

# Business Results

## 1H 2022

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The financial information contained herein has neither been reviewed nor audited by independent auditors.

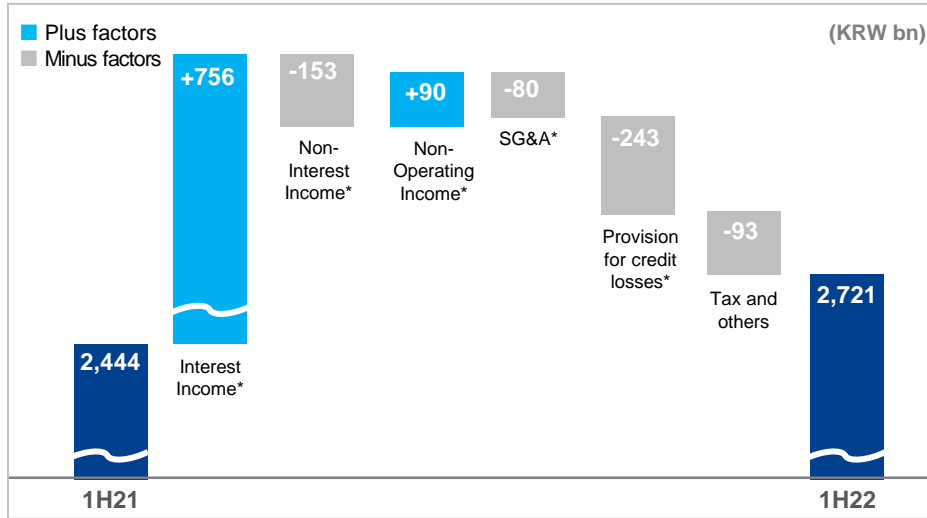
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# I. 1H22 Result Highlights

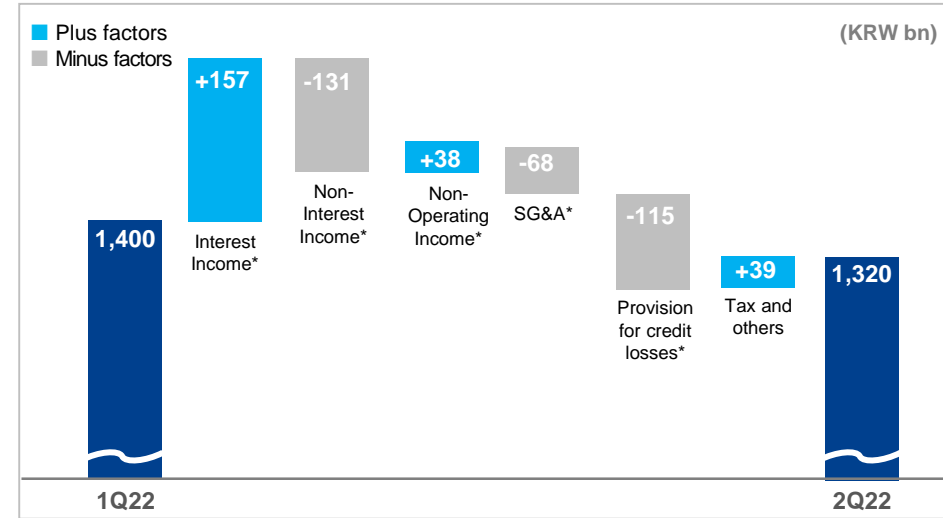


## Movements (Consolidated basis, YoY)



\* All figures before income tax

## Movements (Consolidated basis, QoQ)



\* All figures before income tax

### Robust earnings growth

Strong fundamentals based on stable operating income growth despite preemptive provisioning

**KRW 2.7 trillion**  
[1.3 trillion]

1H22 Group Net Income [2Q22]

### Solid fee income growth amid weaker non-interest income

Fee income growth partially offsetting weak security- and insurance-related income

**-7.7% [+2.5%]**

1H22 Non-interest Income Growth [Fee Income Growth]

### Disciplined expense control

Despite increased digital-related costs, G&A expense growth rate remain disciplined

**39.0%**

1H22 Group Cost-Income Ratio

### Conservative provisioning to brace for future uncertainties

Front-loaded credit costs based on conservative economic outlook and post-COVID disruptions

**31bp | 299.0Wbn**

Additional COVID-19 · Countercyclical Provisioning in 1H22

### Sustainable capital management policy

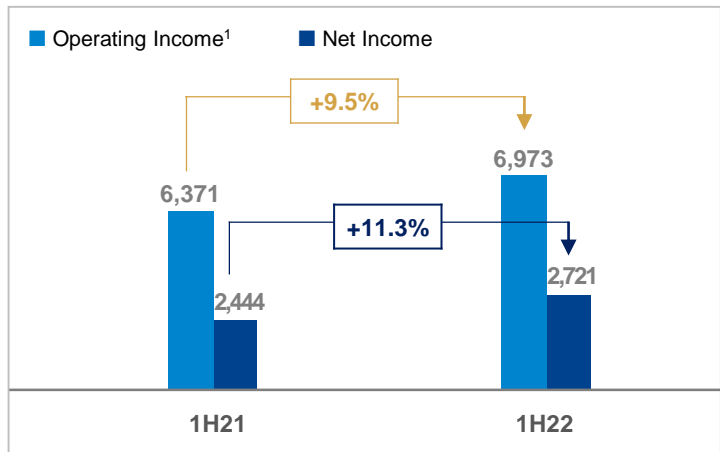
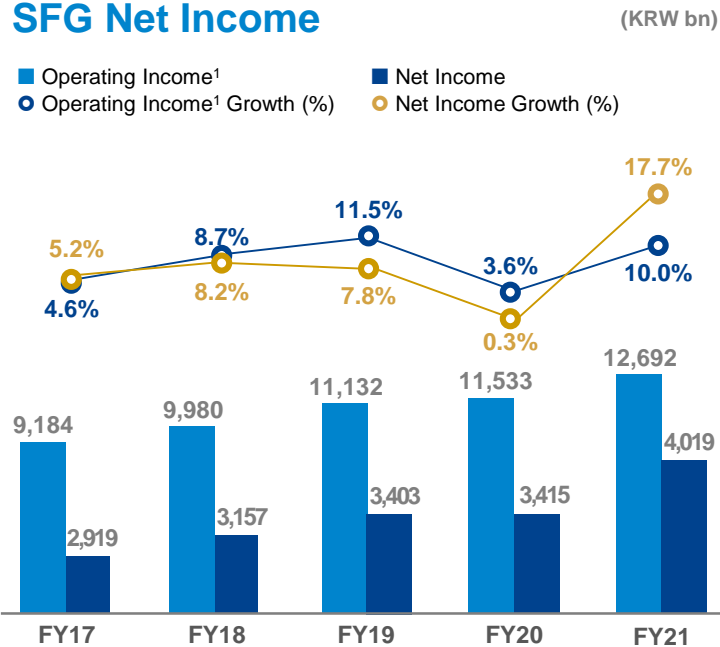
Maintaining solid capital adequacy and regularizing quarterly dividends despite increased market volatility

**12.82%**

CET1 Ratio as of end of June, 2022

# 1H22 Financial Overview

## SFG Net Income



NOTE Annual and Quarterly figures not to the same scale

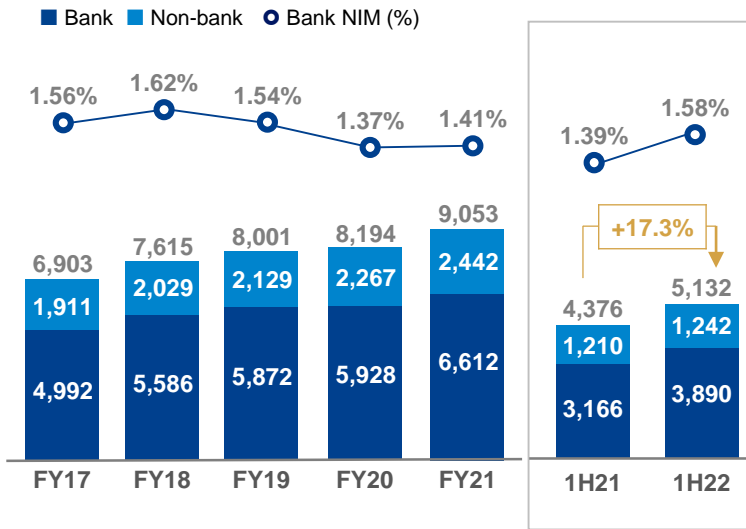
NOTE 1 Operating Income before Expenses

(KRW bn)	1H22	1H21	YoY	YoY %	2Q22	1Q22	QoQ	QoQ %
Operating Income before Expenses	6,973.3	6,370.9	602.4	9.5%	3,499.4	3,473.9	25.5	0.7%
Interest Income	5,131.7	4,375.9	755.8	17.3%	2,644.1	2,487.6	156.5	6.3%
Non-interest Income	1,841.5	1,995.0	-153.5	-7.7%	855.3	986.3	-131.0	-13.3%
G&A Expenses	2,716.4	2,635.9	80.4	3.1%	1,392.0	1,324.3	67.7	5.1%
Operating Income	4,256.9	3,734.9	522.0	14.0%	2,107.4	2,149.6	-42.2	-2.0%
Non-Operating Income	88.5	-1.5	90.0	n.a.	63.3	25.1	38.2	152.0%
Pre-Provision Income	4,345.4	3,733.4	612.0	16.4%	2,170.7	2,174.7	-4.0	-0.2%
Provision for Credit Losses	601.8	359.0	242.7	67.6%	358.2	243.6	114.6	47.0%
Earnings before Income Tax	3,743.6	3,374.4	369.3	10.9%	1,812.5	1,931.1	-118.5	-6.1%
Income Tax	983.1	878.5	104.6	11.9%	472.6	510.5	-37.8	-7.4%
Consolidated Net Income	2,720.8	2,443.8	277.0	11.3%	1,320.4	1,400.4	-80.0	-5.7%
Cost to Income Ratio	39.0%	41.4%	-2.4%p		39.8%	38.1%	1.7%p	
Credit Cost Ratio	0.31%	0.20%	0.11%p		0.31%	0.26%	0.05%p	
ROE	12.31%	11.50%	0.81%p		12.31%	12.64%	-0.33%p	
CET1 Ratio (Group)	12.82%	13.41%	-0.59%p		12.82%	13.02%	-0.2%p	

- Interest income went up by +17.3% YoY driven by robust asset growth in the previous year, increased low-cost deposit balances, and margin improvement
- Non-interest income went down -7.7% YoY, due to decrease in securities related and FX trading/derivatives income and weak insurance-related income, despite +2.5% YoY growth in fee income
- Disciplined cost management continues with G&A costs increasing +3.1% YoY
- Provision for credit losses went up 67.6% YoY predominantly due to additional provisions put aside for uncertainties regarding COVID-19 disruptions and downward economic outlook (299.0Wbn)
- Increase in non-operating income was attributable to base effect coming from investment-related losses in 1H21 and real estate sales gains in 2Q22 (62.7Wbn)
- Recorded net income of 2,720.8Wbn for 1H22 (1,320.4Wbn for 2Q22), driven by robust operating income growth and sound cost management

# Interest Income

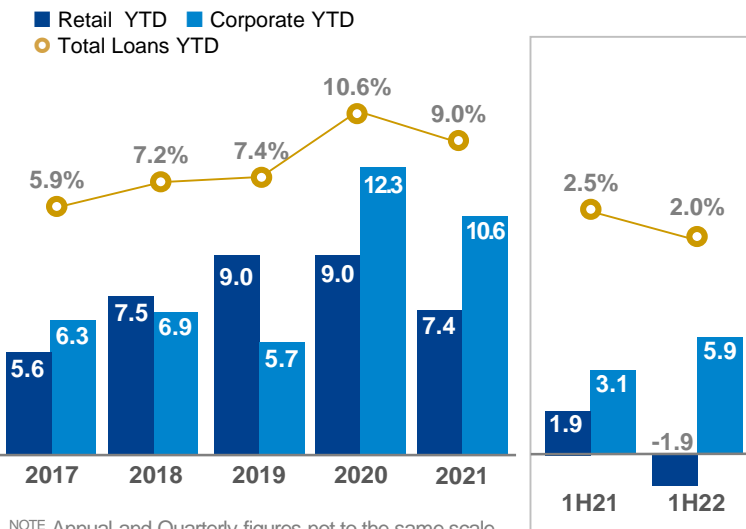
## Group Interest Income and NIM (KRW bn)



## Details of Interest Income

(KRW tn)	1H22	1H21	YoY	YoY%	2Q22	1Q22	QoQ	QoQ%
<b>Interest Revenue (a)</b>	<b>8,737.2</b>	<b>7,125.8</b>	<b>1,611.4</b>	<b>22.6%</b>	<b>4,575.6</b>	<b>4,161.6</b>	<b>414.0</b>	<b>9.9%</b>
Loans	7,141.7	5,748.5	1,393.2	24.2%	3,752.4	3,389.3	363.2	10.7%
Securities	1,482.3	1,296.1	186.2	14.4%	758.6	723.7	34.8	4.8%
Others	113.2	81.2	31.9	39.3%	64.6	48.6	16.0	32.9%
<b>Interest Expense (b)</b>	<b>3,605.4</b>	<b>2,749.9</b>	<b>855.5</b>	<b>31.1%</b>	<b>1,931.5</b>	<b>1,674.0</b>	<b>257.5</b>	<b>15.4%</b>
Deposits	1,574.2	1,034.2	540.1	52.2%	848.2	726.0	122.2	16.8%
Debentures	1,088.5	833.6	254.9	30.6%	587.1	501.4	85.6	17.1%
Others	58.2	27.2	31.0	114.0%	33.1	25.0	8.1	32.5%
Interest portion of provision for policy reserve	884.5	855.0	29.5	3.5%	463.0	421.5	41.5	9.8%
<b>Interest Income (a-b)</b>	<b>5,131.7</b>	<b>4,375.9</b>	<b>755.8</b>	<b>17.3%</b>	<b>2,644.1</b>	<b>2,487.6</b>	<b>156.5</b>	<b>6.3%</b>

## KRW Loan Growth (%)



## Interest Rate & NIM Movement

(%)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22
BOK Base rate	0.50	0.50	0.75	1.00	1.25	1.75
3-y T Bond yield (average)	1.13	1.45	1.59	1.80	2.66	3.55
<b>NIS (Bank, for the quarter) (a-b)</b>	<b>1.68</b>	<b>1.70</b>	<b>1.70</b>	<b>1.79</b>	<b>1.87</b>	<b>2.03</b>
Loan interest rate (a)	2.48	2.46	2.47	2.65	2.89	3.16
Deposit interest rate (b)	0.81	0.76	0.77	0.86	1.01	1.13
<b>NIM (Group, for the quarter)</b>	<b>1.81</b>	<b>1.81</b>	<b>1.79</b>	<b>1.83</b>	<b>1.89</b>	<b>1.98</b>
<b>NIM (Bank, for the quarter)</b>	<b>1.39</b>	<b>1.40</b>	<b>1.40</b>	<b>1.45</b>	<b>1.51</b>	<b>1.63</b>
<b>NIM (Group, YTD)</b>	<b>1.81</b>	<b>1.81</b>	<b>1.80</b>	<b>1.81</b>	<b>1.89</b>	<b>1.94</b>
<b>NIM (Bank, YTD)</b>	<b>1.39</b>	<b>1.39</b>	<b>1.40</b>	<b>1.41</b>	<b>1.51</b>	<b>1.58</b>

