business burdens of small merchants and strengthen the foundation for their resilience and recovery.

Government-Collaborative Support for Small Merchants In connection with the government's Small Business Companion Festival, Shinhan Card supported marketing for small merchants nationwide through Traditional Market MySHOP coupon marketing on the MySHOP platform, which receives an average of 526,000 monthly visitors.

Support to Reduce Burdens on Small Merchants Shinhan Card participated in the government's Small Merchant Burden Reduction Credit Support Program, conducting marketing to encourage credit applications and supporting promotion of the program. Shinhan Card held an event in which 100 customers who applied for the credit and used the full credit amount were selected by lottery to receive KRW 500,000 in cashback. It also encouraged active participation in the program through text messages and phone guidance to 950,000 merchant owners, as well as through partner and Group company channels. As a result, as of the second half of 2025, 515,000 Shinhan Card customers applied for the credit, recording KRW 257.4 billion in program performance amount and a market share of 16.9%.

Operation of Business Expense Cards for the Korea Institute of Start-up & Entrepreneurship Development (KISED) In cooperation with KISED, Shinhan Card issues dedicated business expense cards to entrepreneurs finally selected for startup support project funding. Shinhan Card currently supports the execution and management of startup support expenses by card, and the transaction volume of KISED business expense cards reached KRW 29.2 billion in 2025. Through support programs and promotional activities for entrepreneurs, Shinhan Card is working to help small merchants strengthen their business foundation and reduce their burdens.

Inclusive Finance and Shared Growth

Tailored Inclusive Finance for Vulnerable Groups

Strategy to Support Financially Vulnerable Groups

Shinhan Card is improving financial access for vulnerable groups through tailored financial solutions that reduce burdens in the early stages of financial service use and support credit recovery. In cooperation with specialized institutions, Shinhan Card develops and operates educational content and financial solutions tailored to the characteristics of vulnerable groups, including slow learners, persons with disabilities, and seniors. It also provides education support for groups facing barriers in digital finance and operates an emergency financial support framework for customers affected by disasters and other circumstances beyond their control.

Management of Support for Financially Vulnerable Groups

Financial Education for Special Education Classes with Peach Market Since 2020, Shinhan Card has partnered with Peach Market, which develops educational content for slow learners, to support financial education for groups vulnerable in digital finance. Designed for those who have difficulty using increasingly diverse and advanced financial products, the program covers practical daily-life topics such as simple payment services, kiosk use, and digital financial crime prevention. Easy-to-read materials and experiential learning enable participants with limited digital device experience to take part.

Shinhan Card also provides training for special school teachers and operates a program to train digital financial education instructors for middle-aged and older adults, laying the foundation for continuous education. It also offers practical economic education training to strengthen the capabilities of field experts who teach slow learners. Through the "Easy Economy Book Best Review Contest," jointly organized by Shinhan Card, Peach Market, the Credit Card Social Contribution Foundation, and the Community Chest of Korea, Shinhan Card is building a cooperative framework with the Ministry of Education and Metropolitan and Provincial Offices of Education.

Tailored Financial Accessibility Support for Persons with Disabilities Shinhan Credit Information Co., Ltd., a subsidiary of Shinhan Card, provides credit management lectures for persons with hearing disabilities to prevent financial fraud. As part of Shinhan Financial Group's initiatives, Shinhan Card is strengthening inclusive financial services without discrimination to improve convenience in using financial services for persons with disabilities, while continuing to provide financial support tailored to the characteristics of each type of disability.

Emergency Financial Support in the Event of Disasters and Other Circumstances Beyond Customers' Control Shinhan Card operates an emergency financial support framework for customers affected by disasters and other circumstances beyond their control. For customers affected by wildfires, Shinhan Card provides financial support to help them quickly recover their daily lives, including a six-month card billing deferral and six-month installment repayment support after the deferral period ends.

Performance in Supporting Financially Vulnerable Groups

Through cooperation with Peach Market, Shinhan Card provided digital finance education to approximately 6,800 people, including slow learners and seniors. Around 80 trained senior instructors are continuing to provide education for approximately 4,300 seniors at welfare centers, libraries, and senior centers in the Seoul metropolitan area. Shinhan Card also strengthened the continuity and expansion foundation of education by operating practical economic literacy training for approximately 500 teachers and education professionals. A total of 244 students and special education teachers from 50 institutions nationwide participated in the "Easy Economy Book Best Review Contest," which was supported by the Ministry of Education and 10 metropolitan and provincial offices of education.

Shinhan Card plans to continue expanding tailored education based on easy-to-read materials and to strengthen cooperation to improve the digital finance usage environment by enhancing educational outcomes and cooperative frameworks.

Areumin Financial Education Curriculum

Inclusive Finance and Shared Growth

Participatory Shared-Growth Finance and Enhanced Financial Access

Financial Access Enhancement Framework

Shinhan Card systematically operates credit recovery support, financial burden reduction, and tailored financial solutions for vulnerable groups to improve access for customers who face difficulties in using financial services. Based on its standard ESG bond management framework aligned with the Social Bond Principles of the International Capital Market Association (ICMA), Shinhan Card raises funding to support vulnerable groups and expand social infrastructure, while maintaining a phased support framework from the early stages of financial service use to crisis situations.

Shinhan Card operates institutional mechanisms to ease financial burdens, including debt restructuring, low-interest loans, and the right to request an interest rate reduction. It also provides financial solutions that support credit recovery and business recovery for self-employed business owners. Through these efforts, Shinhan Card is creating an environment where financially underserved groups can restore their economic self-reliance and use financial services in a stable manner.

Automatic Interest Rate Reduction for Card Loans — the Only Service of Its Kind in the Financial Sector Shinhan Card operates the Automatic Application of the Right to Request an Interest Rate Reduction for Card Loans for customers with low financial engagement and vulnerable customers who may not be aware that they can request an interest rate reduction when their credit status improves, or who may have difficulty applying for it. As the only proactive system of its kind in the financial sector, the service automatically applies an interest rate reduction without a separate application when the degree of credit improvement meets the requirements for an interest rate reduction, thereby contributing to the protection of consumer rights and interests.

Management of Participatory Shared-Growth Finance

Shinhan Card operates programs that enable customers and employees to naturally participate in shared-growth finance through everyday consumption and engagement. Through participatory campaigns that connect consumption with donation, Shinhan Card supports shared growth with local small merchants, assistance for vulnerable groups, and revitalization of local commercial districts.

Connecting Everyday Consumption with Social Value — Gachi Pay Campaign Shinhan Card operates "Gachi Pay," a participatory shared-growth finance campaign that naturally links customers' everyday spending to donations for local communities. When customers use local small merchant stores, Shinhan Card sets aside a certain amount to support vulnerable groups, enabling automatic participation without a separate application or extra cost. The first campaign began in partnership with the delivery platform "Ddangyo"; customers earn participation stamps when paying with Shinhan Card, and participation is completed after five stamps. Shinhan Card plans to expand Gachi Pay to traditional markets, Good Price Businesses, and other small merchant stores to spread a community-based shared-growth financial model. It also supports shared growth with local small merchants and consumption revitalization by participating in public-private consumption promotion campaigns and offering benefits such as cashback at Good Price Businesses and Onnuri Gift Certificate-linked benefits.

Expanding Customer Participation-Based Shared-Growth Finance — Areumin Donation Campaign Shinhan Card operates a range of donation campaigns so that customers can participate in giving easily and conveniently in their daily lives. Customers can participate in the Areumin Donation Campaign through "Donate to Areumin" on Shinhan SOL Pay and the website, and can also make donations to approximately 130 recipient organizations by card payment or point donation. Based on customer participation, Shinhan Card is expanding a culture of giving in everyday life.

Financial Access Review and Response Framework

Shinhan Card operates a framework to proactively identify and respond to barriers to access that may arise in customers' use of financial services.

First Delinquency Support for Young Adults Starting Out in Society — Cheoeum Care Shinhan Card operates "Cheoeum Care," a service that waives delinquency charges and provides credit solutions when young customers aged 34 or younger experience their first delinquency. Shinhan Card provides proactive support so that young adults starting out in society, who may have limited financial experience, do not face excessive disadvantages to their credit due to temporary delinquency, while helping them build sound financial habits.

Emergency Financial Support for Customers Affected by Disasters Shinhan Card operates an emergency financial support program for customers affected by disasters and other circumstances beyond their control. Through card billing deferrals and installment repayment support for affected customers, Shinhan Card supports the recovery of financial stability and the rapid restoration of daily life.

Key Financial Access Performance

To support recovery from wildfires in the Ulsan, Gyeongbuk, and Gyeongnam regions and bereaved families of those who died in the line of duty, Shinhan Card provided emergency financial support, including billing deferrals and interest rate reductions, to affected customers.

Financial Support Performance for Disaster-Affected Customers

Category	Number of Cases	Support Details
Billing Deferral	44	KRW 140 million
Interest Rate Reduction	1	KRW 12 million*

* Six-month grace period + 30-month installment repayment of principal and interest

Customer-Centric Finance

Customer Experience Innovation

Customer Protection Organizational and Operating Framework

Shinhan Card has placed the Chief Consumer Officer (CCO) and Consumer Protection Division directly under the CEO to ensure the authority and independence of customer protection functions.

To systematize VOC (Voice of Customer) collected across customer touchpoints as a management resource, Shinhan Card has continued to expand the Consumer Protection Division's organization and staffing and established the Customer Experience Innovation Department, dedicated to customer convenience innovation. It also operates a dedicated debt restructuring organization in line with the enforcement of the Personal Debtor Protection Act, strengthening its financial consumer protection function.

Customer-Centric Service Innovation Strategy

Shinhan Card is pursuing a company-wide priority program to embed customer convenience improvements by proactively identifying and eliminating factors that may undermine customer trust. It has established an operating framework that directly links VOC (Voice of Customer) collected at customer touchpoints to service improvements and enhanced internal controls, supporting the practical embedding of customer-centric management.

To this end, Shinhan Card launched "Shinhan Refresh," a customer communication platform that promptly shares improvements made in response to customer suggestions and complaints. It selected 14 representative customer convenience innovation tasks identified through VOC and is disclosing improvement cases in stages. As of April 2026, 42 cases have been disclosed on the platform. Representative cases include simplified-authentication card issuance for minors, detailed overseas transaction approval information, contactless card delivery via unmanned parcel lockers, and "Cheoeum Care," a first-delinquency financial support service for young adults entering society.

Shinhan Card is also enhancing customer-centric payment services through digital technology and continuously reviewing and addressing customer inconveniences throughout the process from card application to use.

Customer Service Operations and Communication Activities

Shinhan Card operates services and communication channels tailored to different customer groups to enhance the payment experience and financial access of its 20 million customers. Shinhan Card is expanding platforms and services tailored to customers' life stages and usage environments, from teenage customers to foreign tourists.

Designing Teenagers' First Financial Experience Shinhan Card was the first in the card industry to launch "SOL Pay Cheoeum," a teen-only financial platform, and the "Cheoeum Prepaid Card." Reflecting teenagers' balance-centered financial habits, SOL Pay Cheoeum enables users to intuitively check this month's spending and remaining balance and use key functions, including payments and transfers, on the main screen. It offers teen-only content such as "Teens Library," a Kyobo Bookstore-partnered free e-book rental service. With a T-money prepaid function, the Cheoeum Prepaid Card can be issued to teenagers aged 10–18 using only a smartphone and no bank account, improving financial access. From planning, Shinhan Card reflected input from "Future Employee Lab," a teen customer panel of employees' children, applying actual financial use behaviors to product design.

Providing Financial Access for Foreign Tourists In partnership with LORDSYSTEM, Shinhan Card launched "Trip.PASS," an all-in-one prepaid platform for foreign tourists. As Korea's first foreign-tourist-dedicated prepaid platform among major financial institutions, Trip.PASS integrates passport-based identity verification, debit-card BIN-based rechargeable payments, and rechargeable transportation card functions, improving financial service convenience for tourists visiting Korea.

Featuring a K-culture design using artifacts from the National Museum of Korea's collection, the prepaid card is sold through offline shops at the National Museum of Korea, GS25 and CU convenience stores, duty-free shops, marts, and Shinhan Financial Group affiliate networks. Shinhan Card plans to expand the service beyond foreign tourists to long-term foreign residents, including workers and international students.