- Group interest income grew +17.3% YoY, driven by +7.5% YoY increase in interest-bearing assets and +19bps improvement in Bank's NIM
- Bank's NIM marked 1.63%, up +12bps QoQ, owing to improved loan yield on the back of base rate hike, and to disciplined management of funding cost, largely thanks to +2.8% QoQ growth in low-cost deposits
- Bank's retail loan asset contracted due to tightened regulations on household debt and a decrease in loan demand amid higher interest rates
- Mortgage loans, when considering securitization of 1.3Wtn in assets, grew +2.4% QoQ (+7.9% YTD) based on stable loan demand
- Corporate loans grew +4.0% QoQ (+5.9% YTD), driven by growth in demand amid increased volatility in the debt capital market

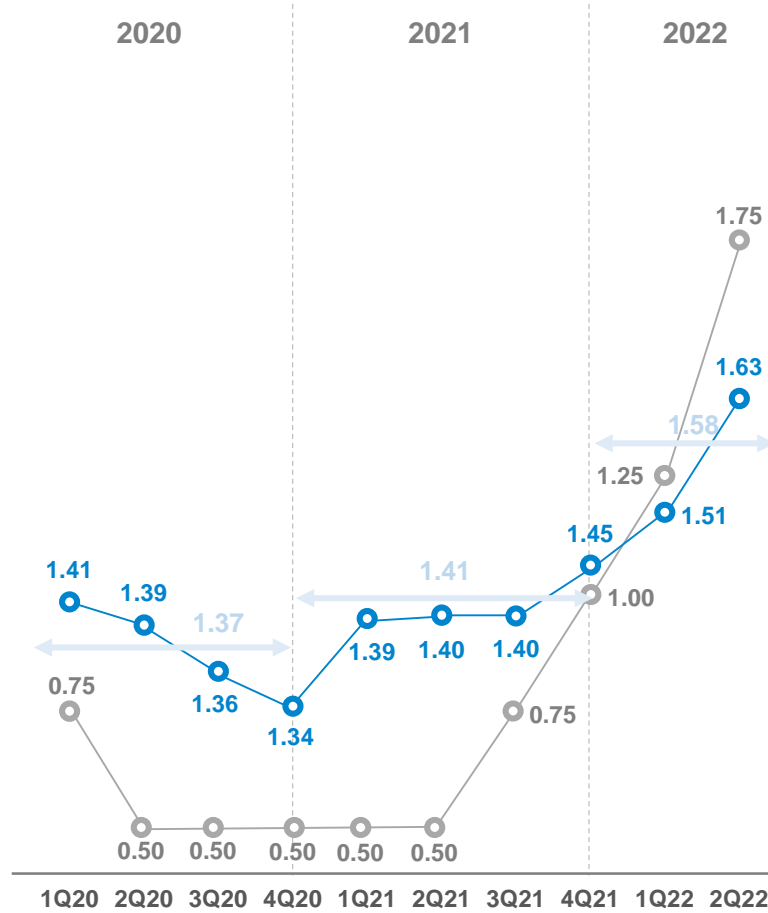
NOTE Annual and Quarterly figures not to the same scale

# [Appendix 1] Shinhan Bank NIM / Loans / Deposits

## SHB NIM Trend

(%)

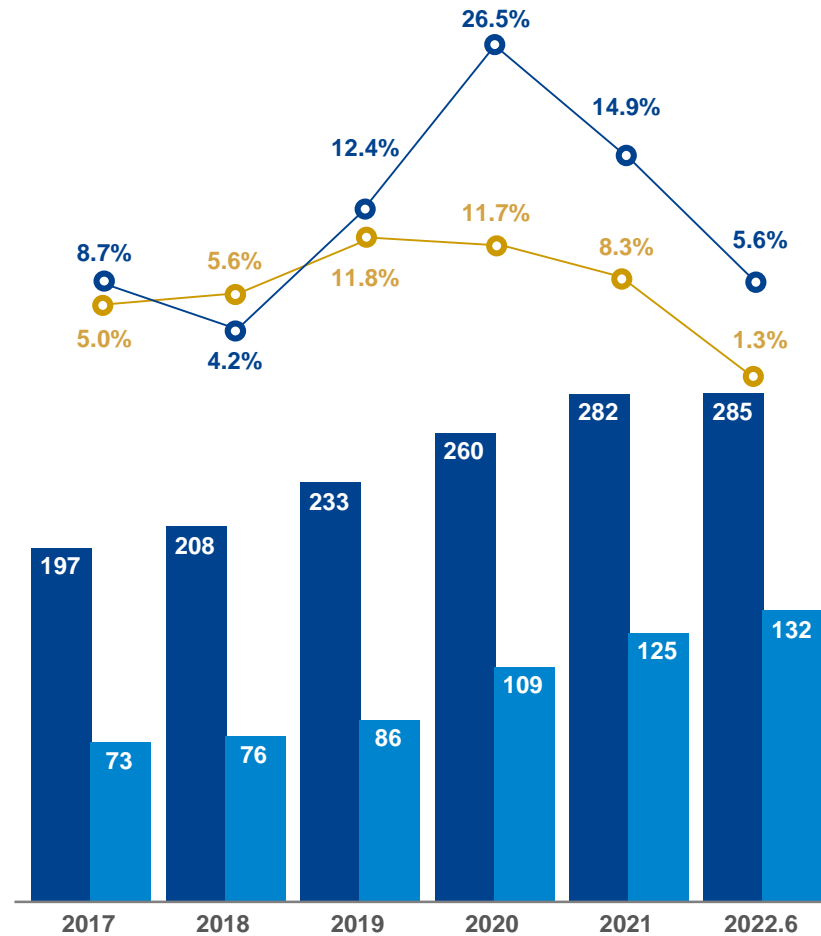
- Annualized NIM
- Quarterly NIM
- BOK base rate



## Core Deposit Trend

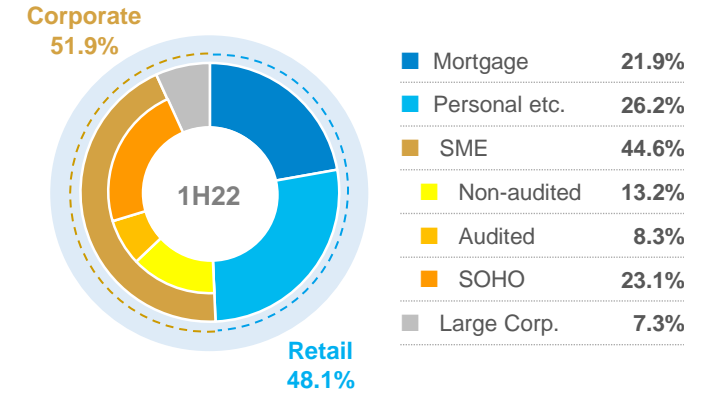
(KRW tn)

- Deposits in KRW
- Deposit growth rate (YTD, %)
- Core Deposits
- Core Deposit growth rate (%)



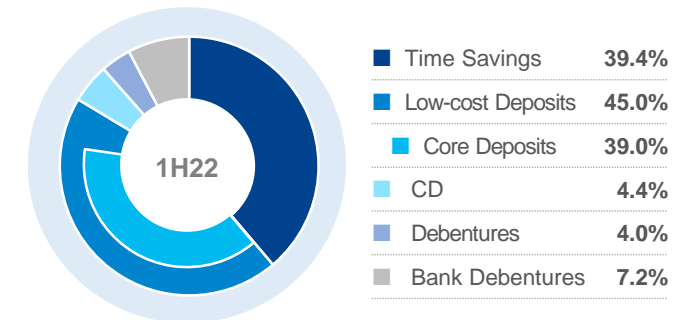
## Loan Composition

(%)



## Funding Composition

(%)





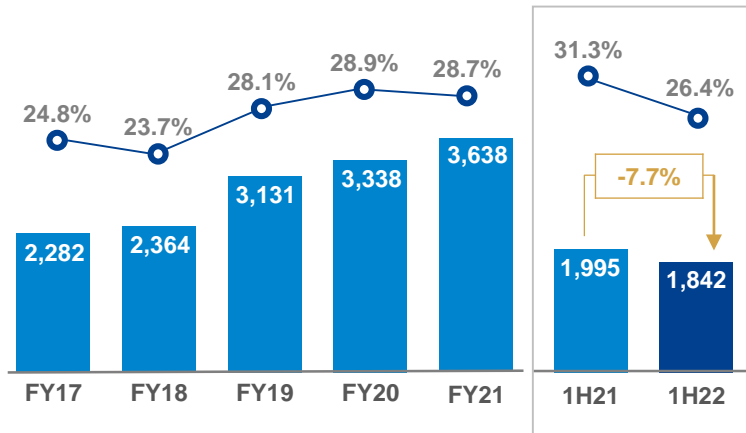
# Non-interest Income

## Non-interest Income

(KRW bn, %)

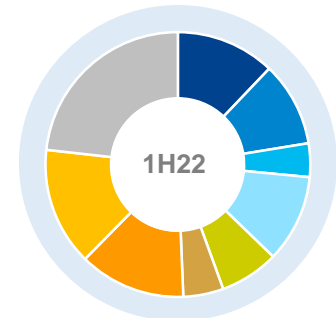
■ Non-interest income

○ Non-interest income weight (Operating income/Non-interest income)



## Fees & Commission

(%)



■ Credit Card Fee Income	14.5%
■ Brokerage Commissions	10.1%
■ Fund & Bancassurance	4.1%
■ Trust Fee Income	11.2%
■ F/X Fee Income	7.9%
■ Electronic Transaction	5.1%
■ Investment Banking	11.5%
■ Lease Financing Fees	15.2%
■ Others	20.6%

## Details of Non-interest Income

(KRW bn)	1H22	1H21	YoY	YoY %	2Q22	1Q22	QoQ	QoQ%
<b>Non-Interest Income</b>	<b>1,841.5</b>	<b>1,995.0</b>	<b>-153.5</b>	<b>-7.7%</b>	<b>855.3</b>	<b>986.3</b>	<b>-131.0</b>	<b>-13.3%</b>
Fees & Commission	1,438.9	1,404.1	34.8	2.5%	695.1	743.9	-48.8	-6.6%
Securities related & FX Trading/Derivatives	676.5	829.3	-152.8	-18.4%	302.6	373.9	-71.3	-19.1%
Insurance-related Income	435.0	524.0	-89.0	-17.0%	204.5	230.5	-26.0	-11.3%
Others	-708.9	-762.4	53.5	na.	-346.9	-362.0	15.1	na.
(Contribution Expenses)	-216.6	-190.4	-26.2	na.	-108.5	-108.1	-0.4	na.
(Insurance Fees on Deposits)	-247.2	-240.6	-6.6	na.	-121.4	-125.8	4.4	na.

## Details of Fees & Commission

(KRW bn)	1H22	1H21	YoY	YoY %	2Q22	1Q22	QoQ	QoQ%
<b>Fees &amp; Commission</b>	<b>1,438.9</b>	<b>1,404.1</b>	<b>34.8</b>	<b>2.5%</b>	<b>695.1</b>	<b>743.9</b>	<b>-48.8</b>	<b>-6.6%</b>
Credit Card Fee Income	208.1	181.6	26.6	14.6%	117.9	90.3	27.6	30.5%
Brokerage Commissions	144.9	261.7	-116.8	-44.6%	67.9	77.0	-9.1	-11.8%
Fund & Bancassurance	58.6	75.5	-16.9	-22.4%	28.3	30.2	-1.9	-6.2%
Trust Fee Income	161.0	153.6	7.4	4.8%	81.1	79.9	1.1	1.4%
F/X Fee Income	113.3	105.0	8.3	7.9%	59.4	53.9	5.5	10.3%
Electronic Transaction	73.4	75.7	-2.3	-3.0%	36.9	36.5	0.5	1.3%
Investment Banking	165.7	77.2	88.5	114.7%	69.1	96.6	-27.5	-28.5%
Lease Financing Fees	218.3	167.8	50.5	30.1%	111.5	106.8	4.7	4.4%
Others	295.7	306.1	-10.4	-3.4%	123.0	172.7	-49.7	-28.8%

- Group non-interest income decreased by -7.7% YoY. The fundamentals remained solid as decrease from securities- and insurance-related income was partially offset by solid fee income
- Securities-related income decreased -18.4% YoY due to valuation losses on the back of base rate hike, which was partially offset by effective duration management and adjustments in investment asset portfolio
- Insurance-related income went down -17.0% YoY owing to increased guarantee reserves in variable insurance led by dropping stock prices and increased accident insurance claims
- Group fee income increased by +2.5% YoY driven by strong credit card, IB and lease fee income
- Credit card fee income increased by +14.6% YoY despite merchant fee cuts and increased marketing expenses thanks to a +8.8% YoY increase in credit card transaction volume and decreased processing expenses
- Brokerage fee income decreased by -44.6% YoY reflecting the plunge in trading volume
- IB commissions and lease financing fees increased +114.7% and +30.1% YoY, respectively, reflecting increased arrangement commissions on IPO- and real estate-related IB deals and +18% growth in lease financing volume

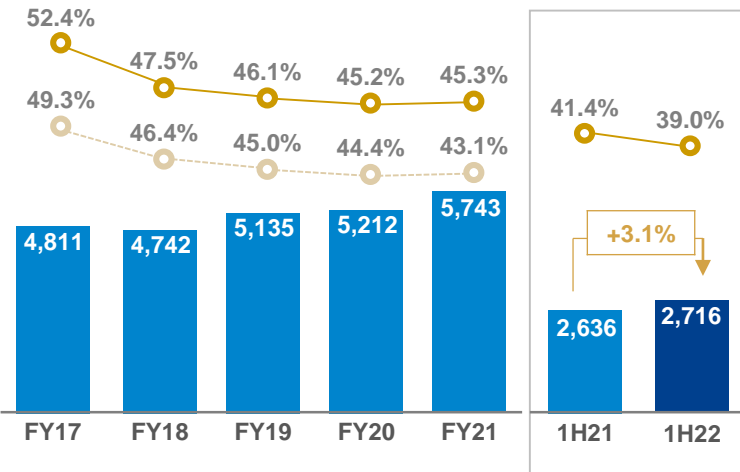


# Expenses and Provisioning

## G&A Expense

(KRW bn, %)

■ G&A Expenses ● CIR ● CIR (excluding ERP)



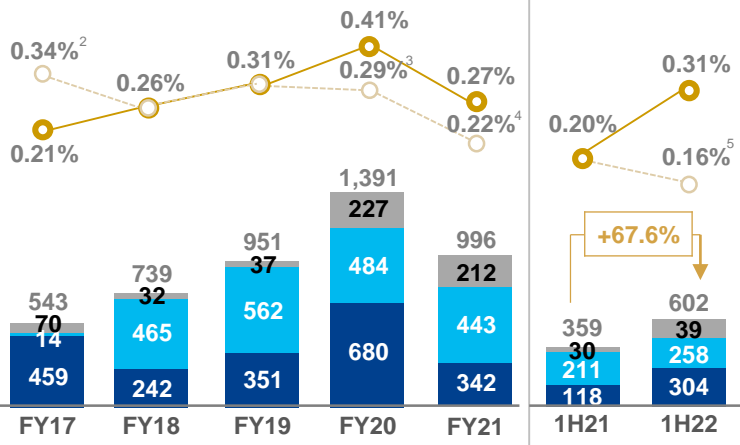
## Details of G&A Expense

(KRW bn, %)	1H22	1H21	YoY	YoY %	2Q22	1Q22	QoQ	QoQ%
<b>G&amp;A Expense</b>	<b>2,716.4</b>	<b>2,635.9</b>	<b>80.4</b>	<b>3.1%</b>	<b>1,392.0</b>	<b>1,324.3</b>	<b>67.7</b>	<b>5.1%</b>
Salary & Employee benefits	1,713.8	1,740.6	-26.8	-1.5%	849.0	864.8	-15.7	-1.8%
(Early Retirement Program Expenses)	0.8	65.8	-65.1	-98.8%	0.1	0.6	-0.5	-80.9%
D&A	344.9	314.3	30.7	9.8%	172.4	172.5	-0.0	-0.0%
Other Expenses	657.6	581.1	76.6	13.2%	370.6	287.1	83.5	29.1%
(Advertising Expenses)	119.1	89.2	29.9	33.6%	76.4	42.7	33.7	78.8%
(Taxes and Dues)	113.2	107.0	6.2	5.8%	66.8	46.4	20.4	44.0%

## Credit Cost

(KRW bn, %)

■ Bank ■ Card ■ Others ● Credit Cost ratio



## Provision for Credit Losses / Delinquency

(KRW bn, %)	1H22	1H21	YoY	YoY %	2Q22	1Q22	QoQ	QoQ%
<b>Provision for Credit Losses</b>	<b>601.8</b>	<b>359.0</b>	<b>242.7</b>	<b>67.6%</b>	<b>358.2</b>	<b>243.6</b>	<b>114.6</b>	<b>47.0%</b>
Shinhan Bank	304.5	118.2	186.3	157.7%	211.7	92.8	118.8	128.0%
Shinhan Card	257.9	210.7	47.2	22.4%	112.4	145.5	-33.2	-22.8%
Other	39.4	30.2	9.2	30.5%	34.2	5.2	28.9	554.5%
<b>SHB Delinquency</b>	<b>0.19%</b>	<b>0.25%</b>	<b>-0.06%p</b>	<b>-0.19%</b>	<b>0.19%</b>	<b>0.21%</b>	<b>-0.02%p</b>	<b>-0.09%</b>
SME (incl SOHO)	0.23%	0.33%	-0.10%p	-0.30%	0.23%	0.28%	-0.05%p	-0.18%
SOHO	0.14%	0.16%	-0.03%p	-0.19%	0.14%	0.15%	-0.01%p	-0.67%
Retail	0.18%	0.21%	-0.03%p	-0.14%	0.18%	0.17%	0.01%p	0.59%
<b>SHC Delinquency</b>	<b>0.92%</b>	<b>0.85%</b>	<b>0.07%p</b>	<b>0.08%</b>	<b>0.92%</b>	<b>0.88%</b>	<b>0.04%p</b>	<b>0.45%</b>

- Disciplined cost management continues with G&A expense growth of +3.1% YoY, despite larger digital investments and structural expense on the backdrop of inflationary pressure (+5.6% YoY growth in G&A expense when excluding SHB and SHIC's ERP costs of 65.8Wbn in 1H21)
- Other expenses went up +13.2% driven by higher expenses on advertising of MyData services and O2O business-related costs
- Group CIR was improved by 2.4%p YoY, marking a historically low level of 39.0%, thanks to strong earnings stream and effective cost management

- Provision for credit losses increased by +67.6% YoY (299.0Wbn in additional provisioning in 1H22)

[For 1Q22] Additional 74.5Wbn in COVID-19 provisioning

[For 2Q22] Additional 224.5Wbn in countercyclical provisioning

- ① 150.9Wbn in RC(PD) adjustments : FLC adjusted to include Asian Financial Crisis-level scenarios
- ② 29.6Wbn in overlay
- ③ 44.0Wbn in DCF

- Delinquency ratio for SHB and SHC marked 0.19% (-6bps YoY) and 0.92% (+7bp YoY), respectively

NOTE 1 Annual and Quarterly figures not to the same scale

NOTE 2 Excluding write-backs from Shinhan Card

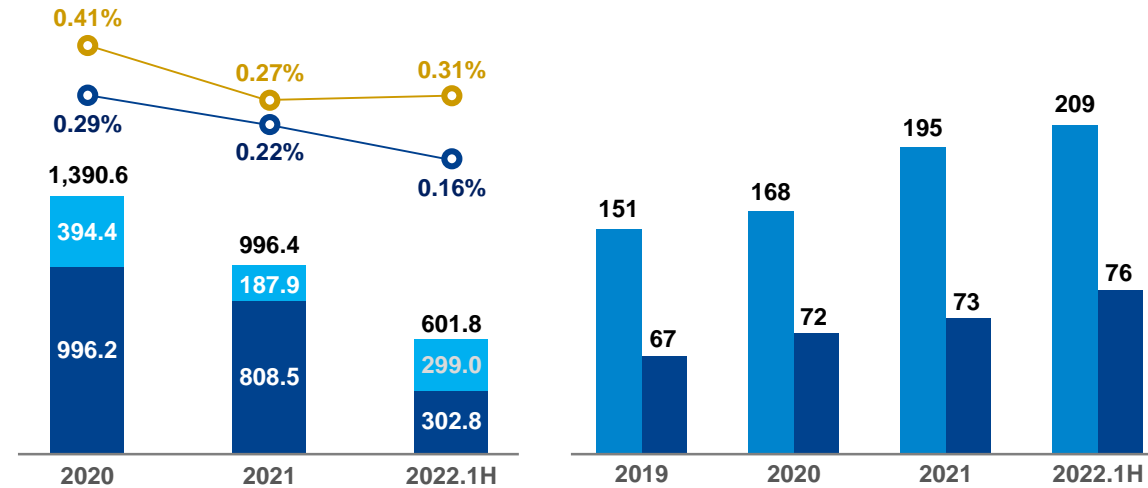
NOTE 3, 4, 5 Excluding one-offs: COVID19-related provisioning 394.4Wbn(FY20), 187.9Wbn(FY21); Countercyclical provisioning 299.0Wbn(1H22)

# [Appendix 2] Bracing for Future Uncertainties

## Frontloading Provisions for Resilience

(KRW bn, %)

● Nominal CCR ● Recurring CCR  
■ Recurring Provisioning ■ NPL Coverage Ratio  
■ Additional Provisioning (COVID-19 · Countercyclical) ■ Coverage Ratio for Precautionary & Below



(KRW bn)	2020		2021		2022 1H			
	CCR	CCR	CCR	CCR	CCR	1Q22	2Q22	
<b>Nominal Provisioning</b>	13,906	0.41%	9,964	0.27%	6,018	0.31%	2,436	3,582
Recurring Provisioning	9,962	0.29%	8,085	0.22%	3,028	0.16%	1,691	1,337
COVID-19 · Countercyclical Provisioning	3,944	0.12%	1,879	0.05%	2,990	0.15%	745	2,245
Collective Assess.	2,286		830		2,419		614	1,805
DCF*	1,658		1,049		571		131	440

\* DCF: Discounted Cash Flow

## Preemptive Support for the Financially Vulnerable

### ● COVID-19 Financial Support Recipients :

Reinforcement of preemptive management through customized debt adjustments based on recent sales recovery trends and future business prospects; as well as providing business consultation programs

### COVID-19 Financial Support Programs (As of June 30, 2022)

(KRW bn)	Total Amount Supported	Remaining Balance	Interest Amount	Note
<b>Total</b>	<b>4,117.0</b>	<b>1,491.2</b>		
Principle Deferral Program	3,418.8	1,340.9		
Interest Deferral Program	698.2	150.3	12.8	

● **Household** : Identifying the financially vulnerable through vigorous credit assessment using alternative data to provide loan support and interest rate cuts (e.g. mortgage loan interest rate cap at 5%, Interest reduction for Hope Spore Loans, Preferential rates for the youth housing loans)

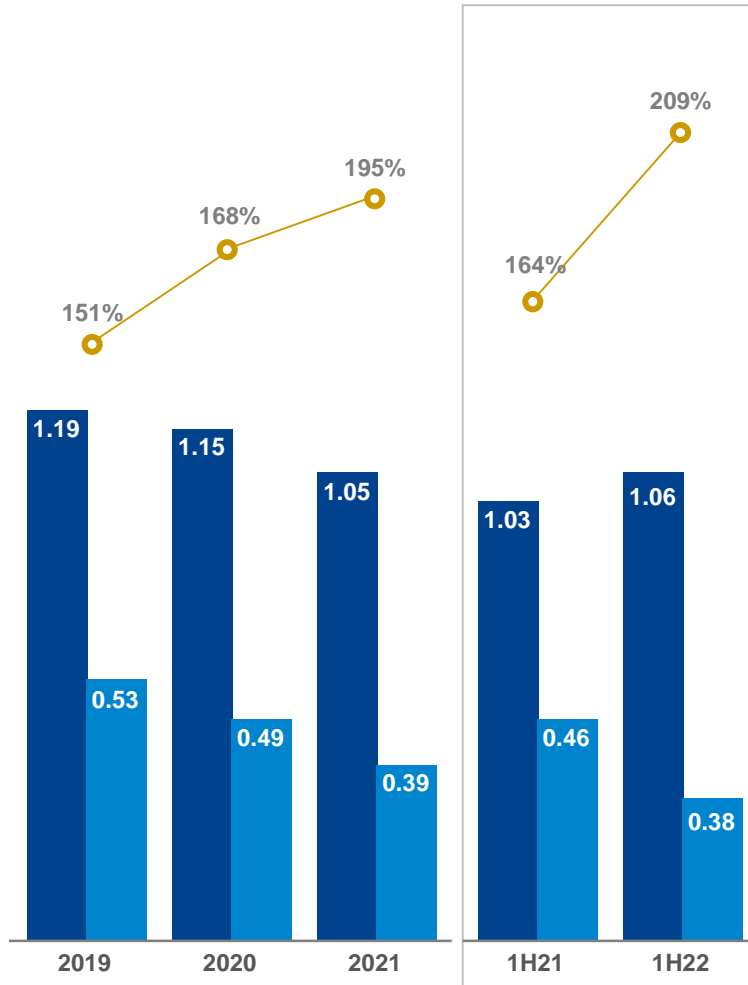
● **SOHO** : Consulting support for entrepreneurs who are vulnerable to adverse interest rate and economic environment (e.g. SOHO 911 program, Shinhan SOHO Academy)

● **Marginal Corporates** : Identifying marginal companies under unfavorable business environment (e.g. global supply chain issues, fluctuations in raw material prices, f/x rates, inflation) and strengthening preemptive crisis management (e.g. loan monitoring and warning system, preemptive debt adjustment programs)

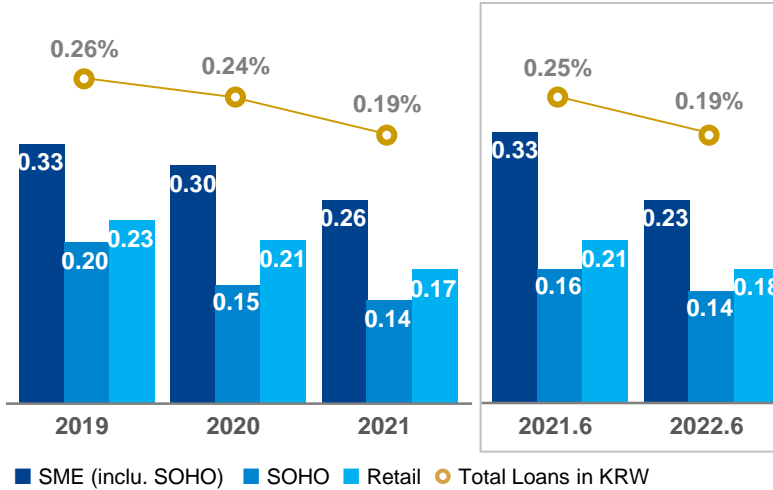
# [Appendix 3] Asset Quality

## Group Asset Quality (%)

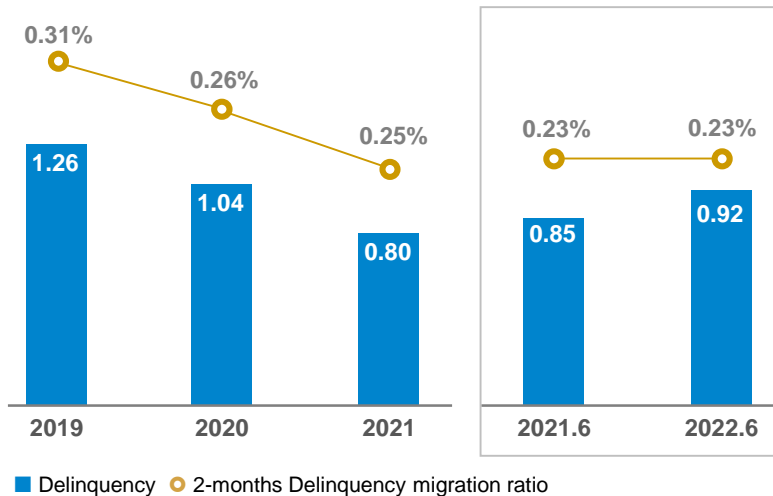
■ Precautionary & Below   ■ Substandard & Below  
○ NPL Coverage Ratio



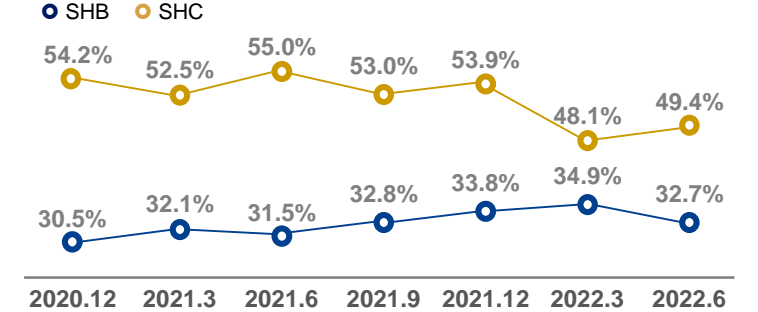
## SHB Delinquency Trend (%)



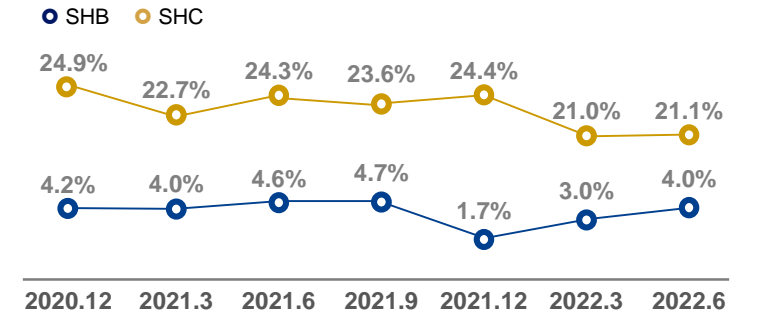
## SHC Delinquency Trend (%)