Improving Card Issuance and Touchpoint Services Shinhan Card launched contactless card delivery via Seoul's Safe Parcel Lockers. Using about 240 unmanned lockers in accessible Seoul public sites such as community service centers, welfare centers, and subway stations, customers inconvenienced by in-person receipt can safely receive cards when they choose. The service is free and available 24/7 year-round. After Seoul rollout for credit and debit cards, Shinhan Card pursues phased expansion to major metropolitan areas, including Goyang and Incheon.

Operating Customer Advisory Panels and Strengthening Communication Shinhan Card operates a customer panel of approximately 300 members and a customer advisory panel of 20 members. Through two-way, real-time communication with customers, Shinhan Card identifies customer needs and uses these channels as practical tools for improving customer convenience.

Performance and Targets for Customer Experience Innovation

Shinhan Card continues to strengthen customer convenience innovation and trust-based services, and its achievements are reflected in major external evaluations. Through VOC-based improvement activities across customer touchpoints and strengthened customer-centric internal controls, Shinhan Card is steadily enhancing brand trust and customer satisfaction.

Ranked No. 1 in KS-PBI for 16 Consecutive Years Shinhan Card ranked No. 1 in the credit card category of the 2025 Korea Premium Brand Index (KS-PBI), hosted by the Korean Standards Association, for the 16th consecutive year, and maintained No. 1 in the debit card category for the fifth consecutive year — reflecting its continued efforts to build customer convenience innovation and brand trust based on customer experience.

Ranked No. 1 in Korea's Most Admired Companies for 18 Consecutive Years In the 2025 Korea's Most Admired Companies survey hosted by Korea Management Association Consulting (KMAC), Shinhan Card ranked No. 1 in the credit card category for the 18th consecutive year and was also selected as an "All Star Company," recognizing the top 30 companies across all industries.

Digital and AI-Based Financial Innovation

AI Ethics Principles and Operating Framework

In response to the expanding company-wide use of AI technologies, Shinhan Card has established the Shinhan Card AI Ethics Principles and applies them across AI algorithm-based processes used in customer-facing services. The AI Ethics Principles consist of six core areas: human-centered values, information protection, fairness, transparency, safety, and accountability.

Shinhan Card has established an internal control framework to assess and respond to risks across all stages of AI services, including planning, development, and service deployment. In AI-related work processes, Shinhan Card conducts self-assessments using a checklist composed of self-assessment items for each area of the AI Principles.

Shinhan Card AI Ethics Principles

01 Human -Centered	**Does not infringe upon human freedom and rights** - Makes decisions with human benefit and well-being as the top priority
02 Information Protection	**Does not misuse personal information and works to ensure security** - Uses data only through legitimate methods
03 Fairness	**Provides AI technologies and benefits fairly to all people** - Ensures unbiased training and provides non-discriminatory services
04 Transparency	**Clearly explains AI decision-making processes to customers** - Discloses how algorithms are used and associated risks
05 Safety	**Immediately corrects errors when identified and responds to risks** - Establishes systematic safeguards for all AI systems
06 Accountability	**Performs work in accordance with the principles and takes responsibility for outcomes** - Ensures that both development and operating organizations and individuals assume appropriate responsibility

AI-Based Innovation Strategy

Based on Shinhan Financial Group's AI governance standards, Shinhan Card has established its own AI governance framework and applies it in a way optimized for the characteristics of the credit card business. The Group-wide AI governance framework manages the entire process from AI design to deployment. It defines the AI ethics principles that Group companies must comply with, while each affiliate further specifies organizational roles and establishes internal regulations and work manuals accordingly.

On the organizational front, Shinhan Card has reorganized its existing Big Data Research Institute into the A&D (AI & Data) Research Institute to accelerate AI-based innovation. The A&D Research Institute consists of a department dedicated to establishing AI operational strategies, planning and development related to data analytics, and implementing AI governance, as well as a department responsible for AI-based business efficiency improvement, generative AI planning and development, and related infrastructure development. The institute has approximately 70 professionals, including experts in AI services, governance, and large language models (LLMs). Shinhan Card has led data-driven innovation since launching the first big data center in the credit card industry in 2013. In 2022, it obtained AI research institute certification from the Ministry of Science and ICT and officially launched the Big Data Research Institute. Building on this experience in data-driven innovation and AI research capabilities, Shinhan Card reorganized the institute into the A&D Research Institute to further accelerate AI-based innovation.

In addition, Shinhan Card has established "AI-Based Customer Experience Innovation" as its mid- to long-term strategic direction through 2027 and is pursuing key tasks to improve AI-based business productivity and secure its market position.

Operation and Advancement of Innovative Services

By combining its accumulated big data capabilities with generative AI technologies, Shinhan Card operates digital innovation services across all areas, including customer-facing services, employee work environments, support for small merchants, and collaboration with startups.

AI 5025 Project

Centered on the "AI 5025" project, Shinhan Card has begun a full-scale AI transformation across its business. The key goal of this project is to increase the share of AI-based customer consultations to 50% by 2025. By having AI handle simple and repetitive consultations and enabling customer service representatives to focus on more complex and challenging consultations, Shinhan Card aims to improve overall service quality. Going forward, Shinhan Card plans to embed AI across the entire card business value chain, from card payment and financial services to marketing and risk management, ultimately advancing into an "AI company."

Operation of AICC (AI Contact Center)

Since initially launching AICC at the end of 2023, Shinhan Card has advanced a range of AI channels, including voice bots, chatbots, and text-based channels, leading AI Transformation (AX) across customer service consultations. By introducing AI voice bots, Shinhan Card has significantly reduced consultation time for key tasks such as payment history guidance, lost card reporting, card issuance screening, and loan consultations. Through chatbot services, it has also established an always-on consultation framework available 24 hours a day, 365 days a year, greatly improving customer convenience.

Digital and Innovative Finance

Digital and AI-Based Financial Innovation

Operation and Advancement of Innovative Services

Advancing the AI Consultation Support System Shinhan Card has built "AI-SOLa," a generative AI-based consultation support system, and applies it across the customer response process. Based on speech-to-text (STT) technology, AI-SOLa converts conversations between customers and customer service representatives into text in real time and uses a small language model (sLLM) to suggest context-appropriate solutions to representatives. As the use of generative AI services has been designated as an Innovative Financial Service under the roadmap for improving network separation regulations in the financial sector, Shinhan Card plans to further advance AI-SOLa using large language models (LLMs).

Use of Generative AI in Business Operations and Introduction of Card Business-Specialized Agents To drive employee work innovation, Shinhan Card has built and applied "AINa" (AI Navigator), an internal generative AI platform, across its operations. AINa learns individual employees' work patterns and provides tailored solutions, supporting real-time search and responses based on extensive manual data, automation from marketing planning to compliance review, and more precise marketing targeting through SQL query-specialized bots. By enabling departments and teams to create customized bots tailored to their needs, AINa creates a work environment where employees actively participate as developers. Shinhan Card has also applied AI to the Fraud Detection System (FDS), continuously improving detection performance through fraudulent transaction pattern analysis, more sophisticated risk measurement, hyper-personalized customer pattern analysis, and fraud determination based on location information.

Launch of MyData 2.0 and Customer Convenience Innovation Shinhan Card operates MyData services to support customers' convenient financial lives. Through the launch of MyData 2.0, Shinhan Card enhanced customer convenience and service usability by expanding information collection coverage, strengthening security, and upgrading financial services. By enabling customers to manage their assets and spending in an integrated manner, Shinhan Card supports data-driven financial lives.

Use of Data for Public Benefit and Support for Local Economies Through its open data market, DataBada, Shinhan Card provides a wide range of data products and solutions, including market trend analysis, consumption pattern analysis, and credit models. It also contributes to revitalizing the data ecosystem by enabling users to access data solutions from technology-driven startups in one place. Shinhan Card also participates in the enhanced public release of Seoul's Real-Time City Data and provides real-time commercial district analysis data based on 10-minute interval payment data analysis to Seoul's Open Data Plaza. It also discloses payment trends and consumer population composition data for 15 industries across approximately 80 major commercial districts in Seoul.
For small and medium-sized local governments that have difficulty analyzing consumption data on their own, Shinhan Card has developed and provides an AI-based commercial district analysis solution. The solution enables users to intuitively understand consumption patterns, changes in commercial districts, and local economic trends by local government through dashboards. AI-generated analysis reports also support policy development by small and medium-sized local governments that lack dedicated data analysis personnel.

Startup Techblaze and AI-Big Data Convergence Shinhan Card is actively pursuing collaboration with startups to drive financial innovation through the convergence of generative AI and big data. In 2024, Shinhan Card held the Startup Techblaze Competition and selected three startups capable of combining generative AI with Shinhan Card's big data. The selected startups conducted proof-of-concept (PoC) projects to develop natural language-based conversational analytics solutions, AI solutions for document work automation, and natural language-based card product search services, thereby validating their capabilities to apply generative AI specialized for Korea's financial industry.

Key Performance and Targets

Shinhan Card is strengthening customer-centric platform competitiveness through digital and AI innovation, and these efforts have led to recognition in major external evaluations and service achievements.

Awards for Super SOL and Launch of Cheoeum Crew Through Super SOL, Shinhan Financial Group launched "Cheoeum Crew," a financial and rewards platform dedicated to young adults in their 20s and 30s who are starting out in society. Cheoeum Crew helps users compare financial products offered by multiple financial institutions in an integrated manner and is designed to help younger generations acquire financial knowledge and begin building assets through mission-based reward programs. In 2025, Super SOL received the 2025 Star Brand Award from Maekyung Media Group for the second consecutive year in the integrated financial platform category. It also received the Korea's Most Loved Brand Award 2025, selected by ChosunBiz, for the seventh consecutive year in the integrated mobile financial platform category, further strengthening its position as a leading financial platform. Based on customer-centric digital innovation and continuous service improvement, Shinhan Card plans to develop Super SOL into a financial platform that grows together with customers.

Future's Lab and Finovation Challenge Shinhan Card regularly recruits participants for Future's Lab, a Group-wide startup incubation program, and operates the Finovation Challenge. A total of 217 companies, including 42 in the card business category, applied for the regular recruitment, and three companies were finally selected. For the fourth Finovation Challenge, 171 companies, including 33 in the card business category, applied, and one company was selected. The selected companies carried out collaborations with Shinhan Card in areas such as partnerships, marketing, and joint businesses, producing meaningful outcomes. Shinhan Card also continues to collaborate with previously selected companies.

Governance & Management

Board Composition and Roles

Under the principle that sound corporate governance underpins sustainable corporate growth, Shinhan Card sets transparency, soundness, stability, diversity, and expertise as core governance principles. At end-December 2025, the Board comprised eight directors: two executive, five independent, and one other non-executive. With independent directors at 62.5%, Shinhan Card established an independent decision-making framework exceeding the majority requirement under applicable law, including the Act on Corporate Governance of Financial Companies.

As the highest decision-making body, the Board sets management strategies and goals, enacts and amends key regulations including the Articles of Incorporation, approves budgets and final accounts, sets governance policies and principles, and establishes and evaluates internal control and risk management standards. To prevent independence concerns from the President and CEO concurrently serving as Board Chair, Shinhan Card operates a Lead Independent Director system and performs substantive checks and oversight of management through Independent Directors' Sessions with all independent directors.

Board Diversity and Expertise

To maximize Board decision-making capabilities, Shinhan Card prohibits discrimination by race, religion, nationality, gender, or other factors and appoints directors with diverse backgrounds and expertise. It appointed Cho Jin-hee, an ESG expert and independent director, to secure gender diversity and expertise, diversify Board perspectives, and strengthen decision-making from social value and consumer protection perspectives.

To respond swiftly to changes in the financial environment and digital transformation, Shinhan Card has secured collective expertise within the Board by balancing traditional financial soundness and risk management capabilities with digital innovation and sustainability management capabilities, key sources of competitiveness in the card business.

When forming the Board, Shinhan Card manages the balance between expertise and diversity by considering the capabilities required to execute its strategy and the number of independent directors to be replaced.