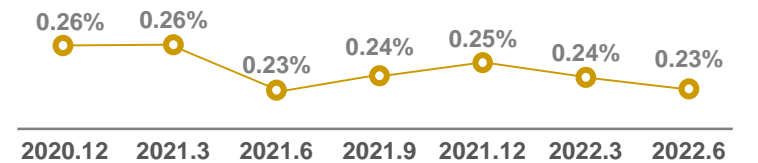
## Average DSR of Retail Loans



## % of Retail Loans with DSR ≥70%

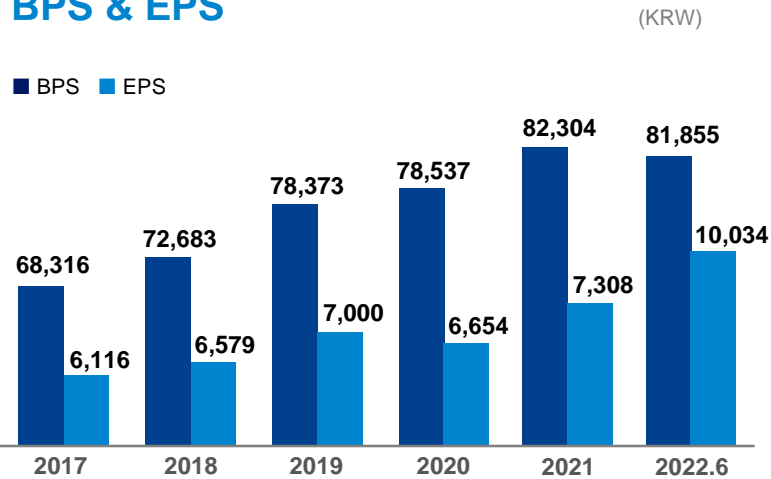


## SHC 2m Delinquency Migration Ratio



# Capital Management and Profitability

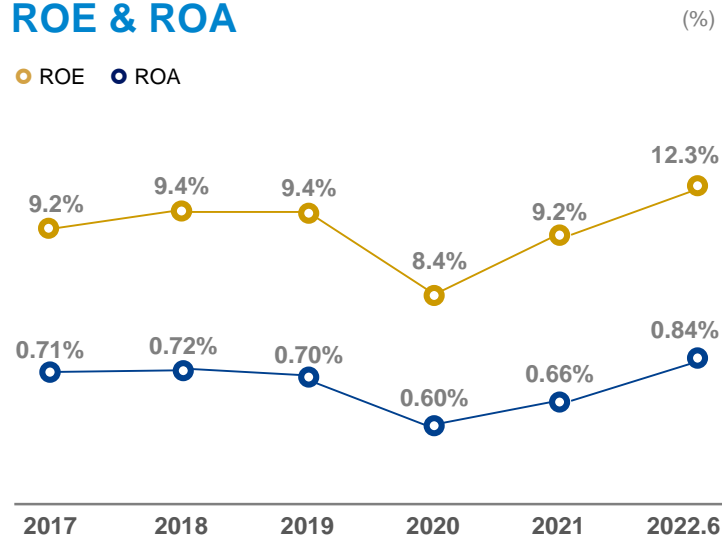
## BPS & EPS



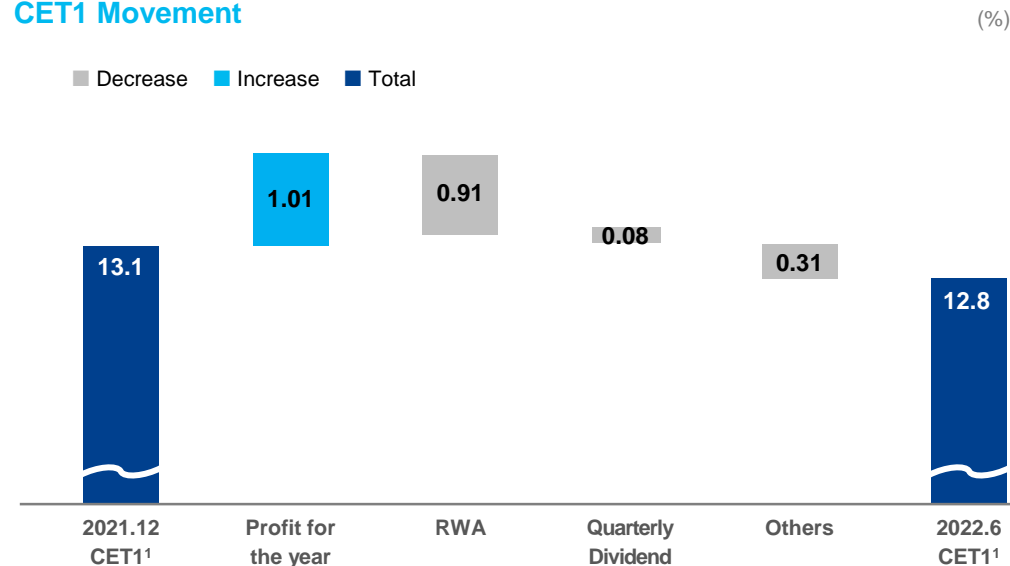
## Group BIS Ratio

(KRW bn)	2022.6	2021.12	YTD	YTD %	2022.3	QoQ	QoQ %
Risk weighted assets	289,806	270,692	19,114.3	7.1%	279,008	10,798.3	3.9%
Capital	45,988	43,863	2,124.5	4.8%	45,047	941.0	2.1%
CET1	37,145	35,470	1,675.2	4.7%	36,318	826.8	2.3%
Tier 1	42,630	40,435	2,194.2	5.4%	41,777	852.6	2.0%
BIS ratio	15.87%	16.20%		-0.33%	16.15%		-0.28%
CET 1 ratio <sup>1</sup>	12.82%	13.10%		-0.28%	13.02%		-0.20%
Tier 1 ratio	14.71%	14.94%		-0.23%	14.97%		-0.26%

## ROE & ROA



## CET1 Movement



- Despite strong earnings, CET1 ratio is expected to be 12.8% predominantly owing to the reasons stated below:
  - Credit RWA was increased due to
    - SHB's increased corporate loan assets,
    - SHB's equity investment in KT (1Q22), SHB Vietnam's investment in non-listed local fintech company (2Q22),
    - increased balance of foreign currency loans and derivatives due to rise in f/x rate,
    - SHC, SHIC and SH Capital's efforts toward growth centered on quality assets
  - AOCI\* decreased due to bigger valuation losses on the back of higher interest rates
  - Other factors such as share buybacks (1Q22) and quarterly dividend payouts (1Q,2Q22) led to slight decrease in capital
- ROE of 12.3%, up +0.81%p YoY, driven by ROA improvement reflecting Bank's NIM expansion and effective capital management efforts
- SFG was the first among domestic peers to commence quarterly dividend payouts (since June 2021)
- Quarterly dividend for 2Q22 will be paid in accordance with the BOD resolution which is scheduled to be made on AUG 12<sup>th</sup>, '22

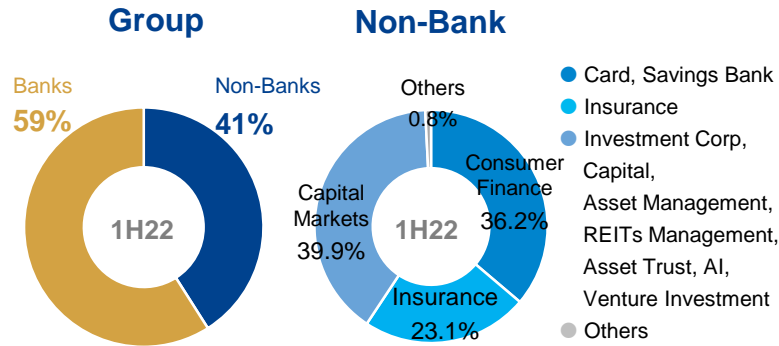
NOTE Annual and Quarterly figures not to the same scale

NOTE 1 Reflecting early adoption of the revised BASEL III credit risk framework

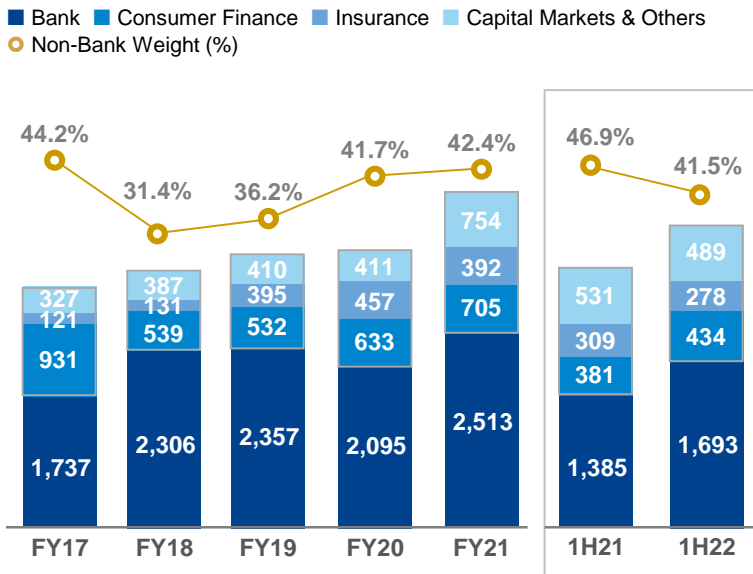
\*AOCI: Accumulated Other Comprehensive Income 12

# SFG Income by Subsidiaries

## NI Weight by Subsidiaries (%)



## NI Contribution by Non-Bank Subsidiaries<sup>1</sup> (KRW bn)



(KRW bn)	Net Profit (before reflecting ownership)							
	1H22	1H21	YoY	YoY %	2Q22	1Q22	QoQ	QoQ %
<b>Bank</b>	<b>1,693.3</b>	<b>1,384.9</b>	<b>308.3</b>	<b>22.3%</b>	<b>824.0</b>	<b>869.2</b>	<b>-45.2</b>	<b>-5.2%</b>
Shinhan Bank	1,683.0	1,370.9	312.2	22.8%	820.0	863.1	-43.1	-5.0%
Jeju Bank	10.2	14.1	-3.8	-27.3%	4.1	6.1	-2.1	-33.5%
<b>Non-bank</b>	<b>1,200.7</b>	<b>1,220.9</b>	<b>-20.3</b>	<b>-1.7%</b>	<b>596.8</b>	<b>603.9</b>	<b>-7.1</b>	<b>-1.2%</b>
Shinhan Card	412.7	367.2	45.5	12.4%	236.8	175.9	60.8	34.6%
Shinhan Savings Bank	21.7	14.0	7.7	54.7%	11.8	10.0	1.8	18.0%
Shinhan Life Insurance	277.5	309.1	-31.5	-10.2%	125.2	152.4	-27.2	-17.9%
Shinhan Investment Corp	189.1	322.9	-133.8	-41.4%	84.6	104.5	-19.9	-19.1%
Shinhan Capital	203.6	131.3	72.3	55.1%	95.0	108.6	-13.6	-12.5%
Shinhan Asset Management	40.9	21.0	19.8	94.3%	14.5	26.4	-11.8	-44.9%
Shinhan REITs Management	1.8	4.6	-2.9	-61.7%	1.3	0.5	0.8	152.4%
Shinhan Asset Trust	40.5	35.0	5.5	15.7%	22.0	18.5	3.6	19.3%
Shinhan AI	0.1	0.3	-0.3	-74.6%	0.0	0.1	-0.0	-32.0%
Shinhan Venture Investment	3.6	6.2	-2.6	-41.3%	1.9	1.7	0.2	10.1%
Others <sup>2</sup>	9.1	9.2	-0.1	-1.1%	3.8	5.3	-1.6	-29.4%

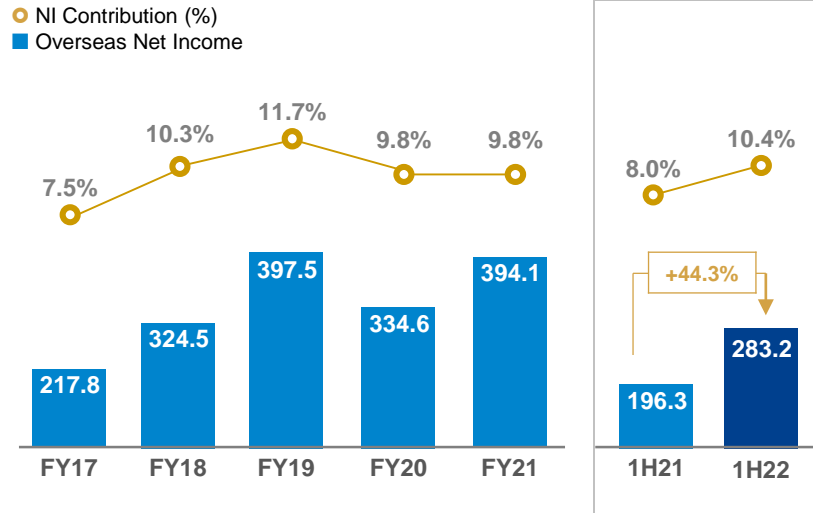
- Despite setting aside additional provisions, SHB's net income increased greatly thanks to higher interest income growth led by NIM improvement and effective cost control
- Thanks to business diversification efforts and increased credit purchases, SHC's net income increased despite of regulatory headwinds and increased funding costs
- SHIC's net income decreased primarily due to a decrease in brokerage fees reflecting slow market trading activities, and valuation losses on securities (RP, ELS related) on the back of interest rate hikes, which was partially offset by solid IB-related commissions
- SHL's net income decreased YoY, predominantly driven by increased guarantee reserves in variable insurance reflecting weak stock market performance. Still, fundamentals remain solid with increased protection APE and effective cost management
- With enlarged operating asset, increased gains on fair value of IB-related securities, etc., Shinhan Capital elevated earnings capacity despite higher funding costs
- Shinhan's capital market businesses, including Shinhan AM, Shinhan Asset Trust, Shinhan REITs, staying resilient to market volatilities

\* Shinhan Bank (SHB), Shinhan Card (SHC), Shinhan Investment Corp. (SHIC), Shinhan Life (SHL), Shinhan Asset Management (Shinhan AM)

NOTE 1 Net income in controlling interest  
NOTE Annual and Quarterly figures not to the same scale

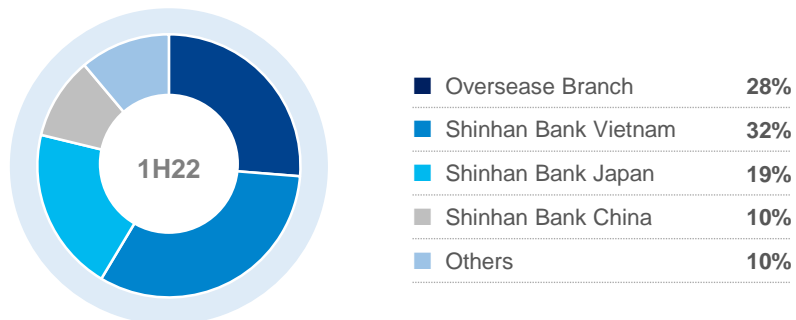
NOTE 2 Others is the sum of Shinhan DS, Shinhan AITAS, and Shinhan Credit Information

## NI Contribution by Overseas Business (KRW bn)

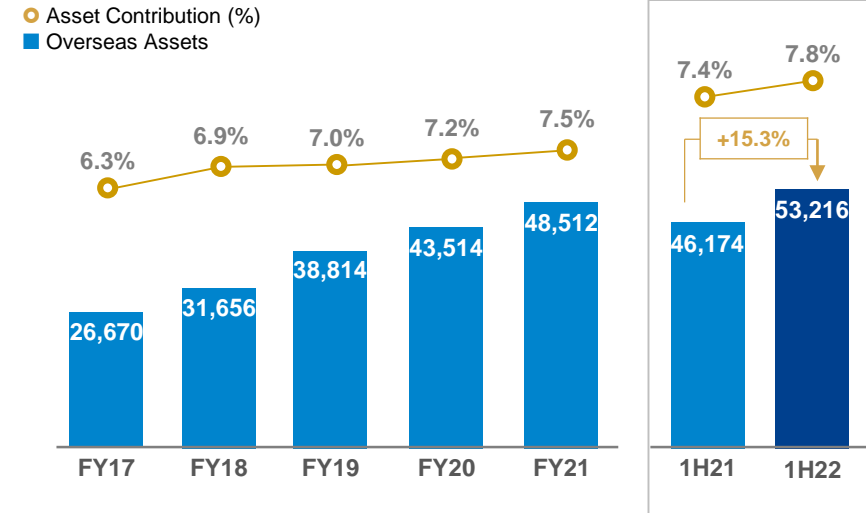


NOTE KRW figures are converted based on the average FX rates of the respective periods  
 NOTE Annual and Quarterly figures not to the same scale  
 NOTE Reflecting effect of FX rates and provisions for consolidated settlements in KRW

## SHB's Overseas NI Composition (%)

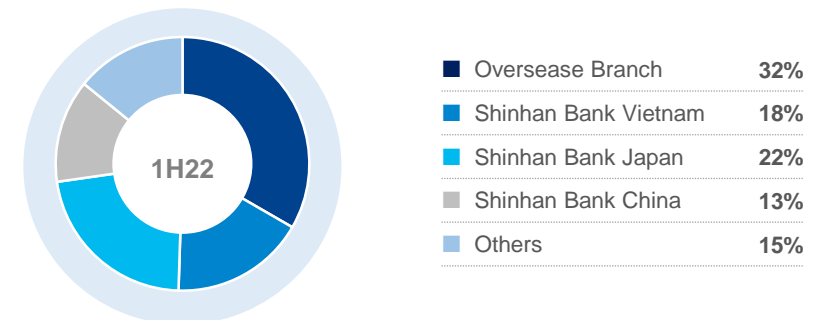


## Asset Contribution by Overseas Business (KRW bn)



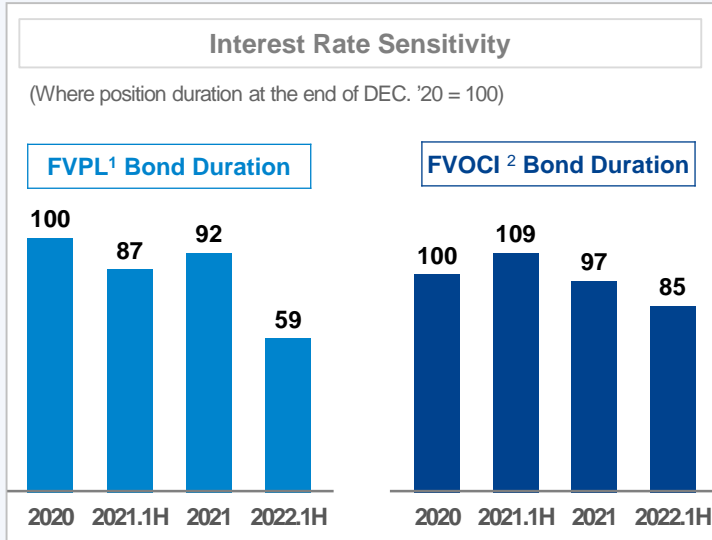
NOTE KRW figures are converted based on the average FX rates at the end of the respective periods  
 NOTE Annual and Quarterly figures not to the same scale

## SHB's Overseas Asset Composition (%)





## Responsive to Market Volatility



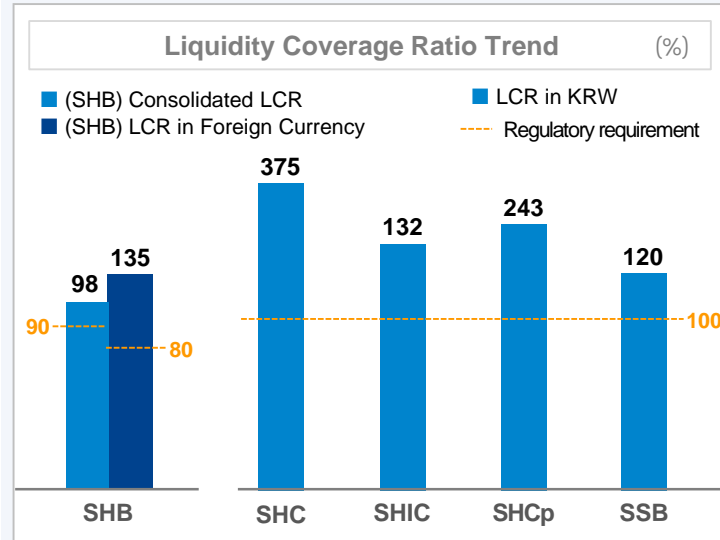
### Minimized Sensitivity to Market Volatility

- **[Rate] Rebalancing based on multiple scenarios**
  - Vigorous analysis of the potential impact and optimal portfolio based on various yield curve scenarios (Flexible duration, tighter loss limit management, etc.)
- **[Equity] Hedging against market decline**
  - Conducting daily stress tests
  - Maintaining short position since 2021
- **[F/X] Optimal F/X position for minimized impact**
  - Scenario analysis on the capital impact due to currency fluctuations

NOTE 1 Fair Value through Profit or Loss

NOTE 2 Fair Value through Other Comprehensive Income

## Sound Liquidity Management



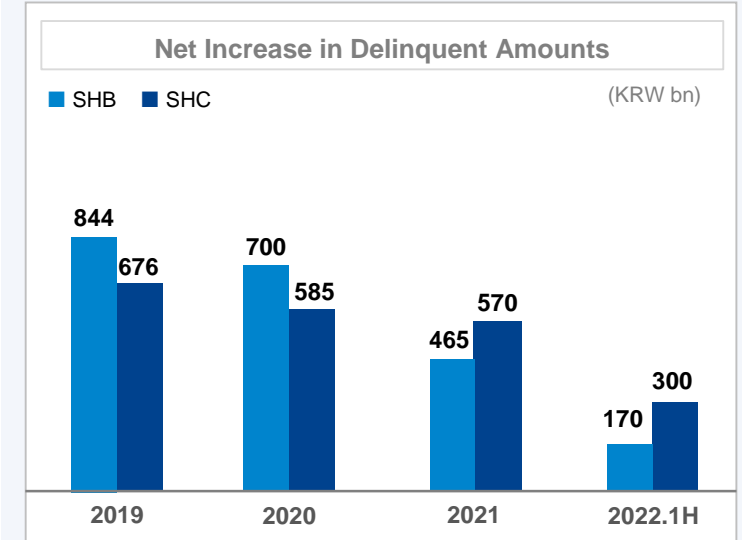
### Prepared for the Worst (Financial Crisis-level)

- **[KRW] Conservative liquidity management well above regulatory requirements**
  - Review of ALM policies, CFP<sup>3</sup>
  - Improved funding structures for non-bank subsidiaries under liquidity crisis scenarios\*  
\* Applying worst-case scenario to adjust the overall ALM portfolio and review CFP
- **[Foreign Currency] Proactive liquidity management**
  - Larger foreign currency reserves
  - Securing additional commitment lines, etc.
  - Review the adequacy of foreign currency CFP

NOTE SHB (Shinhan Bank), SHC (Shinhan Card), SHIC (Shinhan Investment), SHCp (Shinhan Capital), SSB (Shinhan Savings Bank)

NOTE 3 CFP: Contingency Funding Plan

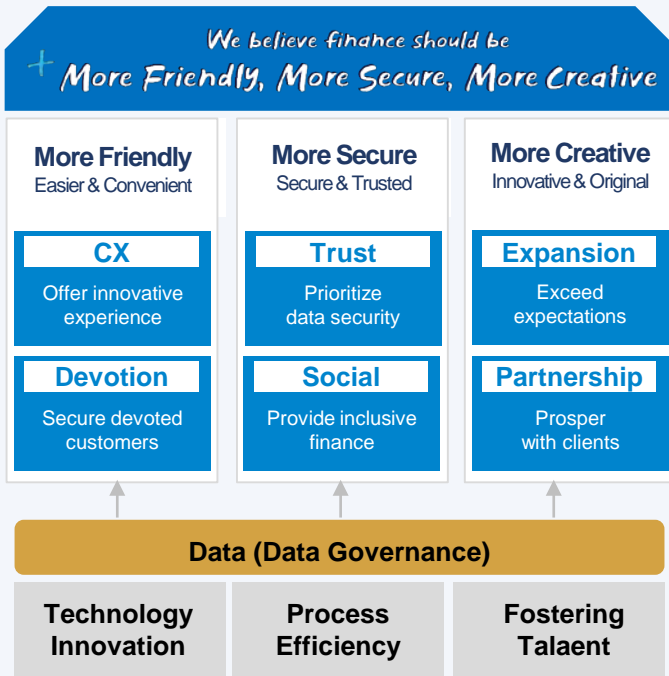
## Tamed Asset Quality



### Identifying and Managing COVID-19 Disruptions and Countercyclical Risks

- **[Retail]** Managing vulnerable segments (multiple debtors, etc.)
- **[SOHO]** Tightened monitoring of the vulnerable sectors (COVID-hit sectors, COVID19 financial support recipients, etc.)
- **[Corporate]** Bolstered review and monitoring of overleveraged businesses (marginal companies, etc.) and industrial segments vulnerable to externalities (global value chains, inflation, f/x, oil prices, etc.)
- Expanding financial support for corporates experiencing temporary liquidity shortages, etc.

## Digital Strategy Framework



### Digital Strategy Framework, driver of SFG's digital innovation

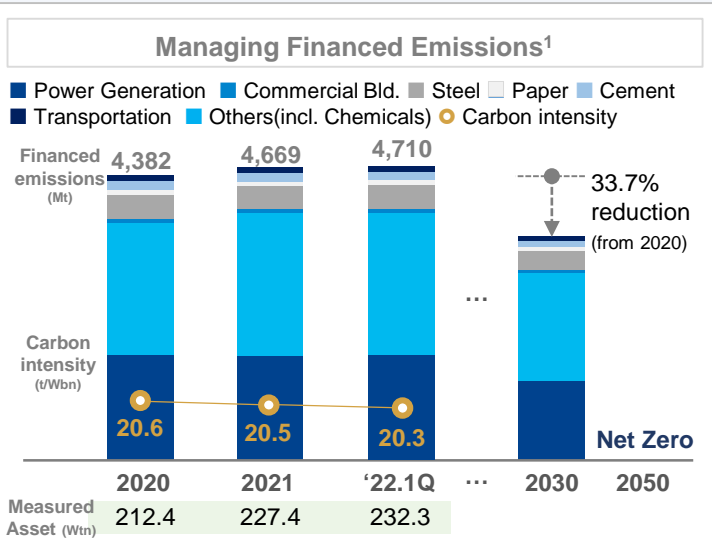
- Digital for enhancing customer value
  - Virtuous cycle of enhancing customers' and corporate value
- 'Digital to Value,' Project**
- Digital innovation for competitive financial business
  - Additional value through non-financial platforms

## Key Digital Index (as of 1H '22)



NOTE PFM (Personal Financial Management), PEM (Personal Expenditure Management)

## Zero Carbon Drive

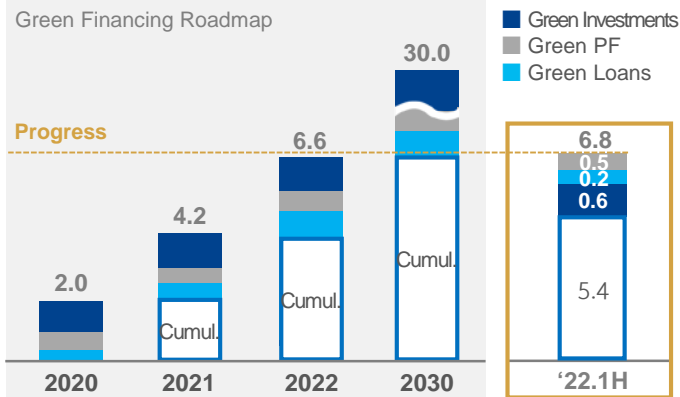


### Systemic financial emissions management to achieve carbon-neutrality

- Upgraded financed emissions management platform
  - Launched data-based emissions management system open to all Group subsidiaries
- Quarterly measurement of financed emissions in accordance with PCAF<sup>2,3</sup> Standards
  - Financed emissions for '22.1Q amounts to 47.1 Mt\*, and carbon intensity is 2.03t per 1Wbn loans/investments
  - As measured asset increased by +2% QoQ to 232Wtn, total financed emissions increased by 0.4Mt YoY. But, carbon intensity decreased by 0.02t/Wbn.