Board Composition and Skills Matrix[1)]

(As of December 2025)

Basic Information					Board Skills Matrix							
Name	Gender	Category	Initial Appointment	Term Expiration	Finance	Management	Financial Management/ Risk Management	Accounting	Legal/ Regulatory	Digital /IT	ESG	Consumer Protection
Park Chang-hun	Male	President and CEO	'24.12.24	'26.12.31	●	●						●
Shin Won	Male	Standing Audit Committee Member	'22.12.27	'25.12.31	●		●		●	●		
Chung Ho-yul	Male	Independent Director	'23.3.22	2026 Annual General Meeting of Shareholders		●			●			
Ohno Masamichi	Male	Independent Director	'24.3.25	2026 Annual General Meeting of Shareholders		●	●	●				
Hirakawa Yuta	Male	Independent Director	'24.3.25	2026 Annual General Meeting of Shareholders		●	●	●				
Cho Jin-hee	Female	Independent Director	'25.3.25	2027 Annual General Meeting of Shareholders		●					●	●
Choi Jae-Boong	Male	Independent Director	'25.3.25	2027 Annual General Meeting of Shareholders		●	●			●		
Koh Seog-heon	Male	Other Non-Executive Director	'23.12.26	'25.12.31	●	●					●	

1) Board composition and term information was prepared based on the 2025 Annual Report on Corporate Governance and Compensation

Board of Directors and Committees

Committee Composition and Functions

As of end-December 2025, Shinhan Card operates six Board committees to support specialized decision-making and efficient oversight by area. Composed mainly of independent directors, they ensure independence and exercise authority and duties under relevant laws and internal rules.

Nomination Committee Reviews President and CEO, Audit Committee member, and independent director candidates; recommends them to the General Meeting of Shareholders; and continuously identifies and manages the independent director candidate pool.

Audit Committee Deliberates and resolves on accounting and operational audits and Board-delegated matters, evaluates internal control system adequacy, and oversees directors' and management's performance of duties.

Risk Management Committee Establishes risk management policies and strategies to identify, measure, and control risks arising from management activities, and monitors compliance.

Compensation Committee Reviews director and executive officer compensation frameworks and performance evaluation methods, and manages executive compensation in line with long-term value and performance.

ESG Committee Sets the company's sustainability direction and key environmental, social, and governance policies.

Internal Control Committee Deliberates on basic internal control policies and strategies and measures to embed a professional ethics- and compliance-centered culture, reviews and evaluates the President and CEO's and executives' internal control management duties, and requests improvements.

Board Committees

Committee	Composition	Independent Director Ratio	Number of Meetings Held in 2025	Average Attendance Rate (%)	Key Activities in 2025
Nomination Committee	[Chair] Ohno Masamichi (Independent Director) Chung Ho-yul (Independent Director) Hirakawa Yuta (Independent Director) Koh Seog-heon (Other Non-Executive Director)	100	4	93.3	Resolution items: 5 / Report items: 0 - Recommendation of independent director and Audit Committee member candidates - Ongoing management of the pool of independent director candidates - Appointment of committee chair
Audit Committee	[Chair] Chung Ho-yul (Independent Director) Shin Won (Executive Director) Cho Jin-hee (Independent Director) Choi Jae-Boong (Independent Director)	75	8	97.0	Resolution items: 12 / Report items: 20 - Submission of audit report and statement on agenda items and documents at the General Meeting of Shareholders - Approval of external auditor selection criteria and procedures, and selection of external auditor - Review of the operation of internal accounting, internal control, and anti-money laundering systems - Approval of audit plans, progress reports, and evaluation of the standing Audit Committee member
Risk Management Committee	[Chair] Choi Jae-Boong (Independent Director) Cho Jin-hee (Independent Director) Koh Seog-heon (Other Non-Executive Director)	100	11	90.9	Resolution items: 15 / Report items: 13 - Enactment and amendment of risk management-related regulations - Establishment of exposure and risk limits and minimum capital adequacy ratio - Review of risk measurement, monitoring, and stress testing - Investment in overseas subsidiaries and funds, and changes to organizational structure and division of duties
Compensation Committee	[Chair] Hirakawa Yuta (Independent Director) Ohno Masamichi (Independent Director) Choi Jae-Boong (Independent Director) Koh Seog-heon (Other Non-Executive Director)	100	3	91.7	Resolution items: 7 / Report items: 0 - Evaluation of the adequacy of compensation framework design and operation - Preparation and disclosure of the Annual Report on the Compensation Framework - Determination of executive evaluation grades, performance evaluation criteria, and compensation framework - Operation of compensation for executive directors and management
ESG Committee	[Chair] Cho Jin-hee (Independent Director) Park Chang-hun (Executive Director) Ohno Masamichi (Independent Director) Hirakawa Yuta (Independent Director)	75	3	100	Resolution items: 1 / Report items: 4 - SDGs implementation plan and disclosure of the Sustainability Report - Report on ESG performance and direction for the following year - Report on ESG materiality assessment
Internal Control Committee	[Chair] Chung Ho-yul (Independent Director) Cho Jin-hee (Independent Director) Choi Jae-Boong (Independent Director) Shin Won (Executive Director)	75	6	100	Resolution items: 6 / Deliberation items: 1 - Establishment of Internal Control Policy Regulations and Basic Internal Control Policy - Amendment of the Internal Governance Code and Internal Control Standards - Review and evaluation of the President and CEO's fulfillment of overall internal control management duties

Governance Practices

Governance Practices, Performance, and Management

Board Evaluation and Performance-Linked Compensation

Shinhan Card operates an objective evaluation framework for the activities of the Board of Directors and its committees to strengthen Board accountability and enhance sustainable corporate value. The company also links executive compensation to management performance.

Board Effectiveness and Performance Evaluation Each year, Shinhan Card conducts Self-Evaluation and peer evaluations among directors to review the operating effectiveness of the Board and each Board committee. Evaluation items include the composition and independence of the Board, the adequacy of strategic oversight activities, and the professionalism of committee operations. Evaluation results are transparently disclosed externally through the Annual Report on Corporate Governance and other disclosures, and identified areas for improvement are reflected in the Board operation plan for the following year to further enhance the quality of corporate governance.

Performance-Based Executive Compensation Framework Executive compensation, including compensation for the CEO, consists of fixed pay and performance-linked variable pay. In calculating variable pay, Shinhan Card reflects the level of achievement of strategic tasks, including not only financial indicators such as ROE and net income, but also non-financial ESG indicators, as key performance indicators (KPIs). Major ESG KPIs include green finance performance, the achievement rate of carbon emissions reduction targets, and performance in shared-growth finance. These KPIs are designed to ensure that executives have operational accountability for achieving sustainability goals. In addition, variable pay finalized through review by the Compensation Committee is subject to a deferral period of at least three years to align compensation with long-term performance. Shinhan Card also maintains a clawback policy to recover compensation in the event of serious violations of laws or regulations or the occurrence of losses, thereby supporting long-term soundness.

Director Appointment Process and CEO Succession

Shinhan Card operates a transparent director appointment process and a systematic CEO succession program to ensure sound governance and continuity of management.

Fair Director Candidate Nomination and Appointment Process Through the Nomination Committee, Shinhan Card manages and recommends pools of candidates for independent directors and the CEO. In selecting candidates, Shinhan Card comprehensively considers expertise in the financial industry, the presence or absence of disqualification grounds under governance regulations, and the diversity and independence of the Board. For independent director candidates, Shinhan Card continuously manages a candidate pool through various channels, including shareholders and external expert organizations. By conducting independent and rigorous qualification reviews during the appointment process and recommending final candidates to the General Meeting of Shareholders, Shinhan Card ensures fairness in the appointment process.

Systematic CEO Succession Plan To prepare for emergency situations such as the absence of the CEO and minimize any gap in management continuity, Shinhan Card has established a CEO Succession Plan, reviews its adequacy annually, and reports the results to the Board. The succession plan includes the ongoing identification and management of internal and external candidate pools, the operation of training programs to strengthen candidates' capabilities, the timing for initiating the succession process, and selection criteria. In particular, the CEO succession process is stipulated to begin at least two months before the expiration of the President and CEO's term, and candidates' management capabilities, leadership, and integrity are reviewed in depth to appoint the best-qualified candidate. Shinhan Card also maintains organizational stability by establishing a clear order of priority for acting officers and emergency succession procedures in preparation for unexpected incidents.

Strengthening Board Capabilities

Shinhan Card continuously operates training programs to strengthen the capabilities of independent directors, together with systematic evaluations of Board operations, so that the Board can respond effectively to the rapidly changing financial environment.

Training Support for Independent Directors Shinhan Card operates a range of education and training programs to help independent directors faithfully perform their Board duties. Training covers a broad range of topics necessary for the Board's strategic decision-making, including trends in financial supervisory regulations, the macroeconomic outlook, and the status of digital and AI technologies. Newly appointed directors are also provided with separate training on the performance of their duties.

2025 Independent Director Training Performance

Education Program	Timing	Duration
Training on the Company's Business Status	March	1 hour
Training Program for Independent Directors of Financial Companies	April-June	14 hours
Mid- to Long-Term Sustainable Growth Strategy	May	20 minutes
Training on the Internal Accounting Control System	August	20 minutes
Analysis of Risk Impacts of the Latest Financial Supervisory Regulations	August	10 minutes
2026 Macroeconomic Outlook Briefing	November	30 minutes
Report on the Status of Generative AI and Data Business	November	20 minutes
Current Status of and Response to the Third-Party Risk Management Framework	November	20 minutes
Climate Risk Status and Response Measures	December	20 minutes
Financial Consumer Protection Status and Future Plans	December	30 minutes

Business Ethics and Compliance

Ethics and Compliance

Ethics and Compliance Governance

Governance for Implementing Ethics and Compliance Shinhan Card operates ethics and compliance management consistently within its company-wide decision-making framework. Major matters are reviewed by department and division heads, reported to executives, reviewed by the President and CEO, and finally deliberated and resolved by the Board. The Audit Committee under the Board serves as the highest oversight body for ethics, compliance, and internal control. In 2025, Audit Committee members Chung Ho-yul, Cho Jin-hee, Shin Won, and Choi Jae-Boong served on the Committee, which ensures substantive audit independence by holding meetings with the external auditor without management participation.

To strengthen its internal control infrastructure and embed a culture that values professional ethics and compliance, Shinhan Card amended its Internal Governance Code in December 2024 and established the Internal Control Committee. The Committee oversees and monitors internal control activities by reviewing and evaluating whether executives and the President and CEO fulfill their internal control management duties based on the Responsibility Map, and requests corrective measures for identified deficiencies.

The Compliance Officer, who oversees internal control-related matters, operates relevant policies, systems, and procedures to establish effective internal controls and prevent financial incidents, and regularly reports activity results to the CEO and the Internal Control Committee.

Shinhan Card Ethics and Compliance Governance

Board of Directors (Audit Committee)	Oversee the President and CEO's and executives' overall internal control management duties Deliberate and resolve on key matters identified from review results
President and CEO	Review implementation of management actions by executives Report the status of responsibility performance management and evaluation results to the Board
Executives	Review and approve review results for assigned duties and organizations Monitor improvement status and report to the President and CEO
Department Heads and Division Heads	Conduct item-by-item reviews under the Internal Control Work Manual and report to executives

2025 Internal Control Framework Direction

Proactive Incident Prevention (Enhanced Reviews and System Improvements)
- Establish the operating framework for the Responsibility Map for executives, including the responsibility performance review and reporting framework
- Expand thematic reviews of vulnerable areas and enhance on-site self-inspections
- Implement the private interest-seeking prevention system and strengthen the effectiveness of the mandatory leave system

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Infrastructure Enhancement (Systems and Human Capabilities)
- Advance the digital-based review and monitoring framework
  - Establish a continuous internal control monitoring system
  - Automate monitoring and digitalize manual tasks
- Conduct on-site inspections of overseas subsidiaries and support improvements to their internal control framework
- Enhance internal control expertise
  - Expand offline training and support specialized training and certification for internal control personnel

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Embedding an Ethics and Compliance Culture (Embedding Ethics and Accountability)
- Strengthen activities to foster understanding, buy-in, and a culture of practice for ethics and compliance among executives and employees
  - Hold a call for proposals to improve vulnerabilities and prepare and distribute compliance letters
  - Operate internal control sessions within executive councils and leadership training programs
- Promote compliance reporting, including strengthening incentives and protections for whistleblowers and improving related operational procedures

Ethics and Compliance Policies and Regulations Shinhan Card codifies ethics and compliance standards for executives and employees and updates them in line with legal and regulatory changes. In 2025, it amended its Internal Accounting Control Regulations with unanimous Audit Committee approval and strictly manages information that may materially affect financial soundness and management, as well as non-public information related to customers and counterparties, as confidential information. Over the mid to long term, Shinhan Card sees embedding ethics and accountability among executives and employees as essential to substantively strengthening internal controls, and sets annual implementation plans and reflects them in its business strategy. In 2025, it operated the White Hat Hacker program and a vulnerability improvement proposal campaign to foster a first-line ethics and compliance culture, expanded activities to deepen leaders' understanding and engagement with ethics and compliance, and focused on strengthening internal control talent density.