## Green Finance (KRW tn)

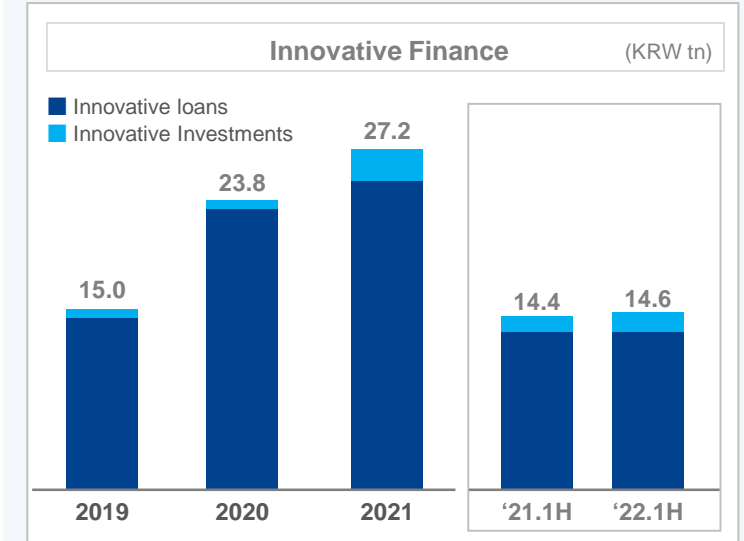
### Provide KRW 30tn in Green Finance (2020-2030)



### Supporting our clients on their path towards 'net-zero'

- Green Finance results for 1H 2022: 1.4Wtn<sup>4</sup>:
  - Green loans 63.2Wbn (Green PF 46.5Wbn<sup>5</sup>)
  - Green investments 78.3Wbn (Green investments by sector: reusable energy 29%, green transportation 70%, etc.)
- Taking the lead on expanding ESG investments and transition finance
  - Expanding reusable energy-related and RE100-related investments
  - Supporting clients in their low-carbon transition efforts

## Innovative Finance



### Spurring innovative and sustainable growth through financial support

- Innovative loans in 1H 2022: 13.5Wtn
  - Technology finance(TCB\* loans) 10.8Wtn
  - IP\*\*/Moveable asset-backed loans 1.1Wtn
  - K-New Deal loans 1.7Wtn
- Innovative investment in 1H 2022: 1.1Wtn
  - (Innovative finance) direct investment, project funds etc. 0.5Wtn
  - (K-New Deal) SOC digitization etc. 0.6Wtn

\* TCB: Technology Credit Bureau \*\* IP: Intellectual Property

## II. Supplements







# 1H22 Financial Overview

(KRW bn)	1H22	1H21	YoY		2Q22	1Q22	QoQ	
			YoY	YoY %			QoQ	QoQ %
Operating Income before Expenses	<b>6,973.3</b>	6,370.9	602.4	9.5%	<b>3,499.4</b>	3,473.9	25.5	0.7%
Interest Income	<b>5,131.7</b>	4,375.9	755.8	17.3%	<b>2,644.1</b>	2,487.6	156.5	6.3%
Non-interest Income	<b>1,841.5</b>	1,995.0	-153.5	-7.7%	<b>855.3</b>	986.3	-131.0	-13.3%
G&A Expenses	<b>2,716.4</b>	2,635.9	80.4	3.1%	<b>1,392.0</b>	1,324.3	67.7	5.1%
Operating Income	<b>4,256.9</b>	3,734.9	522.0	14.0%	<b>2,107.4</b>	2,149.6	-42.2	-2.0%
Non-Operating Income	<b>88.5</b>	-1.5	90.0	n.a.	<b>63.3</b>	25.1	38.2	152.0%
Pre-Provision Income	<b>4,345.4</b>	3,733.4	612.0	16.4%	<b>2,170.7</b>	2,174.7	-4.0	-0.2%
Provision for Credit Losses	<b>601.8</b>	359.0	242.7	67.6%	<b>358.2</b>	243.6	114.6	47.0%
Earnings before Income Tax	<b>3,743.6</b>	3,374.4	369.3	10.9%	<b>1,812.5</b>	1,931.1	-118.5	-6.1%
Income Tax	<b>983.1</b>	878.5	104.6	11.9%	<b>472.6</b>	510.5	-37.8	-7.4%
Consolidated Net Income <sup>1</sup>	<b>2,720.8</b>	2,443.8	277.0	11.3%	<b>1,320.4</b>	1,400.4	-80.0	-5.7%
Loans in KRW (Bank, KRW tn)	<b>276.7</b>	259.2	17.5	6.7%	<b>276.7</b>	272.6	4.1	1.5%
Group Assets (Consolidated, end of period, KRW tn)	<b>683.3</b>	626.0	57.3	9.2%	<b>683.3</b>	666.7	16.6	2.5%
NIM (Group)	<b>1.94%</b>	1.81%		0.13%p	<b>1.98%</b>	1.89%		0.09%p
Cost to Income Ratio	<b>39.0%</b>	41.4%		-2.4%p	<b>39.8%</b>	38.1%		1.7%p
Credit Cost Ratio	<b>0.31%</b>	0.20%		0.11%p	<b>0.37%</b>	0.26%		0.11%p
NPL Ratio	<b>0.38%</b>	0.46%		-0.08%p	<b>0.38%</b>	0.37%		0.01%p
ROE <sup>1</sup>	<b>12.31%</b>	11.50%		0.81%p	<b>12.31%</b>	12.64%		-0.33%p
ROA <sup>1</sup>	<b>0.84%</b>	0.82%		0.02%p	<b>0.84%</b>	0.88%		-0.04%p
CET1 Ratio (Group) <sup>2</sup>	<b>12.82%</b>	13.41%		-0.60%	<b>12.82%</b>	13.02%		-0.20%

NOTE 1 Net Income in Controlling Interest. ROE and ROA are year-to-date cumulative basis

NOTE 2 Capital ratio (CET1 Ratio) is a preliminary estimate

# Financial Highlights by Subsidiaries

(KRW bn)		Ownership	Total Assets <sup>1</sup>	Shareholder's Equity	Profit for the Period <sup>2</sup>	ROA	ROE
<b>Bank</b>			<b>588,714.3</b>	<b>30,063.7</b>	<b>1,693.3</b>		
	Shinhan Bank	100.0%	581,466.3	29,557.5	1,683.0	0.70%	11.61%
	Jeju Bank	75.3%	7,248.0	506.2	10.2	0.29%	4.06%
<b>Non-bank</b>			<b>336,965.9</b>	<b>19,220.7</b>	<b>1,200.7</b>		
Consumer Finance	 Shinhan Card	100.0%	41,764.6	7,225.0	412.7	2.08%	11.90%
	Shinhan Savings Bank	100.0%	3,130.4	303.6	21.7	1.57%	18.13%
Insurance	 Shinhan Life Insurance	100.0%	68,515.4	3,749.7	277.5	0.81%	12.55%
	Shinhan EZ General Insurance <sup>3</sup>	94.5%	154.2	56.1	-	-	-
Capital Markets	Shinhan Investment Corp	100.0%	72,126.6	5,150.7	189.1	0.80%	7.48%
	Shinhan Capital	100.0%	12,834.7	1,890.6	203.6	3.46%	22.82%
	Shinhan Asset Management	100.0%	62,999.4	234.8	40.9	24.54%	37.13%
	Shinhan REITs Management	100.0%	2,868.3	54.2	1.8	5.71%	6.67%
	Shinhan Asset Trust	100.0%	67,590.6	291.5	40.5	22.99%	32.59%
	 Shinhan AI	100.0%	43.2	41.5	0.1	0.40%	0.42%
	Shinhan Venture Investment	100.0%	793.9	79.3	3.6	6.61%	9.40%
Others	Shinhan DS	100.0%	99.2	43.5	3.5	7.20%	16.48%
	Shinhan AITAS	99.8%	89.0	79.7	4.6	10.45%	11.71%
	 Shinhan Credit Information	100.0%	30.8	20.5	1.0	6.69%	10.44%

NOTE 1 Trust A/C of Shinhan Bank, Jeju Bank, Shinhan Investment Corp., Shinhan Asset Trust, and AUM of Shinhan Asset Management, Shinhan REITs, Shinhan Venture Investment are included

NOTE 2 Net Profit before reflecting ownership

NOTE 3 Upon the acquisition of 94.54% stake in BNP Paribas Cardif General Insurance Co., Ltd (rebranded to Shinhan EZ General Insurance Co., Ltd. on the same day), the acquisition accounting has been applied for periods starting June 30, 2022



# Shinhan Bank Income (1)

(KRW bn)	1H22	1H21	YoY	YoY %	2Q22	1Q22	QoQ	QoQ %
<b>Operating Income (a=b+c)</b>	<b>4,221.5</b>	<b>3,546.0</b>	<b>675.5</b>	<b>19.0%</b>	<b>2,170.1</b>	<b>2,051.4</b>	<b>118.7</b>	<b>5.8%</b>
Interest Income (b)	3,890.2	3,166.2	724.0	22.9%	2,037.8	1,852.3	185.5	10.0%
Non-interest Income (c)	331.3	379.8	-48.5	-12.8%	132.2	199.1	-66.9	-33.6%
G&A Expenses (d)	1,643.0	1,559.4	83.6	5.4%	848.3	794.7	53.6	6.7%
Pre-Provision Operating Income (e=a-d)	2,578.5	1,986.6	591.9	29.8%	1,321.8	1,256.7	65.1	5.2%
Non-operating Income (f)	2.4	-36.6	39.1	n.a.	-11.2	13.6	-24.8	n.a.
<b>Pre-Provision Income (g=e+f)</b>	<b>2,580.9</b>	<b>1,949.9</b>	<b>631.0</b>	<b>32.4%</b>	<b>1,310.6</b>	<b>1,270.3</b>	<b>40.3</b>	<b>3.2%</b>
Provision for Credit Losses (h)	304.5	118.2	186.3	157.7%	211.7	92.8	118.8	128.0%
Earnings Before Income Tax (i=g-h)	2,276.4	1,831.8	444.6	24.3%	1,098.9	1,177.5	-78.5	-6.7%
Income Tax	593.0	460.7	132.3	28.7%	278.8	314.2	-35.4	-11.3%
<b>Net Profit<sup>1</sup></b>	<b>1,683.0</b>	<b>1,370.9</b>	<b>312.2</b>	<b>22.8%</b>	<b>820.0</b>	<b>863.1</b>	<b>-43.1</b>	<b>-5.0%</b>

NOTE 1 Net income in controlling interest

(%)	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q20	2Q22
<b>NIS (a-b, for the quarter)</b>	1.68	1.62	1.60	1.68	1.70	1.70	1.79	1.87	<b>2.03</b>
Loan Interest Rate (a)	2.84	2.63	2.51	2.48	2.46	2.47	2.65	2.89	<b>3.16</b>
Deposit Interest Rate (b)	1.16	1.01	0.91	0.81	0.76	0.77	0.86	1.01	<b>1.13</b>
<b>NIM (for the quarter)</b>	1.39	1.36	1.34	1.39	1.40	1.40	1.45	1.51	<b>1.63</b>
<b>NIM (cumulative)</b>	1.40	1.38	1.37	1.39	1.39	1.40	1.41	1.51	<b>1.58</b>

# Shinhan Bank Income (2)

(KRW bn)	1H22	1H21	YoY	YoY %	2Q22	1Q22	QoQ	QoQ %
<b>Non-interest Income (a+b+c)</b>	<b>331.3</b>	<b>379.8</b>	<b>-48.5</b>	<b>-12.8%</b>	<b>132.2</b>	<b>199.1</b>	<b>-66.9</b>	<b>-33.6%</b>
<b>Fee &amp; Commission (a)</b>	<b>503.5</b>	<b>495.4</b>	<b>8.1</b>	<b>1.6%</b>	<b>237.8</b>	<b>265.7</b>	<b>-27.9</b>	<b>-10.5%</b>
Fund Fees	34.2	48.0	-13.8	-28.7%	16.7	17.5	-0.9	-5.0%
Bancassurance Fees	12.4	15.9	-3.5	-22.2%	5.9	6.5	-0.5	-7.9%
F/X Fees	82.1	74.7	7.4	9.9%	44.5	37.5	7.0	18.8%
Trust Fees	95.1	99.1	-4.0	-4.0%	46.0	49.2	-3.2	-6.5%
Electronic Transaction Fees	74.5	75.6	-1.1	-1.4%	37.3	37.2	0.1	0.3%
Investment banking	63.5	34.1	29.4	86.2%	24.3	39.2	-14.9	-38.0%
Others	141.7	148.1	-6.4	-4.3%	63.1	78.6	-15.5	-19.7%
<b>Securities Related &amp; F/X Trading, Derivatives (b)</b>	<b>215.2</b>	<b>325.3</b>	<b>-110.0</b>	<b>-33.8%</b>	<b>72.8</b>	<b>142.4</b>	<b>-69.5</b>	<b>-48.8%</b>
<b>Others<sup>1</sup> (c)</b>	<b>-387.4</b>	<b>-440.9</b>	<b>53.5</b>	<b>n.a.</b>	<b>-178.4</b>	<b>-209.0</b>	<b>30.5</b>	<b>n.a.</b>
<b>G&amp;A Expenses Details</b>								
<b>G&amp;A Details</b>	<b>1,643.0</b>	<b>1,559.4</b>	<b>83.6</b>	<b>5.4%</b>	<b>848.3</b>	<b>794.7</b>	<b>53.6</b>	<b>6.7%</b>
<b>Salary &amp; Employee Benefits</b>	<b>1,018.3</b>	<b>1,020.3</b>	<b>-1.9</b>	<b>-0.2%</b>	<b>503.0</b>	<b>515.4</b>	<b>-12.4</b>	<b>-2.4%</b>
(Early Retirement Program Expenses)	0.1	46.4	-46.3	-99.7%	0.1	0.0	0.1	494.6%
<b>D&amp;A</b>	<b>221.9</b>	<b>200.5</b>	<b>21.3</b>	<b>10.6%</b>	<b>110.7</b>	<b>111.2</b>	<b>-0.5</b>	<b>-0.5%</b>
<b>Other Expenses</b>	<b>402.8</b>	<b>338.6</b>	<b>64.2</b>	<b>19.0%</b>	<b>234.7</b>	<b>168.2</b>	<b>66.5</b>	<b>39.5%</b>
(Advertising)	47.5	27.3	20.2	74.2%	31.7	15.8	15.9	100.8%
(Taxes and Dues)	68.7	56.1	12.5	22.3%	47.3	21.4	25.9	121.3%
<b>Cost to Income Ratio (YTD)</b>	<b>38.9</b>	<b>44.0</b>		<b>-5.1%p</b>	<b>38.9</b>	<b>38.7</b>		<b>0.2%p</b>

NOTE 1 Including Deposit Insurance Premium, Contribution Expenses etc.