Ethics and Compliance Activities

Ethics and Compliance in Practice Shinhan Card operates voluntary practices that help executives and employees embed ethics and compliance as everyday work principles, beyond regulatory compliance. Each year, they submit an Ethics and Compliance Practice Pledge confirming commitment to the Code of Ethics and Code of Conduct, conduct compliance self-assessments to review potential violations, and use ethics and compliance inquiry channels for prompt work-related advice.

To prevent unfair securities trading using material non-public information, Shinhan Card provides semiannual preventive training for relevant departments and employees, requires regular reporting of individual financial investment product transactions, and reviews unusual matters. For transactions with potential conflicts of interest, employees must consult in advance with the department head responsible for conflict resolution, while securities or companies of concern are registered and managed on restricted trading or watch lists to prevent conflicts of interest.

Ethics and Compliance

Ethics and Compliance Practice Programs

- Operating the "Tone at the Top Program" to embed ethical leadership
- Operating offline training and ethics commitment programs for leaders (CEO, executives, and department heads)
- Operating internal control sessions within regular meetings attended by the CEO and all executives
- Providing offline training on internal control and information security for executives and employees
- Expanding offline internal control training tailored to job characteristics
- Preparing and distributing compliance letters to share internal control systems, policies, and issues
- Developing company-wide thematic training materials for incident prevention and providing training

Ethics and Compliance Training for Executives and Employees Shinhan Card provides compliance training to all members, including new employees, executives, contract employees, and overseas subsidiary employees, across three areas tailored to job group, job function, and employment type. It also conducts regular information barrier training to ensure understanding of applicable requirements, compliance obligations, and administrative sanctions and criminal penalties for violations. For anti-money laundering and combating the financing of terrorism (AML/CFT), Shinhan Card provides annual online training for all executives and employees and ongoing practical AML training for working-level personnel via virtual sessions. Shinhan Card also provides training on Volcker Rule compliance and internal controls, monthly financial incident prevention, and semiannual unfair trading prevention for staff in relevant departments. Employee compliance training consists of onboarding for new employees, job training for experienced hires, compliance personnel capability-building, job segregation and mandatory leave policy training, practical and online financial consumer protection training, Group-wide ethics and compliance training, company-wide incident prevention, job training for employees invited from overseas subsidiaries, and online ethics and compliance training.

2025 Employee Ethics and Compliance Training Status

(Unit: persons)

Category	2023	2024	2025
Ethics and Compliance Cyber Training	2,956	3,056	2,814
Submission of Ethics and Compliance Practice Pledges	2,956	3,056	2,814
Compliance Self-Assessment	2,460	2,535	2,437
Capability-Building Training for Compliance Personnel	124	138	141

Strengthening Ethics and Compliance for Suppliers and Sales Channels Shinhan Card operates a management framework to ensure compliance with ethics and compliance standards throughout the entire transaction process with suppliers and sales channels. Through the Subcontractor Leniency Program for voluntary reporting of unfair transactions, Shinhan Card works to prevent and address misconduct by executives and employees, including receiving money, gifts, or entertainment, verbal abuse, assault, and sexual harassment. For sales agents and brokers, Shinhan Card operates a two-track review framework consisting of first-stage reviews conducted by the responsible department in the first and second halves of the year and second-stage verification by the Consumer Protection Department. In the event of violations, Shinhan Card requests improvements and conducts joint on-site inspections. The entire process is reported to the CEO and CCO through the Internal Control Committee for Financial Consumer Protection. Training for sales channels includes training for new personnel, job training, product knowledge training, training on the Act on the Protection of Financial Consumers, and training on the Door-to-Door Sales Best Practice Guidelines.

Ethics and Compliance Risk Management

Ethics and Compliance Reporting Framework Shinhan Card operates an internal whistleblowing system to support sound corporate growth by enabling executives and employees to identify and report illegal or unethical conduct early. Employees may report illegal or unfair acts through multiple channels, including the internal reporting system, website, mail, email, telephone, in-person visits, and interview requests. Whistleblowers' identities and report details are kept strictly confidential through anonymous reporting functions, and whistleblowers are rigorously protected. Insiders who help prevent incidents may receive rewards based on reduced losses and preferential treatment in performance evaluations, supporting the effective operation of the system.

The internal whistleblowing system follows a four-step process: reporting method, receipt and investigation, action and notification of results, and whistleblower protection and preferential treatment. Once a report is submitted, the Compliance Officer and designated manager conduct the investigation, and external disclosure of reported information is strictly prohibited. Results are generally notified after investigation, except for confidential matters or anonymous reports where notification is not possible. Whistleblower identities and report details are kept confidential to prevent disadvantage, and those contributing to incident prevention may be confidentially recommended for rewards or preferential treatment in performance evaluations.

Compliance Support System Shinhan Card operates a Compliance Support System to comprehensively manage compliance monitoring and internal control activities, including reviews, training, internal regulations, and contract management. By standardizing and systematically managing key work procedures and performance records, Shinhan Card enhances the efficiency of internal controls. In addition, Shinhan Card continues to improve its management framework so that compliance support activities can be carried out more effectively by enhancing system convenience and stability through continuous functional improvements and upgrades.

Business Ethics and Compliance

Ethics and Compliance

Internal Control System

Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Activities

Shinhan Card operates an anti-money laundering system to fulfill its AML/CFT obligations. The system monitors suspicious transactions and large cash transactions, and its adequacy is regularly reviewed and managed to ensure monitoring effectiveness. It also operates a preventive framework to assess and manage money laundering risks before new product launches. The AML framework's operating status is regularly reported to the Audit Committee, which continuously reviews dedicated AML staffing adequacy and recommends that the responsible department maintain sufficient staffing.

Customer Due Diligence (KYC) Operations

Shinhan Card implements a KYC policy that requires thorough customer identification and verification before establishing transaction relationships. Specialized personnel in the dedicated department conduct post-verification of beneficial ownership identification, while periodic KYC review cycles are automatically managed throughout the transaction relationship according to money laundering risk levels. Through this process, Shinhan Card periodically updates customer information.

Financial Incident Prevention and Customer Asset Protection Activities

Shinhan Card operates mandatory leave and job segregation systems to prevent illegal or unfair conduct by executives and employees. Mandatory leave requires personnel in specific roles to take leave, preventing financial incidents from prolonged single-person handling; scope, cycle, leave period, and other details follow separate guidelines. Job segregation structurally prevents misconduct from single-person handling; related training is regularly provided to all executives and employees. As a 2025 strategic task, Shinhan Card continues innovating its comprehensive customer protection management framework by reviewing all processes and strengthening management systems for financial consumer protection.

Internal Control System Review

Under the amended Act on Corporate Governance of Financial Companies, Shinhan Card established and operates a Responsibility Map-based internal control review, management, and reporting framework to strengthen executives' and the President and CEO's responsibilities and obligations. Department/division heads review item-level activities under the Internal Control Work Manual and report implementation results and improvement needs to executives. Executives review and approve results for their responsible areas and organizations, monitor improvement status, and report key management actions to the President and CEO. The President and CEO reviews executives' implementation of internal control management actions and reports responsibility fulfillment management and evaluation results to the Board, which oversees the fulfillment of internal control management duties by the President and CEO and executives and deliberates and resolves key matters identified from review results.

In 2025, the Audit Committee deliberated on nine agenda items, including the operating status of the internal accounting control system, the external auditor's financial statement review results, the Compliance Team's internal control results and plans, disclosure operations, internal control system evaluation, AML framework evaluation, and audit results. Four resolution items were unanimously approved: amendment of the Internal Accounting Control Regulations, establishment of 2025 strategic tasks for the Standing Audit Committee Member, submission of the 39th Audit Report, and submission of the auditor's opinion on the internal monitoring system.

To prevent internal controls from becoming a formality, the Audit Committee recommended that responsible departments strengthen management to prevent disclosure inconsistencies, delays, and omissions and maintain substantive review standards so regular internal accounting control system reviews do not become formal or routine. It also recommended sustaining efforts to secure adequate dedicated AML staffing and monitor audit engagement hours for appropriateness, considering the external auditor's third-year audit experience and accumulated knowledge.

Shinhan Card Internal Control System

Internal Control Review and Reporting Framework

Department Heads and Division Heads	Conduct item-by-item reviews based on the Internal Control Work Manual → Report areas requiring improvement to executives
Executives	Review and approve review results for areas of responsibility and organizations under their purview → Report the implementation status of key management actions to the President and CEO
President and CEO	Review executives' implementation of internal control management actions → Report results to the Board
Board of Directors	Oversee the fulfillment of the overall internal control management duties of the President and CEO and executives, and deliberate and resolve on key matters

2025 Audit Committee Activities

Deliberation Status

9 Total Agenda Items Deliberated

- Operating status of the internal accounting control system and the external auditor's review of the financial statements
- Compliance Team's internal control results and operational evaluation of the anti-money laundering framework

4 Resolution Items

Unanimous Approval

- Amendment of the Internal Accounting Control Regulations — Approved
- Submission of the 39th Audit Report — Approved

Enterprise Risk Management

Risk Management Governance

Shinhan Card operates a three-tier risk management governance framework comprising the Board of Directors, management, and working-level execution functions to ensure the independence and effectiveness of risk management.

Risk Management Committee The Risk Management Committee, a Board committee, is the highest decision-making body for enterprise risk management. It deliberates on the establishment and revision of risk management policies and strategies, the company's aggregate risk limit, risk-related matters involving capital contributions, capital increases, and mergers and acquisitions of overseas subsidiaries, and the enactment, amendment, or repeal of the Risk Management Committee Regulations. It also resolves on limits by risk type and limit excess approvals, the enactment, amendment, or repeal of the Risk Management Regulations, approval of retail credit assessment systems, appropriate investment limits, and loss tolerance limits, and matters related to the structure and division of duties of the risk management organization.

In 2025, the Risk Management Committee deliberated on the establishment of the Risk Management Policy Regulations and amendments to the Risk Management Committee Regulations, and resolved on amendments to the Risk Management Regulations. It also resolved on key agenda items, including the 2026 aggregate risk limit and limits by risk type, the minimum capital adequacy ratio, and changes to the structure and division of duties of the risk management organization.

Risk Management Council The Risk Management Council comprehensively manages risks that may arise in business operations and was established to systematically address matters related to ALM (Asset-Liability Management) and profitability. It aims to effectively implement matters deliberated on or resolved by the Risk Management Committee, with meeting outcomes regularly reported to the Committee for Board-level oversight. Regular meetings are held monthly, while extraordinary meetings are convened as needed to maintain a proactive management framework for prompt responses to major risk issues.

Risk Management Division Shinhan Card operates the Risk Overall Management Department under the Risk Management Division as the execution function responsible for integrated management and monitoring of enterprise-wide risks. The Risk Overall Management Department is responsible for overall risk-related activities, including the establishment of risk strategies and policies, risk analysis, development and operation of credit risk management models, and risk review.

Risk Management Principles

To ensure sound asset growth and sustainable profitability, Shinhan Card systematically identifies and measures not only key risks encountered in the course of business activities, but also potential risks that may arise in crisis situations, and manages them through control and monitoring. Shinhan Card has established a risk management framework based on Basel III, an international standard, to maintain sound capital adequacy. It classifies risks into financial and non-financial risks and applies management methodologies tailored to the characteristics of each risk type.

Risk Management Standards and Framework

Shinhan Card operates clear risk management standards and an internal rules framework based on the Risk Management Policy Regulations, which set out matters concerning the establishment and supervision of risk management policies, and the Risk Management Committee Regulations, which define the role and responsibilities of the Risk Management Committee. The enactment, amendment, or repeal of detailed matters is determined by resolution of the Board of Directors, while the Risk Management Regulations, which set out matters concerning the risk management organization and methods, are enacted, amended, or repealed by resolution of the Risk Management Committee. In addition, Shinhan Card maintains the systematic and consistent operation of risk management by further specifying related matters through the Risk Management Work Rules, Comprehensive Crisis Management Rules, and Pre- and Post-Risk Review Operating Rules, which set out specific risk management targets, methods, and procedures.