# Shinhan Card Income

(KRW bn)	1H22	1H21	YoY	YoY %	2Q22	1Q22	QoQ	QoQ %
<b>Operating Revenue (a)</b>	<b>2,543.6</b>	<b>2,134.6</b>	<b>409.1</b>	<b>19.2%</b>	<b>1,392.1</b>	<b>1,151.5</b>	<b>240.6</b>	<b>20.9%</b>
Card business	1,485.3	1,417.8	67.6	4.8%	755.4	729.9	25.5	3.5%
Installment Finance	85.8	77.1	8.7	11.3%	44.2	41.6	2.6	6.2%
Lease	235.0	185.6	49.5	26.7%	119.7	115.3	4.4	3.8%
Others	737.5	454.2	283.3	62.4%	472.8	264.7	208.1	78.6%
<b>Interest Expense (b)</b>	<b>298.2</b>	<b>246.1</b>	<b>52.0</b>	<b>21.1%</b>	<b>158.6</b>	<b>139.6</b>	<b>19.0</b>	<b>13.6%</b>
<b>G&amp;A Expenses (c)</b>	<b>347.1</b>	<b>336.6</b>	<b>10.6</b>	<b>3.1%</b>	<b>175.4</b>	<b>171.7</b>	<b>3.7</b>	<b>2.1%</b>
<b>Commissions &amp; Other Expenses (d)</b>	<b>1,085.3</b>	<b>843.8</b>	<b>241.5</b>	<b>28.6%</b>	<b>628.4</b>	<b>456.9</b>	<b>171.4</b>	<b>37.5%</b>
<b>Pre-Provision Income (e=a-b-c-d)</b>	<b>813.0</b>	<b>708.0</b>	<b>105.0</b>	<b>14.8%</b>	<b>429.7</b>	<b>383.3</b>	<b>46.5</b>	<b>12.1%</b>
Provision for credit losses (f)	257.9	210.7	47.1	22.4%	112.3	145.5	-33.2	-22.8%
Earnings Before Income Tax (g=e-f)	555.1	497.3	57.8	11.6%	317.4	237.7	79.7	33.5%
Income Tax	141.6	129.6	12.0	9.3%	80.4	61.2	19.2	31.4%
<b>Net Income<sup>1</sup></b>	<b>412.7</b>	<b>367.2</b>	<b>45.5</b>	<b>12.4%</b>	<b>236.8</b>	<b>175.9</b>	<b>60.8</b>	<b>34.6%</b>
Merchant Fee Rates <sup>2</sup>	1.38%	1.38%		0.00%p	1.37%	1.39%		-0.02%p
Credit Card Merchant Fee Rate	1.44%	1.46%		-0.02%p	1.44%	1.50%		-0.06%p
Delinquency ratio (One Month)	0.92%	0.85%		0.07%p	0.92%	0.88%		0.04%p
2 months delinquency migration ratio <sup>3</sup>	0.23%	0.23%		0.00%p	0.23%	0.24%		-0.01%p

NOTE 1 Net income in controlling interest

NOTE 2 Including merchant fee rates for credit cards, check cards, prepaid cards, and others

NOTE 3 (2 months overdue assets outstanding as of the end of base month) / (normal assets outstanding as of the end of (base month-2 months))

# Shinhan Life Insurance Income

(KRW bn, %)	1H22	1H21 <sup>2</sup>	YoY	YoY %	2Q22	1Q22	QoQ	QoQ %
<b>APE<sup>1</sup></b>	<b>330.5</b>	<b>359.0</b>	<b>-28.5</b>	<b>-7.9%</b>	<b>162.2</b>	<b>168.3</b>	<b>-6.2</b>	<b>-3.7%</b>
Protection	300.6	263.8	36.8	13.9%	149.7	150.9	-1.2	-0.8%
Savings, Annuities	29.9	95.2	-65.3	-68.6%	12.5	17.4	-4.9	-28.3%
<b>Net Profit</b>	<b>277.5</b>	<b>309.1</b>	<b>-31.5</b>	<b>-10.2%</b>	<b>125.2</b>	<b>152.4</b>	<b>-27.2</b>	<b>-17.9%</b>
Insurance Profit	312.2	304.8	7.3	2.4%	150.5	161.6	-11.1	-6.9%
Investment Profit	97.3	159.0	-61.7	-38.8%	41.8	55.5	-13.7	-24.6%
Other Profit	-33.1	-49.1	16.0	n.a.	-18.4	-14.7	-3.7	n.a.
Profit before Tax	376.4	414.7	-38.4	-9.3%	174.0	202.4	-28.4	-14.0%
Income Tax	98.8	105.7	-6.8	-6.5%	48.8	50.0	-1.2	-2.4%
<b>Total Assets</b>	<b>68,467.6</b>	<b>70,535.6</b>	<b>-2,068.0</b>	<b>-2.9%</b>	<b>68,467.6</b>	<b>69,452.5</b>	<b>-984.9</b>	<b>-1.4%</b>
Cash and Cash equivalents	2,165.5	1,776.9	388.6	21.9%	2,165.5	2,012.8	152.6	7.6%
Bond	40,621.6	41,233.7	-612.1	-1.5%	40,621.6	41,413.1	-791.5	-1.9%
Loans	8,437.6	8,611.4	-173.8	-2.0%	8,437.6	8,569.3	-131.8	-1.5%
(Policy Loans)	4,992.9	4,993.1	-0.1	-0.0%	4,992.9	4,974.0	18.9	0.4%
Equities	2,165.5	1,776.9	388.6	21.9%	2,165.5	2,012.8	152.6	7.6%
Others	4,963.9	6,368.1	-1,404.2	-22.1%	4,963.9	4,941.7	22.2	0.4%
Separate Accounts	9,029.0	9,690.0	-661.1	-6.8%	9,029.0	9,539.9	-511.0	-5.4%
<b>Key Indicators (%)</b>								
ROE	12.55%	11.37%		1.18%p	12.55%	12.84%		-0.29%p
RBC Ratio <sup>3</sup>	265.38%	297.63%		-32.25%p	265.38%	256.14%		9.24%p

NOTE 1 Annual Premium Equivalent NOTE 2 2Q21 figures are sum of Shinhan Life and Orange Life figures NOTE 3 RBC ratio is a preliminary estimate

# Shinhan Investment Corp. Income

(KRW bn)	1H22	1H21	YoY	YoY %	2Q22	1Q22	QoQ	QoQ %
<b>Operating Revenue</b>	<b>684.7</b>	<b>845.8</b>	<b>-161.1</b>	<b>-19.0%</b>	<b>335.6</b>	<b>349.1</b>	<b>-13.4</b>	<b>-3.8%</b>
Fee & Commission	420.0	433.7	-13.7	-3.2%	192.1	227.9	-35.7	-15.7%
Brokerage fees	171.9	287.3	-115.4	-40.2%	80.0	91.9	-11.9	-13.0%
Financial Product fees	39.9	42.9	-3.0	-7.0%	19.6	20.3	-0.7	-3.2%
Investment Banking	174.7	84.1	90.6	107.7%	79.0	95.7	-16.6	-17.4%
Others	33.5	19.4	14.1	72.9%	13.5	20.0	-6.5	-32.6%
Proprietary Trading	169.9	351.9	-182.0	-51.7%	82.4	87.5	-5.0	-5.7%
Others	94.8	60.2	34.6	57.5%	61.1	33.7	27.3	81.0%
<b>Operating Expenses</b>	<b>448.2</b>	<b>443.5</b>	<b>4.7</b>	<b>1.1%</b>	<b>236.7</b>	<b>211.5</b>	<b>25.3</b>	<b>12.0%</b>
G&A Expenses	363.8	357.5	6.2	1.7%	189.8	174.0	15.8	9.1%
Commission Expenses	77.8	90.4	-12.7	-14.0%	40.5	37.2	3.3	8.9%
Provisioning for Credit Losses	6.6	-4.5	11.1	n.a.	6.4	0.2	6.2	n.m.
<b>Operating Income</b>	<b>236.5</b>	<b>402.3</b>	<b>-165.8</b>	<b>-41.2%</b>	<b>98.9</b>	<b>137.6</b>	<b>-38.7</b>	<b>-28.1%</b>
<b>Non-Operating Income</b>	<b>15.1</b>	<b>23.4</b>	<b>-8.3</b>	<b>-35.5%</b>	<b>12.9</b>	<b>2.2</b>	<b>10.7</b>	<b>482.9%</b>
<b>Net Income</b>	<b>189.1</b>	<b>322.9</b>	<b>-133.8</b>	<b>-41.4%</b>	<b>84.6</b>	<b>104.5</b>	<b>-19.9</b>	<b>-19.1%</b>
<b>Financial Product<sup>1</sup> (at the end of period , KRW tn)</b>	<b>85.5</b>	<b>83.5</b>	<b>2.1</b>	<b>2.5%</b>	<b>85.5</b>	<b>86.5</b>	<b>-1.0</b>	<b>-1.1%</b>
Funds (Beneficiary Certificates)	30.6	30.6	0.0	0.1%	30.6	33.1	-2.5	-7.4%
Trust Account	23.9	25.1	-1.2	-4.7%	23.9	22.5	1.5	6.5%
ELS	2.4	2.7	-0.3	-11.4%	2.4	2.7	-0.3	-10.4%
Others (WRAP + RP + Micro Debentures)	28.6	25.1	3.5	14.0%	28.6	28.3	0.3	1.1%

NOTE 1 Includes retail and institutional clients

# Shinhan Capital Income

(KRW bn)	1H22	1H21	YoY	YoY %	2Q22	1Q22	QoQ	QoQ %
<b>Operating Income before Expenses (a=b+c-d-e)</b>	<b>278.3</b>	<b>210.7</b>	<b>67.6</b>	<b>32.1%</b>	<b>133.9</b>	<b>144.4</b>	<b>-10.6</b>	<b>-7.3%</b>
Interest Income (b)	226.1	177.4	48.7	27.4%	120.9	105.2	15.7	14.9%
Non-interest Income (c)	288.9	174.9	114.0	65.2%	150.6	138.3	12.3	8.9%
Securities	241.7	139.3	102.4	73.5%	121.4	120.3	1.1	0.9%
Others	47.1	35.5	11.6	32.7%	29.2	17.9	11.3	62.8%
Interest Expense (d)	95.4	73.8	21.6	29.3%	51.7	43.7	8.0	18.3%
Non-interest Expense (e)	141.2	67.8	73.4	108.4%	85.9	55.3	30.6	55.3%
Securities	111.7	48.0	63.7	132.8%	63.7	48.0	15.7	32.7%
Others	29.5	19.8	9.7	49.1%	22.2	7.3	14.9	204.1%
<b>G&amp;A Expenses (f)</b>	<b>30.5</b>	<b>28.0</b>	<b>2.5</b>	<b>9.0%</b>	<b>15.5</b>	<b>15.0</b>	<b>0.4</b>	<b>2.9%</b>
<b>Operating Income (g=a-f)</b>	<b>247.9</b>	<b>182.7</b>	<b>65.1</b>	<b>35.6%</b>	<b>118.4</b>	<b>129.4</b>	<b>-11.0</b>	<b>-8.5%</b>
<b>Non-Operating Income (h)</b>	<b>-1.6</b>	<b>-1.0</b>	<b>-0.6</b>	<b>n.a.</b>	<b>-1.5</b>	<b>-0.1</b>	<b>-1.4</b>	<b>n.a.</b>
<b>Pre-Provision Income (i=g-h)</b>	<b>246.3</b>	<b>181.8</b>	<b>64.5</b>	<b>35.5%</b>	<b>117.0</b>	<b>129.3</b>	<b>-12.4</b>	<b>-9.6%</b>
<b>Provision for Credit Losses (j)</b>	<b>-22.5</b>	<b>4.0</b>	<b>-26.5</b>	<b>n.a.</b>	<b>-8.7</b>	<b>-13.7</b>	<b>5.0</b>	<b>n.a.</b>
<b>Earnings before Income Tax (k=i-j)</b>	<b>268.8</b>	<b>177.8</b>	<b>91.0</b>	<b>51.2%</b>	<b>125.7</b>	<b>143.1</b>	<b>-17.4</b>	<b>-12.2%</b>
<b>Net Income</b>	<b>203.6</b>	<b>131.3</b>	<b>72.3</b>	<b>55.1%</b>	<b>95.0</b>	<b>108.6</b>	<b>-13.6</b>	<b>-12.5%</b>
<b>Operating Assets</b>	<b>11,821.5</b>	<b>10,338.0</b>	<b>1,483.5</b>	<b>14.4%</b>	<b>11,821.5</b>	<b>11,124.9</b>	<b>696.6</b>	<b>6.3%</b>
Lease Asset	172.4	231.4	-59.0	-25.5%	172.4	199.1	-26.7	-13.4%
Installment Finance	8.1	11.5	-3.4	-29.5%	8.1	9.6	-1.5	-15.5%
Loans/Factoring	7,941.0	6,977.0	964.0	13.8%	7,941.0	7,537.9	403.1	5.3%
Technology Finance	1,213.6	1,016.0	197.6	19.5%	1,213.6	1,138.7	74.9	6.6%
Securities	2,486.4	2,102.1	384.3	18.3%	2,486.4	2,239.6	246.8	11.0%
<b>Other Assets</b>	<b>1,013.2</b>	<b>583.7</b>	<b>429.5</b>	<b>73.6%</b>	<b>1,013.2</b>	<b>717.0</b>	<b>296.2</b>	<b>41.3%</b>



# SFG Subsidiaries Asset

(KRW bn)		2022.6	2021.12	YTD	YTD %	2022.3	QoQ	QoQ %	2022.6 Weight %
<b>Bank</b>		<b>588,714.3</b>	<b>559,566.1</b>	<b>29,148.2</b>	<b>5.2%</b>	<b>571,528.7</b>	<b>17,185.5</b>	<b>3.0%</b>	<b>63.6%</b>
	Shinhan Bank	581,466.3	552,554.8	28,911.5	5.2%	564,393.2	17,073.1	3.0%	62.8%
	Jeju Bank	7,248.0	7,011.3	236.7	3.4%	7,135.6	112.4	1.6%	0.8%
<b>Non-Bank</b>		<b>336,965.9</b>	<b>326,736.0</b>	<b>10,229.8</b>	<b>3.1%</b>	<b>336,103.3</b>	<b>862.6</b>	<b>0.3%</b>	<b>36.4%</b>
Consumer Finance	Shinhan Card	41,764.6	38,472.2	3,292.3	8.6%	39,711.3	2,053.3	5.2%	4.5%
	Shinhan Savings Bank	3,130.4	2,644.9	485.5	18.4%	2,890.6	239.8	8.3%	0.3%
Insurance	Shinhan Life Insurance	68,515.4	70,535.6	-2,020.2	-2.9%	69,450.3	-934.9	-1.3%	7.4%
	Shinhan EZ General Insurance <sup>2</sup>	154.2	-	154.2	n.a	-	154.2	n.a	0.0%
Capital Markets	Shinhan Investment Corp	72,126.6	69,953.5	2,173.0	3.1%	72,009.2	117.4	0.2%	7.8%
	Shinhan Capital	12,834.7	10,921.7	1,913.0	17.5%	11,841.8	992.9	8.4%	1.4%
	Shinhan Asset Management	62,999.4	58,124.7	4,874.7	8.4%	66,813.1	-3,813.7	-5.7%	6.8%
	Shinhan REITs Management	2,868.3	2,728.8	139.5	5.1%	2,720.2	148.1	5.4%	0.3%
	Shinhan Asset Trust	67,590.6	61,559.2	6,031.4	9.8%	65,151.8	2,438.8	3.7%	7.3%
	Shinhan AI	43.2	44.0	-0.9	-1.9%	43.4	-0.2	-0.5%	0.0%
	Shinhan Venture Investment	793.9	731.8	62.1	8.5%	735.1	58.8	8.0%	0.1%
Others	Shinhan DS	99.2	92.6	6.6	7.1%	95.7	3.5	3.6%	0.0%
	Shinhan AITAS	89.0	90.1	-1.1	-1.2%	86.6	2.4	2.8%	0.0%
	Shinhan Credit Information	30.8	31.4	-0.5	-1.7%	30.1	0.8	2.6%	0.0%
	Others	3,925.7	3,418.9	506.8	14.8%	4,524.3	-598.6	-13.2%	0.4%

NOTE 1 Trust A/C of Shinhan Bank, Jeju Bank, Shinhan Investment Corp., Shinhan Asset Trust, and AUM of Shinhan Asset Management, Shinhan REITs, Shinhan Venture Investment are included

NOTE 2 Upon the acquisition of 94.54% stake in BNP Paribas Cardif General Insurance Co., Ltd (rebranded to Shinhan EZ General Insurance Co., Ltd. on the same day), the acquisition accounting has been applied for periods starting June 30, 2022