Risk Management by Type

Shinhan Card broadly classifies risks into financial and non-financial risks, applies methodologies tailored to the characteristics of each risk type, and continues to strengthen its proactive risk response capabilities based on this integrated risk management framework. Risks by type are calculated and assessed using specific measurement methods, and are managed through real-time and periodic monitoring to enable a more sophisticated risk management framework.

Financial Risks

Financial risks are risks directly linked to changes in the value of assets and liabilities and potential losses, and are classified into credit risk, liquidity risk, and market risk.

Credit Risk Credit risk refers to the possibility of losses arising from a counterparty's default. Shinhan Card expands high-quality assets based on RORWA (Return on Risk-Weighted Assets) and continuously manages risk-adjusted profitability by enhancing the methodologies for calculating RWA and loan loss provisions. The retail credit assessment system is operated with approval from the Financial Supervisory Service, and the appropriateness of credit assessment models is regularly verified, with the results reported to the Risk Management Committee.

Liquidity Risk Liquidity risk refers to the risk of being unable to meet payment obligations or dispose of assets at appropriate prices due to an imbalance in the supply and demand of funds. Shinhan Card measures and monitors month-end cash flows using its liquidity risk system. It proactively manages liquidity risk by continuously monitoring potential crisis factors and scenarios, including funding concentration and diversification and asset securitization. It also establishes and operates crisis scenario analyses and contingency funding plans to prepare for liquidity crisis situations caused by sudden market changes.

Enterprise Risk Management

Market Risk Market risk refers to the risk of losses arising from a decline in the value of held assets due to fluctuations in market variables such as interest rates, exchange rates, and stock prices. Shinhan Card calculates and monitors market risk exposure by applying the BIS standardized approach within its market risk system. It conducts issue and sensitivity analyses on changes in market factors and performs stress testing for comprehensive risk management, with appropriate control and mitigation activities applied to risks above a certain level.

Non-Financial Risks

Non-financial risks are risks arising from internal processes, human factors, systems, and external events, and are classified into operational risk, environmental and social risk, and reputational risk.

Operational Risk Operational risk refers to the risk of losses from inadequate or failed internal processes, people, systems, or external events. Using its operational risk system, Shinhan Card monitors department-level potential risk profiles and key risk indicators (KRIs), and collects and manages loss event data. Risk exposure is measured under the BIS standardized approach, with appropriate control and mitigation activities applied to risks above a certain level.

Environmental and Social Risk Environmental and social risk refers to the risk of financial losses and regulatory risks arising from issues in environmental and social areas. Shinhan Card complies with the Environmental and Social Risk Management Best Practice Guidelines established by Shinhan Financial Group in 2018 and systematically manages non-financial risks considering environmental, social, and governance factors to strengthen sustainability. It operates a non-financial risk management system that conducts climate risk scenario analysis and monitors financed emissions. When pursuing new businesses, Shinhan Card conducts an "Environmental and Social Risk Preliminary Review" to identify potential risks to the environment and society in advance.

Reputational Risk To effectively manage reputational risk, Shinhan Card regularly reviews company-wide complaints, information security framework, merchants in sensitive industries, and fraud transaction management status through the Risk Management Council. To respond to increasing online financial fraud and fraudulent use, Shinhan Card operates a Fraud Detection System (FDS) and is advancing its detection system using AI and machine learning technologies in line with the changing payment environment and new fraud types. It also continues to strengthen security management and information security by introducing an information security governance management dashboard, improving anomaly detection scenarios, and building a customer consent information system.

Key Risk Management Performance in 2025

In 2025, Shinhan Card pursued four key priorities to strengthen its risk management framework.

First, it strengthened its crisis management framework and responded to regulatory changes amid internal and external uncertainties. Based on simulations under financial market and market environment scenarios, Shinhan Card enhanced its risk management framework, reviewed the impact of newly introduced regulations, and established response measures.

Second, it improved the effectiveness of operational risk management by enhancing KRI monitoring efficiency in connection with business processes, embedding its Business Continuity Plan (BCP), and operating company-wide training programs on the operational risk management framework.

Third, it strengthened efficient capital management and risk management for overseas subsidiaries by refining RWA and loan loss provision calculation methodologies and clarifying risk governance for overseas subsidiaries.

Fourth, it supported sound asset growth by expanding high-quality assets based on RORWA (Return on Risk-Weighted Assets) and strengthening risk management to proactively respond to market changes.

Risk Management by Type

Financial Risks

Credit Risk	Expansion of high-quality assets based on RORWA Enhanced calculation of RWA and loan loss provisions
Liquidity Risk	Month-end cash flow monitoring Management of funding concentration and diversification / operation of contingency funding plans
Market Risk	Calculation of risk amount using the BIS standardized approach Sensitivity analysis and stress testing for interest rates, exchange rates, and stock prices

Non-Financial Risks

Operational Risk	Monitoring of department-level potential risk profiles and KRIs Assessment using the BIS standardized approach
Environmental and Social Risk	Compliance with Shinhan Financial Group Best Practice Guidelines Climate risk scenario analysis and preliminary reviews
Reputational Risk	Operation of FDS and advancement of AI machine learning-based detection Strengthening information security governance

Key Risk Management Performance in 2025

1. **Strengthened Crisis Management Framework** — Response to internal and external uncertainties and changes in the regulatory environment
2. **Improved Effectiveness of Operational Risk Management** — Enhanced KRI monitoring efficiency and embedded BCP
3. **Efficient capital management and strengthened risk management for overseas subsidiaries** — Enhanced calculation of RWA and loan loss provisions
4. **Support for sound asset growth** — Expansion of high-quality assets based on RORWA

Appendix

ESG Data

Economic

Summary Consolidated Statement of Financial Position

Category	Unit	2023	2024	2025
Cash and Deposits	KRW million	587,523	864,692	550,151
Financial Assets at Fair Value Through Profit or Loss	KRW million	951,025	606,717	684,773
Derivative Financial Assets	KRW million	147,727	670,186	567,126
Credit Card Receivables and Other Financial Assets Measured at Amortized Cost	KRW million	36,740,727	37,267,649	36,758,882
Lease Assets	KRW million	2,082,762	2,133,859	1,907,243
Financial Assets at Fair Value Through Other Comprehensive Income	KRW million	393,979	378,530	353,044
Property and Equipment	KRW million	638,694	645,716	626,229
Investments in Associates	KRW million	92,456	101,903	124,995
Other Assets	KRW million	1,785,270	1,467,842	1,315,090
Total Assets	KRW million	43,420,162	44,137,094	43,186,732
Derivative Financial Liabilities	KRW million	18,978	6,100	880
Borrowings	KRW million	7,962,662	6,550,378	4,401,105
Debentures	KRW million	21,650,752	24,409,874	25,514,667
Other Liabilities	KRW million	5,732,784	4,893,846	4,196,359
Total Liabilities	KRW million	35,365,175	35,860,198	34,686,850
Equity Attributable to Owners of the Parent	KRW million	8,046,290	8,253,755	8,471,106
Share Capital	KRW million	626,847	626,847	626,847
Capital Surplus	KRW million	860,729	860,729	860,729
Capital Adjustments	KRW million	-1,548	-2,354	-2,765
Accumulated Other Comprehensive Income	KRW million	-55,952	-79,023	-20,029
Retained Earnings	KRW million	5,916,393	6,147,734	6,306,502
Non-Controlling Interests	KRW million	8,696	23,141	28,776
Total Equity	KRW million	8,054,987	8,276,896	8,499,882
Number of Companies Included in Consolidation[1]	companies	12	14	14

1) This figure represents the number of Shinhan Card's consolidated subsidiaries and excludes Shinhan Card itself.

Summary Consolidated Statement of Comprehensive Income

Category	Unit	2023	2024	2025
Operating Revenue	KRW million	5,378,612	6,173,106	5,892,383
Operating Expenses	KRW million	4,575,783	5,415,665	5,282,363
Operating Income	KRW million	802,827	757,441	610,020
Non-Operating Income and Expenses	KRW million	3,204	12,081	-3,126
Share of Profit or Loss of Associates	KRW million	-2,831	-4,053	12,794
Profit Before Income Tax	KRW million	803,200	765,469	619,688
Consolidated Net Income for the Period	KRW million	621,908	575,261	480,205
Attributable to Owners of the Parent	KRW million	620,582	572,147	476,745
Non-Controlling Interests	KRW million	1,326	3,114	3,460
Consolidated Total Comprehensive Income	KRW million	583,014	553,274	539,374
Attributable to Owners of the Parent	KRW million	581,882	550,576	535,739
Non-Controlling Interests	KRW million	1,132	2,698	3,635
Earnings per Share	KRW	4,710	4,309	3,548
Number of Companies Included in Consolidation[1]	companies	12	14	14

1) This figure represents the number of Shinhan Card's consolidated subsidiaries and excludes Shinhan Card itself.

Credit Ratings

Category	Unit	2023	2024	2025
Moody's	Rating	A2 (Stable)	A2 (Stable)	A2 (Stable)
S&P	Rating	A- (Stable)	A- (Stable)	A- (Stable)
Korea Investors Service	Rating	AA+ (Stable)	AA+ (Stable)	AA+ (Stable)
Korea Ratings	Rating	AA+ (Stable)	AA+ (Stable)	AA+ (Stable)
NICE Investors Service	Rating	AA+ (Stable)	AA+ (Stable)	AA+ (Stable)

ESG Data

Economic

Credit and Debit Card Members

Category	Unit	2023	2024	2025
Credit and Debit Card Members	Million persons	20.7	20.6	20.5
Active Credit Card Members (One-Month Basis)	Million persons	11.1	10.9	11.0

Debit Card Members

Category	Unit	2023	2024	2025
Total Debit Card Members	Million persons	14.0	14.0	13.8
Debit Card-Only Members	Million persons	7.6	7.7	7.5

Transaction Volume (Separate Basis, Excluding Overseas Subsidiaries)

Category	Unit	2023	2024	2025
YoY Change	%	2.7	3.9	3.5
Other	KRW trillion	7	7	6
Long-Term Card Loans	KRW trillion	9	9	9
Short-Term Card Loans	KRW trillion	13	13	12
Lump-Sum/Installment Purchases	KRW trillion	190	199	209
Debit Card	KRW trillion	29	31	32

Operating Assets (Separate Basis, Excluding Overseas Subsidiaries)

Category	Unit	2023	2024	2025
Other (Installment Finance, etc.)	KRW billion	11,621	11,624	10,824
Long-Term Card Loans	KRW billion	8,126	8,420	8,108
Short-Term Card Loans	KRW billion	1,510	1,569	1,367
Credit Sales Receivables	KRW billion	18,132	18,587	18,908

Sustainable Finance

Transaction Volume of Environment-Related Card Products

Category	Unit	2023	2024	2025
EV	KRW 100 million	3,631.1	4,559.2	4,050.7
Deep ECO	KRW 100 million	2,551.8	1,866.9	1,187.3
EVerywhere	KRW 100 million	46.8	231.5	1,109.9

※ Note: Eco Plan, a new product, was launched in April 2026.

Sustainable Finance

Category	Unit	2023	2024	2025
Social Bonds (New Issuance)	KRW billion	319.5	803.7	555.1
Green Bonds (New Issuance)	KRW billion	0	150	0
Inclusive Finance Support Loans (New Disbursements)	KRW billion	2,675.7	2,285.8	2,596.1
Inclusive Finance Support Loans (Outstanding Balance)	KRW billion	2,568.2	2,345.5	2,405.8
Equity Investments in Startups (Outstanding Balance)	KRW billion	6.7	6.9	8.0
Green Loans (New Disbursements)	KRW billion	31.3	42.0	148.3
Green Loans (Outstanding Balance)	KRW billion	33.2	21.7	59.6

Digital Innovation Performance

Category	Unit	2023	2024	2025
Cumulative Shinhan SOL Pay Members[1]	10,000 persons	1,687	1,805	1,948
Shinhan SOL Pay MAU[2]	10,000 persons	903	893	1,015
Shinhan SOL Pay Transaction Volume[3]	KRW trillion	27.7	28.5	29.7
Digital Transaction Volume Coverage (Payments)[4]	%	27.7	29.4	33.2
Digital Transaction Volume Coverage (Financial Services)[5]	%	67.5	70.7	73.6

1) As of year-end for the relevant year, cumulative number of registered Shinhan SOL Pay members
2) As of December of the relevant year, number of members who visited Shinhan SOL Pay at least once
3) Total amount of payment and financial transactions made through Shinhan SOL Pay during the relevant period
4) Percentage of digital transaction volume in company-wide individual payment transaction volume during the relevant period
5) Percentage of transaction volume through digital channels in company-wide financial transaction volume during the relevant period

ESG Data

Environment

Energy Consumption

Category			Unit	2023	2024	2025
Fossil Fuels	City Gas (LNG)		GJ	18,311.0	17,780.5	17,052.0
	Gas Oil (Diesel)		GJ	13.6	13.6	13.6
	Vehicles	Gasoline	GJ	6,877.9	9,892.6	7,444.6
		Diesel	GJ	28.0	29.5	1.1
Electricity	Purchased Electricity		GJ	216,584.5	219,621.2	215,998.2
	Electric Vehicle Charging		GJ	8.5	6.3	33.5
	Renewable Energy	REC Purchases	GJ	-19,565.2	-19,565.2	-19,565.2
		Green Premium Purchases	GJ	-78,931.2	-93,129.6	-48,825.6
Total Energy Consumption			GJ	143,327.0	134,648.0	172,152.2

Greenhouse Gas Emissions

Category			Unit	2023	2024	2025
Operational Emissions	Location-Based	Scope 1	tCO_2eq	1,394.6	1,585.5	1,367
		Scope 2	tCO_2eq	10,365.1	10,560.2	10,338
		Scope 1+2 (Total)	tCO_2eq	11,759.0	12,145.0	11,705
Operational Emissions	Market-Based	Scope 1	tCO_2eq	1,394.6	1,585.5	1,367
		Scope 2	tCO_2eq	5,651.5	5,167.2	7,065
		Scope 1+2 (Total)	tCO_2eq	7,046.0	6,752.0	8,432
Financed Emissions	Seven Asset Classes		tCO_2eq	631,709.0	687,876.0	694,714.0
	Scope 3 (Total)[1]		tCO_2eq	631,709.0	687,876.0	694,714.0

Renewable Energy Generation

Category	Unit	2023	2024	2025
Solar Power Generation[2]	MWh	23.9	23.5	23.7

1) Scope 3 figures are internally calculated and have not been independently verified.
2) Rooftop solar power at the headquarters

Paper Consumption

Category	Unit	2023	2024	2025
Paper Consumption	ton	47.9	38.1	33.4

Water Consumption

Category	Unit	2023	2024	2025
Municipal Water	m^3	47,210	46,460	48,720
Groundwater	m^3	5,558	4,749	4,374

Waste Generation

Category		Unit	2023	2024	2025
General Waste	Incineration	ton	52.5	52.5	55.1
Recyclable Waste	Paper	ton	57.1	57.2	56.5
	Styrofoam	ton	42.0	42.0	42.0
	Glass	ton	10.8	11.2	12.2
	Cans	ton	0.5	0.6	0.3
	Plastics	ton	26.7	28.0	24.8

Environmental Management — General

Category		Unit	2023	2024	2025
Number of Board Reviews of Environmental Management Performance		Times	3.0	3.0	2.0
Environmental Investment Performance	Environmentally Sustainable IT Products	KRW million	551.6	1,390.6	2,602.7
	Replacement of Aging Facilities	KRW million	72.8	126.3	843.7

ESG Data

Social

Executives and Employees[1)]

Workforce Status

Category		Unit	2023	2024	2025
Contract Type[2)]	Fixed-Term Employees (Female)	Persons	79	60	40
	Fixed-Term Employees (Male)	Persons	131	91	120
	Permanent Employees (Female)	Persons	1,075	1,095	1,073
	Permanent Employees (Male)	Persons	1,343	1,348	1,212
	Non-Employee Workers[3)]	Persons	2,207	2,012	1,851
Position	Executives (Female)	Persons	4	4	3
	Executives (Male)	Persons	28	24	29
	Department Heads (Female)	Persons	12	15	7
	Department Heads (Male)	Persons	126	146	103
	Manager to Deputy General Manager, Regular Employees (Female)	Persons	640	700	734
	Manager to Deputy General Manager, Contract Employees (Female)	Persons	0	0	0
	Manager to Deputy General Manager, Regular Employees (Male)	Persons	999	990	914
	Manager to Deputy General Manager, Contract Employees (Male)	Persons	0	0	0
	Below Manager, Regular Employees (Female)	Persons	423	381	332
	Below Manager, Contract Employees (Female)	Persons	75	56	40
	Below Manager, Regular Employees (Male)	Persons	218	211	195
	Below Manager, Contract Employees (Male)	Persons	103	67	91
Employment Type	Full-Time Employees	Persons	2,569	2,592	2,448
	Part-Time Employees	Persons	59	2	0
Region	Domestic	Persons	2,618	2,583	2,437
	Overseas	Persons	10	11	11

1) The number of executives and employees is reported on a headcount basis, not on a full-time equivalent (FTE) basis.
2) Number of executives and employees, including registered executives.
3) Non-employee workers involved in Shinhan Card's business activities include contractors, call center workers, and card sales agents.

Category			Unit	2023	2024	2025
New Hires	By Age	Under 30 (Female)	Persons	25	20	30
		Under 30 (Male)	Persons	38	22	29
		Ages 30 to 49 (Female)	Persons	43	20	15
		Ages 30 to 49 (Male)	Persons	26	29	27
		Ages 50 and Above (Female)	Persons	1	0	4
		Ages 50 and Above (Male)	Persons	13	5	35
	By Position	Executives	Persons	0	0	0
		Department Heads	Persons	0	0	0
		Manager to Deputy General Manager	Persons	8	4	2
		Below Manager	Persons	138	92	138
Departures	By Gender	Departing Employees (Female)	Persons	46	47	78
		Departing Employees (Male)	Persons	72	78	149
Voluntary Turnover[1)]	By Gender	Voluntary Leavers (Female)	Persons	46	47	74
		Voluntary Leavers (Male)	Persons	65	69	135
	By Age	Under 30	Persons	24	13	17
		Ages 30 to 49	Persons	55	55	77
		Ages 50 and Above	Persons	32	48	115
	By Position	Executives	Persons	0	0	0
		Department Heads	Persons	1	0	0
		Manager to Deputy General Manager	Persons	23	7	103
		Below Manager	Persons	88	109	106

1) Voluntary turnover figures; no involuntary turnover occurred during the reporting period.

ESG Data

Social

Executives and Employees

Compensation for Executives and Employees

Category		Unit	2023	2024	2025
Average Salary[1] (by Position and Gender)	Executives (Female)	KRW million	250	307	253
	Executives (Male)	KRW million	289	342	257
	Department Heads (Female)	KRW million	178	194	198
	Department Heads (Male)	KRW million	177	189	196
	Manager to Deputy General Manager (Female)	KRW million	123	131	145
	Manager to Deputy General Manager (Male)	KRW million	136	142	154
	Below Manager (Female)	KRW million	80	86	94
	Below Manager (Male)	KRW million	71	74	79
Highest-Paid Individual and Workforce Compensation	Total Compensation of the Highest-Paid Individual	KRW million	853	924	760
	Median Compensation of Executives and Employees	KRW million	123	129	134
	Annual Total Compensation Ratio[2]	Times	2.8	7.2	5.7
	Increase Rate of Total Compensation of the Highest-Paid Individual	%	-29.9	8.3	-18.0
	Median Compensation Increase Rate of Executives and Employees	%	-2.5	4.9	3.9
	Ratio of Annual Total Compensation Increase[3]	Times	12.0	7.2	-4.6
Retirement Pension	Present Value of Defined Benefit Obligations	KRW million	308,106	324,060	280,627
	Fair Value of Plan Assets	KRW million	321,238	342,446	307,587

1) Includes bonuses, performance-based incentives, and employee benefits.
2) Annual total compensation ratio = total compensation of the highest-paid individual / median compensation of executives and employees excluding the highest-paid individual.
3) Ratio of annual total compensation increase = increase rate in total compensation of the highest-paid individual / median increase rate in annual total compensation of executives and employees excluding the highest-paid individual.

Use of Flexible Work Arrangements

Category	Unit	2023	2024	2025
Flexible Work Arrangement Usage Rate	%	82.1	82.0	81.7

Workforce Diversity

Category			Unit	2023	2024	2025
Age	Under 30 (Female)	Female	Persons	62	79	85
	Under 30 (Male)	Male	Persons	56	70	67
	Ages 30 to 49 (Female)	Female	Persons	869	862	765
	Ages 30 to 49 (Male)	Male	Persons	651	659	587
	Ages 50 and Above (Female)	Female	Persons	223	214	266
	Ages 50 and Above (Male)	Male	Persons	767	710	678
Function	Sales Departments (Female)	Female	Persons	525	518	540
	Sales Departments (Male)	Male	Persons	613	581	543
	STEM Departments (Female)	Female	Persons	122	135	107
	STEM Departments (Male)	Male	Persons	278	294	220
Other	Employees Eligible for Veterans' Benefits (Female)	Female	Persons	12	12	12
	Employees Eligible for Veterans' Benefits (Male)	Male	Persons	31	31	27
	Employees with Disabilities (Female)	Female	Persons	5	5	2
	Employees with Disabilities (Male)	Male	Persons	18	17	12
	Employees Hired as High School Graduates (Female)	Female	Persons	182	170	157
	Employees Hired as High School Graduates (Male)	Male	Persons	148	143	135

Injury and Illness Leave Usage

Category	Unit	2023	2024	2025
Days Absent Due to Medical Leave and Leave of Absence	Days	3,565	1,287	2,146

ESG Data

Social

Executives and Employees

Parental Leave Usage

Category		Unit	2023	2024	2025
Employees Eligible for Parental Leave	Female	Persons	153	157	129
	Male	Persons	228	242	205
Employees Taking Parental Leave	Female	Persons	49	39	32
	Male	Persons	15	17	27
Employees Expected to Return within the Reporting Year after Parental Leave	Female	Persons	39	30	18
	Male	Persons	9	11	15
Employees Who Returned in the Reporting Year after Parental Leave	Female	Persons	34[1)]	29	17
	Male	Persons	9	11	15
Employees Remaining Employed for at Least 12 Months among Those Who Returned from Parental Leave in the Previous Year	Female	Persons	38	34	27
	Male	Persons	14	9	11

1) Figures corrected due to changes in calculation criteria.

Health Checkup Support

Category	Unit	2023	2024	2025
Health Checkup Participation Rate	%	99.8	99.8	99.6

Employee Satisfaction

Category	Unit	2023	2024	2025
Department Head Satisfaction	Points	93	92	81
Manager to Deputy General Manager Satisfaction	Points	84	85	75
Below Manager Satisfaction	Points	80	79	70
Number of Participants in Employee Satisfaction Survey	Persons	2,024	2,059	1,700

Occupational Accident Status

Category	Unit	2023	2024	2025
Occupational Accident Rate[2)]	%	0.00 (average for same industry and size: 0.05)	0.00 (average for same industry and size: 0.08)	0.03 (average for same industry and size: 0.07)
Days Absent Due to Occupational Accidents	Days	0	0	0
Working Hours	Hours	5,326,880	5,256,160	4,894,648

2) Based on the workplace accident rate of the Korea Occupational Safety and Health Agency (KOSHA).

Employee Training

Category		Unit	2023	2024	2025
Training Hours	Female	Hours	77,568	49,260	49,873
	Male	Hours	101,109	61,797	50,967
	Executives	Hours	1,811	1,031	892
	Department Heads	Hours	5,810	8,226	5,322
	Manager to Deputy General Manager	Hours	124,350	71,799	70,937
	Below Manager	Hours	46,707	30,001	23,690
	Total Training Hours	Hours	178,677	111,057	100,840
	Average Training Hours per Person	Hours	68.0	42.8	35.3
Training Expenses	Female	KRW thousand	1,209,754	1,258,982	932,161
	Male	KRW thousand	1,576,916	1,579,405	952,611
	Executives	KRW thousand	28,243	26,350	16,671
	Department Heads	KRW thousand	90,614	210,239	99,462
	Manager to Deputy General Manager	KRW thousand	1,939,372	1,835,034	1,325,858
	Below Manager	KRW thousand	728,441	766,764	442,780
	Total Training Expenses	KRW thousand	2,786,670	2,838,387	1,884,772

Union Membership and Collective Bargaining Agreement Status

Category	Unit	2023	2024	2025
Number of Employees Covered by Collective Bargaining Agreement[1)]	Persons	2,561	2,527	2,373
Percentage of All Employees Covered by Collective Bargaining Agreement	%	100	100	100
Number of Employees Eligible for Union Membership	Persons	2,383	2,328	2,176
Number of Union Members	Persons	2,119	2,112	1,965

1) Excluding employees concurrently holding positions at Group companies, etc.

ESG Data

Customers

Customer Satisfaction Survey

Category	Unit	2023	2024	2025
Customer Satisfaction Score	Points	89.6	90.5	90.0

Number of Financial and Economic Education Participants

Category	Unit	2023	2024	2025
Financial and Economic Education	Persons	17,278	19,650	20,305

Customer Complaints

Category	Unit	2023	2024	2025
Number of Complaints Received (Including Human Rights-Related Complaints)	Cases	2,198	1,628	1,276
Number of Complaints Resolved (Including Human Rights-Related Complaints)	Cases	2,198	1,628	1,276
Number of Customer Service (CS) Employee Training Sessions	Sessions	37	32	34
Average Number of Customer Service (CS) Employees Trained	Persons	999	911	838

Customer Accessibility

Category	Unit	2023	2024	2025
Shinhan SOL Pay Touch Payment Transaction Volume	KRW 100 million	8,335	9,824	10,374
Number of Shinhan SOL Pay Touch Payment Transactions	10,000 transactions	2,308	2,301	2,739

Community

Social Contribution Activities

Category	Unit	2023	2024	2025
Social Contribution Investment	KRW 100 million	169.8	165.3	314.1
Charitable Donations	KRW 100 million	89.4	57.1	81.4
Community Investment	KRW 100 million	9.63	40.2	166.4
Commercial Initiatives	KRW 100 million	70.8	68	66.4
Employee Volunteer Hours	Hours	6,812	12,237	14,120

ESG Data

Governance

Board Operations

Category		Unit	2023	2024	2025
Number of Agenda Items		Items	63	60	74
Number of Board Meetings Held		Meetings	9	8	10
Attendance Rate	Executive Directors	%	100	100	100
	Independent Directors	%	97.8	100	100
	Other Non-Executive Directors	%	100	87.5	90

Board Training

Category	Unit	2023	2024	2025
Number of Strategy, Finance, Accounting, Risk Management, and Sustainable Finance Training Sessions	Sessions	7	5	10

Ethics and Compliance

Category	Unit	2023	2024	2025
Compliance Personnel Capacity-Building Training Participants	Persons	124	138	141
Ethics and Compliance Cyber Training Participants	Persons	2,956	3,056	2,814
Submission of Ethics and Compliance Practice Pledges	Persons	2,956	3,056	2,814
Compliance Self-Assessment Participants	Persons	2,460	2,535	2,437

Ethics Awareness and Human Rights Training

Category	Unit	2023	2024	2025
Training Participants	Persons	2,956	3,056	2,814
Online Ethics Awareness and Human Rights Training Hours	Hours	14,294	12,224	9,185
Human Rights Training Hours	Hours	8,452	10,696	8,892
Training Satisfaction Survey Score	Points	4.7	4.8	4.8

Ethics Advice and Reporting Mechanisms

Category	Unit	2023	2024	2025
Number of Ethics and Compliance Inquiries	Cases	1,765	1,975	2,182
Response Rate by Inquiry Type	%	100	100	100
Number of Misconduct Reports by Type	Cases	0	0	0
Resolution Rate by Misconduct Report Type	%	0	0	0

Internal Whistleblowing System

Category	Unit	2023	2024	2025
Total Reports Received	Cases	2	3	7
Number of Actions Taken on Discrimination and Harassment Cases	Cases	0	0	0

Legal Actions for Anti-Competitive Practices and Other Unfair Trade Practices

Category	Unit	2023	2024	2025
Legal Actions for Anti-Competitive and Other Unfair Trade Practices	Cases	0	0	0
Fines for Unfair Trade Practices	KRW	0	0	0

ESG Data

Governance

Marketing and Labeling

Category	Unit	2023	2024	2025
Incidents of Non-Compliance with Laws, Regulations, and Voluntary Codes Concerning Product and Service Information and Labeling	Cases	0	0	0

Customer Data Breaches

Category	Unit	2023	2024	2025
Number of Customer Data Breach Incidents	Cases	0	0	1
Number of Customers Affected by Data Breaches	Persons	0	0	192,088
Financial Losses Caused by Customer Data Breaches	KRW	0	0	0
Number of Customer Privacy Complaints	Cases	0	0	13

Information Security Training

Category	Unit	2023	2024	2025
Information Security Training Hours for Executives and Employees	Hours	18,270	16,023	14,964
Information Security Training Participants among Executives and Employees	Persons	2,483	2,486	2,306
Information Security Training Hours for External Personnel and Supplier Employees	Hours	15,649	14,821	12,843
Information Security Training Participants among External Personnel and Supplier Employees	Persons	2,967	2,887	2,647

FDS (Fraud Detection System) Monitoring

Category	Unit	2023	2024	2025
Amount of Losses Prevented through FDS Monitoring during Financial Transactions	KRW 100 million	117	78	187
Number of Customers Protected through FDS Monitoring during Financial Transactions	Persons	747	324	767

Information Security Investment

Category	Unit	2023	2024	2025
Information Security Investment as a Percentage of Total IT Budget	%	9	8	9

Awards and Memberships

Major Awards in 2025

Host Organization	Award Category
Institute for Industrial Policy Studies (IPS)	Ranked No. 1 in the credit card and mobile app card categories of the Korea Brand Hall of Fame
Korea Management Association Consulting (KMAC)	Ranked No. 1 in the credit card and easy payment service categories of the Korea Brand Power Index (K-BPI)
Korean Standards Association (KSA)	Ranked No. 1 in the credit card and debit card categories of the Korea Premium Brand Index (KS-PBI)
Korea Productivity Center (KPC)	Ranked No. 1 in the credit card category of the National Brand Competitiveness Index (NBCI)
Korean Standards Association (KSA)	Ranked No. 1 in the credit card category of the Korean Service Quality Index (KS-SQI)
Red Dot	Winner in Brand & Communication at the Red Dot Design Award 2025
Good Design	Winner at Good Design Korea 2025

Membership Status

Korea Management Association Consulting (KMAC)	Korean Standards Association (KSA)
Korean Society of Consumer Studies	Korea Consumer Agency
Korea Fair Competition Federation	Seoul Chamber of Commerce and Industry
Korea Mecenat Association	Credit Finance Association of Korea

ESG Index

GRI Contents Index

· **Statement of use :** Shinhan Card has reported in accordance with the GRI Standards for the period from January 1, 2025 to December 31, 2025.
· **GRI 1 used :** GRI 1: Foundation 2021
· **Applicable GRI Sector Standard :** N/A

GRI Standard		Disclosure	Location
GRI 2: General disclosures 2021			
Organization and Reporting Practices	2-1	Organizational details	5
	2-2	Entities included in the organization's sustainability reporting	76
	2-3	Reporting period, frequency and contact point	76
	2-4	Restatements of information	76
	2-5	External assurance	73~75
Activities and Workers	2-6	Activities, value chain and other business relationships	5
	2-7	Employees	62
	2-8	Workers who are not employees	62
Governance	2-9	Governance structure and composition	12, 50–51, 2025 Annual Report on Corporate Governance and Compensation (pp. 8–19)
	2-10	Nomination and selection of the highest governance body	50, 52, 2025 Annual Report on Corporate Governance and Compensation (pp. 31–35)
	2-11	Chair of the highest governance body	51–52, 2025 Annual Report on Corporate Governance and Compensation (p. 18)
	2-12	Role of the highest governance body in overseeing the management of impacts	6, 2025 Annual Report on Corporate Governance and Compensation (pp. 112–113)
	2-13	Delegation of responsibility for managing impacts	6, 2025 Annual Report on Corporate Governance and Compensation (pp. 112–115)
	2-14	Role of the highest governance body in sustainability reporting	6, 2025 Annual Report on Corporate Governance and Compensation (pp. 112–115)
	2-15	Conflicts of interest	2025 Annual Report on Corporate Governance and Compensation (pp. 10, 13)
	2-16	Communication of critical concerns	6
	2-17	Collective knowledge of the highest governance body	50, 52, 66
	2-18	Evaluation of the performance of the highest governance body	52
	2-19	Remuneration policies	2025 Annual Report on Corporate Governance and Compensation (pp. 130–137)
	2-20	Process to determine remuneration	2025 Annual Report on Corporate Governance and Compensation (pp. 125–129)
	2-21	Annual total compensation ratio	63
Strategy, Policies, and Practices	2-22	Statement on sustainable development strategy	4
	2-23	Policy commitments	25, 30, 53
	2-24	Embedding policy commitments	12, 30, 35, 53
	2-25	Processes to remediate negative impacts	28
	2-26	Mechanisms for seeking advice and raising concerns	52
	2-27	Compliance with laws and regulations	66
	2-28	Membership associations	68
Stakeholder Engagement	2-29	Approach to stakeholder engagement	10
	2-30	Collective bargaining agreements	64

ESG Index

GRI Contents Index

GRI Standard			Disclosure	Location
GRI Universal Standard 3				
GRI 3: Material Topics 2021		3-1	Process to determine material topics	7
		3-2	List of material topics	8
		3-3	Management of material topics	9
Topic-specific Standards				
GRI 101 (Biodiversity)	Biodiversity			Not reported[1)]
GRI 300 (Environmental Performance)	Materials	301-1	Materials used by weight or volume	32, 61
	Water and Effluents	303-5	Water consumption	61
	Emissions	305-1	Direct (Scope 1) GHG emissions	61
		305-2	Energy indirect (Scope 2) GHG emissions	61
	Waste	306-3	Waste generated	61
		306-4	Waste diverted from disposal	61
GRI 400 (Social Performance)	Training and Education	404-1	Average hours of training per year per employee	64
		404-2	Programs for upgrading employee skills and transition assistance programs	13, 20, 21
	Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	50, 63
	Marketing and Labeling	417-2	Incidents of non-compliance concerning product and service information and labeling	67
	Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	67

1) Shinhan Card did not select biodiversity as a material topic in its 2025 report, as it is not an organization whose use of water resources or raw materials has significant direct impacts on biodiversity. Accordingly, GRI 101 is marked as not reported. However, while the impacts of its direct business activities are limited, Shinhan Card continues to pursue activities that take biodiversity conservation into account through environmental policies and environmental management activities.

SASB/TCFD Index

SASB Index

Consumer Finance

Topic	Code	Metric	Unit	2023	2024	2025
Customer Privacy	FN-CF-220a.1	Number of account holders whose information is used for secondary purposes	Account holders	0	0	0
	FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	KRW million	0	0	0
Data Security	FN-CF-230a.1	Number of data breaches	Cases	0	0	1
	FN-CF-230a.1	Percentage involving personally identifiable information (PII)	%	0	0	100
	FN-CF-230a.1	Number of account holders affected by data breaches	Account holders	0	0	192,088
	FN-CF-230a.2	Financial losses from card-present transactions and other fraud	KRW 100 million	117.3	78.4	0
Selling Practices	FN-CF-270a.4	Number of customer complaints received1)	Cases	2,198	1,628	1,276
	FN-CF-270a.4	Percentage of monetary and non-monetary relief	%	100	100	100
	FN-CF-270a.5	Total monetary losses as a result of legal proceedings associated with selling and servicing of products	KRW	0	0	0
Activity Metrics	FN-CF-000.A	Number of members with active credit cards	Thousand persons	13,047	12,873	12,987
	FN-CF-000.A	Number of members with active debit cards	Thousand persons	14,019	14,008	13,808
	FN-CF-000.B	Number of credit card accounts	Thousand accounts	17,443	17,190	17,417
	FN-CF-000.B	Number of debit card accounts	Thousand accounts	19,512	20,028	19,907

1) Data corrected based on the number of credit card company complaints disclosed by the Credit Finance Association for credit card companies subject to the Financial Consumer Protection Status Evaluation by the Financial Supervisory Service.

TCFD Index

Category	Recommendation	Page
Governance	a) Describe the Board's oversight of climate-related risks and opportunities.	6, 51
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	6, 51
Strategy	a) Describe climate-related risks and opportunities over the short, medium, and long term.	31~32
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	31~32
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	-
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	30
	b) Describe the organization's processes for managing climate-related risks.	30~32
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	30~32
Metrics and Targets	a) Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	32, 61
	b) Scope 1, Scope 2, and, if applicable, Scope 3 greenhouse gas emissions and the related risks.	32, 61
	c) Targets used by the organization to manage climate-related risks and opportunities and performance against targets.	32

UN SDGs

This page presents Shinhan Card's major ESG activities and performance in relation to the UN Sustainable Development Goals (SDGs).

UN SDGs	Linked Activities	Report Page
1 빈곤퇴치	First Delinquency Support for Young Adults Starting Out in Society — Cheoeum Care Designing the First Financial Experience for Teenagers Tailored Inclusive Finance for Vulnerable Groups	43-46
3 건강과 웰빙 증진	Employee Health Promotion Programs Occupational Safety and Health Management Approach and Principles	24-27
4 양질의 교육 보장	Support for Establishing Areumin Libraries Future Generations Support Programs Mental Health Literacy Education with UNICEF Financial Education Programs for Children and Adolescents	38-39 40-41
5 성평등달성	Women Leader Development Work-Life Balance Workforce Status	21, 24, 62
7 모두를 위한 에너지 보장	Energy Consumption and Greenhouse Gas Emissions Expansion of Electric Vehicle Charging	32, 61
8 경제성장과 양질의 일자리	Employee Capability Development Protecting the Human Rights of Frontline Customer-Facing Employees Labor-Management Council Operating Status Workforce Diversity Voluntary Employee Turnover Rate	20-21 25 28, 64 62 63
9 사회기반시설 산업화 및 혁신	AI-Based Financial Innovation Operation of the A&D (AI & Data) Research Institute Operation of MyData 2.0 and DataBada Operation of Future's Lab and Finovation Challenge	47-48

UN SDGs	Linked Activities	Report Page
10 불평등 감소	Community Partnerships and Shared Growth Activities Inclusive Finance and Shared Growth Providing Financial Access for Foreign Tourists	38-39 42-46
11 지속가능한 도시와 주거지	Emergency Financial Support in the Event of Disasters	44-45
12 지속가능한 소비와 생산	Resource Savings through Digital Transformation Operation of Environment-Related Card Products Rental Factoring Financial Support	34 36
13 기후변화 대응	Climate Strategy Climate Risk Management Shinhan SDGs Challenge Green Finance Implementation Principles and Green Financial Products	30-31 33 35-36
15 육상생태계 보호	Creation of ECO Zone Sustainable Urban Parks "Bee-meal" Pollinator-Friendly Planting	33-34
16 평화 정의 포용적인 제도	Financial Consumer Protection Strategy Information Security Management Framework and Maintenance of Three Major International Certifications Ethics and Compliance Activities Internal Control System	12-13 16 53-55
17 글로벌 파트너십	Stakeholder Engagement Government-Collaborative Support for Small Merchants Operation of KISED Business Expense Cards	10 43

About This Report

INDEPENDENT VERIFICATION OPINION

Introduction

DNV Business Assurance Korea Ltd. ("DNV") was commissioned by Shinhan Card ("Company") to perform third party verification for the Company's Greenhouse Gas Statement. The Company is responsible for the preparation of the GHG statement on the
basis set out within 'WRI/WBCSD GHG Protocol: A Corporate Accounting and Reporting Standard', 'IPCC Guidelines: 2006'. The Company has full responsibility of the GHG statement. According to terms of contract, DNV expressly disclaims any liability or co-responsibility for any decisions a 3rd party may make based on the verification opinion.

Objective and Scope of Verification

The objective of the verification is to present an independent verification opinion on the company's GHG statement, and the scope of verification is as follows;

- Organizational Boundary : Shinhan Card's domestic business sites
- Reporting Boundary : Scope 1 (Direct emissions), Scope 2 (Indirect emissions)
- Reporting Period : 2025.01.01 ~ 2025.12.31

Verification Approach

The verification has been conducted in accordance with the verification principles and tasks outlined in the 'ISO 14064-3:2019', based upon a Reasonable Level of assurance. DNV planned and conducted the verification to obtain all necessary information and explanations, ensuring sufficient evidence to support a verification opinion at a 5% materiality level. As part of the verification process, we have reviewed as follows;

- Adequacy of GHG data control, collection and emission calculation and report process
- The GHG inventory is based on measurements and has inherent limitations that may arise from the process of calculating, estimating, and finalizing the reported data.

Conclusions

Based on the verification conducted, the information related to the GHG statement has been properly calculated and reported.

- DNV represents "unmodified" opinion on Greenhouse Gas Emissions.

(Unit: ton CO2 equivalent)

Classification	Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Total emissions
Domestic (Location-based)*	1,367	10,338	11,705
Domestic (Market-based)**		7,065	8,432

※ Total emissions may differ from the sum of direct and indirect emissions due to decimal rounding.

* The location-based method reflects Scope 2 GHG emissions associated with electricity consumption from the national grid, as determined under GHG ETS.

** The market-based method is applied in accordance with the GHG Protocol, incorporating the company's Scope 2 GHG emissions based on renewable electricity purchased through REC/Green Premium program. Due to the absence of a government-published residual mix emission factor as defined by the GHG Protocol, the emission factor from GHG ETS has been used.

2026. 4. 29
Lee, Jang Sup
Country Representative
DNV Business Assurance Korea Ltd.

About This Report

Third-Party Assurance Statement

Purpose of Assurance

The purpose of this assurance engagement is to ensure the reliability of the data and information presented in the Company's report.

Scope of Assurance

1. Assurance boundary : Seoul headquarters and domestic business sites

2. Assurance items (based on GRI Standards 2021)

Category	GRI Standards	
Universal Standards	· 2-1 to 2-5 (The organization and its reporting practices) · 2-6 to 2-8 (Activities and workers) · 2-9 to 2-21 (Governance)	· 2-22 to 2-28 (Strategy, policies, and practices) · 2-29 to 2-30 (Stakeholder engagement) · 3-1 to 3-3 (Material Topics Disclosures)
Topic Standards	· GRI 301 (Materials) · GRI 303 (Water and Effluents) · GRI 305 (Emissions) · GRI 306 (Waste)	· GRI 404 (Training and Education) · GRI 405 (Diversity and Equal Opportunity) · GRI 417 (Marketing and Labeling) · GRI 418 (Customer Privacy)

3. Exclusions from the scope of assurance : The following items were not included in the scope of assurance.

1) Performance and reporting practices of subsidiaries, related companies, suppliers, and third parties
2) Items related to sustainability initiatives other than the GRI Standards 2021 presented in the report
3) Other related information, such as regular disclosure reports and financial statements

Assurance Criteria

This assurance engagement was conducted in accordance with [AA1000AS (v3)], [AA1000AP (2018)], and [Type 2 – Moderate].

Assurance Methodology

The assurance team applied the above criteria and reviewed relevant procedures, systems, and controls, as well as available performance data, to verify the reliability of the report content. The documents reviewed during the assurance process are as follows.

- **Non-financial information :**
  Data provided by the Company, integrated regular disclosure reports, and information researched through media and the internet
- **Financial information :**
  The Company's financial statements, materials disclosed through the Financial Supervisory Service's electronic disclosure system (dart.fss.or.kr), and materials posted on the Company's website

※ However, the content of the above materials (materials related to non-financial and financial information) was not included in the scope of assurance.

This assurance engagement was conducted through document review, on-site visits, and interviews with responsible personnel. The materiality assessment process, stakeholder-informed issue selection, the effectiveness of data collection, management, and report preparation procedures, and the validity of the descriptions in the report were assessed through document review. Interviews with internal and external stakeholders were not conducted.
The assurance team confirmed that certain errors, inappropriate information, and unclear expressions identified during the above procedures were appropriately corrected or clarified before the publication of the report.

Limitations of Assurance

This assurance engagement has inherent limitations that may arise in the process of applying the criteria and methodology.

Competence and Independence

The assurance team for this engagement was duly organized in accordance with the internal regulations of the Korea Foundation for Quality. Other than providing third-party assurance services, the Korea Foundation for Quality has no interests or relationships with the Company's overall business activities that could impair the independence or impartiality of the assurance engagement.

About This Report

Third-Party Assurance Statement

Assurance Opinion

The Korea Foundation for Quality presents the following opinion on the Company's report.

1) The assurance team confirmed that the report was prepared in accordance with the following four principles of AA1000AP (2018).

• Inclusivity
The Company has appropriately defined its stakeholder groups and engages with stakeholders and collects their feedback through communication channels that consider the characteristics of each group. The assurance team did not identify any major stakeholder groups omitted from this process and confirmed that the Company is making efforts to reflect the feedback collected from stakeholders in its management strategy.

• Materiality
The Company selected material issues through appropriate procedures and reviewed the related impacts in a balanced manner, thereby enhancing the validity of the material issue selection process. The assurance team confirmed that the identified material issues were addressed with greater emphasis in this report and that the material issues identified through the materiality assessment process were reported without omission.

• Responsiveness
The Company is making efforts to respond in a timely manner to stakeholder needs and key concerns. The assurance team did not find any evidence that the organization's response activities and performance related to material issues were reported inappropriately.

• Impact
The Company identifies and monitors the impacts of material issues related to stakeholders across its management activities and reports them to the extent possible. The assurance team did not find any evidence that the impacts related to material issues were measured or reported inappropriately.

2) The report was appropriately prepared in accordance with the reporting criteria, including the GRI Standards 2021 (in accordance), SASB Standards, TCFD recommendations, and UN SDGs.

3) The data and information used for assurance were appropriate based on the materials provided, and no material errors or omissions that could affect the assurance opinion were identified.

AA1000
Licensed Report
000-80/V3-VPROX

May 21, 2026
Song Ji-young, President
Korea Foundation for Quality

Ji Young Song

About This Report

Report Overview

Shinhan Card publishes a sustainability report each year to fulfill its social responsibility as a corporate citizen and communicate transparently with stakeholders. This report presents Shinhan Card's ESG strategy, key initiatives, and tangible performance. Shinhan Card will continue to strive to create sustainable value through its core financial business.

Reporting Standards

This report was prepared in accordance with the GRI (Global Reporting Initiative) Standards 2021.

It also reflects major global ESG disclosure guidelines, including the Sustainability Accounting Standards Board (SASB) industry standards, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and the Ten Principles of the United Nations Global Compact (UNGC). Financial information was prepared in accordance with the Korean International Financial Reporting Standards (K-IFRS). In addition, this report applies AI-Readable Report design principles so that the report content can be accurately recognized and interpreted in an AI-based information analysis environment. Major disclosure items and performance data were prepared based on a consistent classification system and structured narrative approach. Key disclosure items based on IFRS S1 and S2 and related sentences are linked to separate structured data to enable the identification, extraction, and comparison of information by item.

Reporting Period and Scope

Shinhan Card has published a sustainability report every year since 2021. This report covers performance from January 1, 2025 to December 31, 2025. Some performance information includes activities from the first half of 2026, and quantitative performance is reported for the past three years to show year-on-year trends.

This report covers Shinhan Card's Seoul headquarters and domestic business sites. Financial performance is reported based on the consolidated financial statements. Some non-financial performance information covers subsidiaries included in the consolidated financial statements, including four overseas business sites and Shinhan Credit Information Co., Ltd. Non-financial performance reported in ESG Data includes only Shinhan Card information, excluding subsidiaries. Where the reporting scope does not align with the above criteria or where information has been restated differently from the previous year, this is separately indicated in the notes.

Report Assurance

This report underwent third-party assurance by an independent professional assurance provider to ensure the objectivity and completeness of the report preparation process and data. Greenhouse gas emissions and energy consumption data were also separately assured by a third party to ensure accuracy. The Third-Party Assurance Statement, including detailed assurance criteria, scope, and limitations, is available in the Appendix of this report.

Report Limitations and Preparation Responsibility

This report includes certain non-financial information related to Shinhan Card's sustainability activities, performance, and plans based on available data and internal calculation criteria, and some information may include estimates. In addition, forward-looking information, including future plans, targets, and outlooks, is based on reasonable assumptions and expectations at the time of report preparation. Actual results may differ due to changes in the external environment and various uncertainties.
The information in this report is provided as reference material to help readers understand Shinhan Card's sustainability direction, strategy, and performance. This information is not intended to be used as a basis for investment, legal compliance, or other financial decision-making. Shinhan Card will continue to enhance the accuracy, reliability, and comparability of information by advancing its data management framework and improving its disclosure process.

Report Inquiries

This report can be downloaded from the Shinhan Card website. For feedback or additional inquiries regarding this report, please contact Shinhan Card's SDGs Planning Department.

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