# Shinhan Bank Loans & Deposits

(KRW bn)	2022.6	2021.12	YoY	YoY %	2022.3	QoQ	QoQ %	2022.6 Weight %
<b>Loans in KRW</b>	<b>276,661.1</b>	<b>271,148.4</b>	<b>5,512.7</b>	<b>2.0%</b>	<b>272,588.6</b>	<b>4,072.5</b>	<b>1.5%</b>	<b>100.0%</b>
<b>Retail</b>	<b>133,061.0</b>	<b>135,599.4</b>	<b>-2,538.4</b>	<b>-1.9%</b>	<b>134,480.8</b>	<b>-1,419.8</b>	<b>-1.1%</b>	<b>48.1%</b>
Mortgage	60,621.7	58,893.4	1,728.3	2.9%	60,482.1	139.6	0.2%	21.9%
Others <sup>1</sup>	72,439.3	76,706.0	-4,266.7	-5.6%	73,998.8	-1,559.5	-2.1%	26.2%
<b>Corporate</b>	<b>143,600.1</b>	<b>135,549.0</b>	<b>8,051.1</b>	<b>5.9%</b>	<b>138,107.8</b>	<b>5,492.3</b>	<b>4.0%</b>	<b>51.9%</b>
SME	123,329.1	117,300.2	6,028.9	5.1%	119,538.8	3,790.3	3.2%	44.6%
SOHO	63,832.8	61,298.4	2,534.5	4.1%	62,302.7	1,530.2	2.5%	23.1%
Large Corporate etc.	20,270.9	18,248.8	2,022.1	11.1%	18,569.0	1,701.9	9.2%	7.3%
<b>Loans in FX</b>	<b>16,234.1</b>	<b>14,241.1</b>	<b>1,993.0</b>	<b>14.0%</b>	<b>15,343.7</b>	<b>890.4</b>	<b>5.8%</b>	
<b>Total Deposits</b>	<b>285,438.4</b>	<b>281,910.6</b>	<b>3,527.8</b>	<b>1.3%</b>	<b>278,960.5</b>	<b>6,477.9</b>	<b>2.3%</b>	<b>100.0%</b>
<b>Low cost Deposits</b>	<b>152,167.0</b>	<b>150,311.8</b>	<b>1,855.2</b>	<b>1.2%</b>	<b>149,468.5</b>	<b>2,698.5</b>	<b>1.8%</b>	<b>53.3%</b>
Demand	51,708.0	47,809.5	3,898.5	8.2%	47,547.7	4,160.3	8.7%	18.1%
Savings	100,459.0	102,502.3	-2,043.3	-2.0%	101,920.8	-1,461.8	-1.4%	35.2%
<b>Time Savings</b>	<b>133,271.4</b>	<b>131,598.8</b>	<b>1,672.5</b>	<b>1.3%</b>	<b>129,492.0</b>	<b>3,779.4</b>	<b>2.9%</b>	<b>46.7%</b>
Time Deposits	124,513.0	123,556.0	956.9	0.8%	121,481.5	3,031.5	2.5%	43.6%
Accumulative etc.	8,758.4	8,042.8	715.6	8.9%	8,010.5	747.9	9.3%	3.1%
<b>Certificate of Deposits</b>	<b>14,848.3</b>	<b>15,073.4</b>	<b>-225.1</b>	<b>-1.5%</b>	<b>16,254.2</b>	<b>-1,406.0</b>	<b>-8.6%</b>	
<b>Debentures in KRW</b>	<b>24,467.2</b>	<b>28,418.9</b>	<b>-3,951.8</b>	<b>-13.9%</b>	<b>25,693.7</b>	<b>-1,226.5</b>	<b>-4.3%</b>	
<b>Loan to Deposit Ratio<sup>2</sup></b>	<b>96.9%</b>	<b>99.0%</b>	<b>-2.2%</b>	<b>-2.2%p</b>	<b>96.7%</b>	<b>0.2%</b>	<b>0.2%p</b>	

NOTE 1 Includes Jeonse loans, Secured loans and Unsecured loans, and etc.

NOTE 2 Based on monthly average balance, Excluding CD

# Shinhan Bank Loans (Retail, Large Corporates)

(KRW bn, %)	2022.6	Weight %	2021.12	YoY	YoY %	2022.3	QoQ	QoQ %	Delinquency				
									2021.6	2021.9	2021.12	2022.3	2022.6
<b>Mortgage Loans</b>	<b>60,622</b>	<b>45.6%</b>	<b>58,893</b>	<b>1,728</b>	<b>2.9%</b>	<b>60,482</b>	<b>140</b>	<b>0.2%</b>	<b>0.09%</b>	<b>0.09%</b>	<b>0.08%</b>	<b>0.08%</b>	<b>0.09%</b>
<b>Personal Loans</b>	<b>72,439</b>	<b>54.4%</b>	<b>76,706</b>	<b>-4,267</b>	<b>-5.6%</b>	<b>73,999</b>	<b>-1,559</b>	<b>-2.1%</b>	<b>0.41%</b>	<b>0.41%</b>	<b>0.35%</b>	<b>0.36%</b>	<b>0.37%</b>
High credit unsecured	<b>27,404</b>	20.6%	29,762	-2,358	<b>-7.9%</b>	28,191	-787	-2.8%					
Secured (Deposits, etc.)	<b>8,024</b>	6.0%	8,393	-369	<b>-4.4%</b>	8,223	-199	-2.4%					
Jeonse Loans	<b>29,238</b>	22.0%	29,340	-102	<b>-0.3%</b>	29,425	-187	-0.6%					
Others <sup>1</sup>	<b>7,774</b>	5.8%	9,211	-1,438	<b>-15.6%</b>	8,160	-386	-4.7%					
<b>Retail Loan Total</b>	<b>133,061</b>	<b>100.0%</b>	<b>135,599</b>	<b>-2,538</b>	<b>-1.9%</b>	<b>134,481</b>	<b>-1,420</b>	<b>-1.1%</b>	<b>0.21%</b>	<b>0.20%</b>	<b>0.17%</b>	<b>0.17%</b>	<b>0.18%</b>
Mortgage loan LTV (%)	<b>39.9%</b>		40.7%		<b>-0.8%p</b>	40.1%		-0.3%p	42.0%	41.0%	40.7%	40.1%	<b>39.9%</b>

NOTE 1 Secured and Unsecured loans, and etc.

NOTE 2 Proportion of collateralized loan as of June 2022 is 74% (Real estate 42%, Guarantee 32%, Others 1%), unsecured loan 26%

(KRW bn, %)	2022.6	Weight %	2021.12	YoY	YoY %	2022.3	QoQ	QoQ %	Delinquency				
									2021.6	2021.9	2021.12	2022.3	2022.6
<b>Large Corporates Loans<sup>3</sup></b>	<b>16,408.9</b>	<b>100.0%</b>	<b>14,516</b>	<b>1,893</b>	<b>13.0%</b>	<b>14,840</b>	<b>1,569</b>	<b>10.6%</b>	<b>0.13%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
Manufacturing	<b>6,917.8</b>	42.2%	5,965	953	<b>16.0%</b>	6,115	803	13.1%	0.30%	-	-	-	-
Oil Refinery, Chemical	<b>1,129.6</b>	6.9%	991	138	<b>13.9%</b>	948	182	19.2%	1.07%	-	-	-	-
Metal Production	<b>228.2</b>	1.4%	239	-11	<b>-4.6%</b>	218	10	4.7%	-	-	-	-	-
Auto	<b>1,248.6</b>	7.6%	1,175	74	<b>6.3%</b>	1,193	56	4.7%	0.58%	-	-	-	-
Financials and Insurance	<b>3,133.6</b>	19.1%	3,047	86	<b>2.8%</b>	2,941	192	6.5%	-	-	-	-	-
Construction	<b>346.0</b>	2.1%	482	-136	<b>-28.2%</b>	209	137	65.5%	-	-	-	-	-
Real Estate & Renting	<b>632.3</b>	3.9%	455	177	<b>38.8%</b>	522	111	21.2%	-	-	-	-	-
Wholesalers & Retailers	<b>1,911.2</b>	11.6%	1,779	132	<b>7.4%</b>	1,817	94	5.2%	-	-	-	-	-
Hotel & Restaurants	<b>249.6</b>	1.5%	253	-3	<b>-1.3%</b>	258	-8	-3.2%	-	-	-	-	-

NOTE 3 Large Corporates exclude government agencies and others, and total Large Corporate Loans include unused credit lines and others  
The sum of the sub-sector loans does not equal the Large Corporates Loans as only the major sub-sectors are shown in the table

# Shinhan Bank SME Loans

(KRW bn, %)	2022.6	Weight %	2021.12	YoY	YoY %	2022.3	QoQ	QoQ %	Delinquency				
									2021.6	2021.9	2021.12	2022.3	2022.6
<b>SME Total</b>	<b>123,345</b>	<b>100.0%</b>	<b>117,319</b>	<b>6,026</b>	<b>5.1%</b>	<b>119,557</b>	<b>3,788</b>	<b>3.2%</b>	<b>0.33%</b>	<b>0.31%</b>	<b>0.26%</b>	<b>0.28%</b>	<b>0.23%</b>
SOHO	63,833	51.8%	61,298	2,534	4.1%	62,303	1,530	2.5%	0.16%	0.16%	0.14%	0.15%	0.14%
Audited SME	20,003	16.2%	18,262	1,741	9.5%	18,314	1,689	9.2%	0.27%	0.20%	0.22%	0.23%	0.19%
Unaudited SME	39,509	32.0%	37,759	1,750	4.6%	38,940	569	1.5%	0.62%	0.59%	0.45%	0.50%	0.39%
<b>By Sectors</b>													
<b>SME Total</b>	<b>123,345</b>	<b>100.0%</b>	<b>117,319</b>	<b>6,026</b>	<b>5.1%</b>	<b>119,557</b>	<b>3,788</b>	<b>3.2%</b>	<b>0.33%</b>	<b>0.31%</b>	<b>0.26%</b>	<b>0.28%</b>	<b>0.23%</b>
Manufacturing	34,319	27.8%	32,800	1,519	4.6%	33,556	763	2.3%	0.63%	0.54%	0.46%	0.55%	0.42%
Construction	2,920	2.4%	2,583	337	13.0%	2,919	1	0.0%	0.35%	0.47%	0.49%	0.40%	0.37%
Real Estate & Renting	34,046	27.6%	32,125	1,921	6.0%	32,456	1,591	4.9%	0.08%	0.07%	0.04%	0.04%	0.03%
Wholesalers & Retailers	21,236	17.2%	19,669	1,568	8.0%	20,391	845	4.1%	0.31%	0.31%	0.24%	0.26%	0.24%
Accommodations & Restaurants	8,280	6.7%	8,215	65	0.8%	8,298	-18	-0.2%	0.21%	0.25%	0.24%	0.19%	0.23%
Others	22,543	18.3%	21,927	616	2.8%	21,937	606	2.8%					
<b>SOHO</b>	<b>63,833</b>	<b>100.0%</b>	<b>61,298</b>	<b>2,534</b>	<b>4.1%</b>	<b>62,303</b>	<b>1,530</b>	<b>2.5%</b>	<b>0.16%</b>	<b>0.16%</b>	<b>0.14%</b>	<b>0.15%</b>	<b>0.14%</b>
Manufacturing	7,839	12.3%	7,522	317	4.2%	7,685	154	2.0%	0.35%	0.32%	0.31%	0.44%	0.29%
Construction	765	1.2%	738	27	3.6%	753	12	1.6%	0.30%	0.25%	0.16%	0.13%	0.24%
Real Estate & Renting	26,478	41.5%	25,372	1,107	4.4%	25,674	804	3.1%	0.06%	0.05%	0.04%	0.04%	0.03%
Wholesalers & Retailers	10,392	16.3%	9,888	504	5.1%	10,179	213	2.1%	0.23%	0.23%	0.19%	0.17%	0.19%
Accommodations & Restaurants	7,081	11.1%	6,959	122	1.7%	7,038	42	0.6%	0.19%	0.25%	0.23%	0.19%	0.24%
Others	11,278	17.7%	10,819	459	4.2%	10,974	304	2.8%					

\* Proportion of Collateralized SME loans as of June 2022 : 82% (Real Estate 63%, Guarantee 15%, Deposits and others 4%)

\* Proportion of Collateralized SOHO loans as of June 2022 : 88% (Real Estate 71%, Guarantee 14%, Deposits and others 3%)

# Shinhan Card Assets and Funding

(KRW bn, %)	2022.6	2021.12	YoY	YoY %	2022.3	QoQ	QoQ %	2022.6 Weight %
<b>Earning Assets</b>	<b>38,003.9</b>	<b>35,371.7</b>	<b>2,632.1</b>	<b>7.4%</b>	<b>36,181.0</b>	<b>1,822.9</b>	<b>5.0%</b>	<b>100.0%</b>
Credit Purchase	17,661.9	16,439.0	1,222.9	7.4%	16,626.6	1,035.3	6.2%	46.5%
Cash Advances	1,588.7	1,672.7	-84.0	-5.0%	1,576.8	11.9	0.8%	4.2%
Card Loan	8,139.2	7,653.4	485.7	6.3%	7,943.7	195.5	2.5%	21.4%
(Re-aged Loan)	300.7	289.2	11.6	4.0%	295.6	5.1	1.7%	0.8%
Installment Finance	4,256.9	3,974.5	282.4	7.1%	4,072.2	184.7	4.5%	11.2%
Lease etc.	6,357.3	5,632.1	725.1	12.9%	5,961.7	395.5	6.6%	16.7%
<b>Total Funding</b>	<b>29,581.5</b>	<b>27,181.1</b>	<b>2,400.4</b>	<b>8.8%</b>	<b>26,641.4</b>	<b>2,940.1</b>	<b>11.0%</b>	<b>100.0%</b>
Debentures	18,242.2	17,274.9	967.3	5.6%	18,106.9	135.3	0.7%	61.7%
ABS	3,001.2	3,021.4	-20.3	-0.7%	2,780.7	220.4	7.9%	10.1%
CP	5,770.0	4,275.0	1,495.0	35.0%	4,700.0	1,070.0	22.8%	19.5%
Others	2,568.1	2,609.8	-41.6	-1.6%	2,385.6	182.5	7.7%	8.7%

(KRW bn, %)	1H22	1H21	YoY	YoY%	2Q22	1Q22	QoQ	QoQ %	1H22 Weight %
<b>Transaction Volume</b>	<b>104,351.3</b>	<b>97,251.2</b>	<b>7,100.1</b>	<b>7.3%</b>	<b>54,432.4</b>	<b>49,918.9</b>	<b>4,513.6</b>	<b>9.0%</b>	<b>100.0%</b>
Lump-sum	75,306.5	70,061.0	5,245.5	7.5%	39,749.2	35,557.3	4,191.9	11.8%	72.2%
(Debit Card)	14,707.6	15,097.0	-389.4	-2.6%	7,790.5	6,917.1	873.4	12.6%	14.1%
Installment Purchase	13,042.3	11,964.1	1,078.2	9.0%	6,625.0	6,417.4	207.6	3.2%	12.5%
Cash Advance	6,582.4	6,405.9	176.5	2.8%	3,294.1	3,288.3	5.8	0.2%	6.3%
Card Loan	5,659.4	5,641.8	17.6	0.3%	2,770.2	2,889.1	-118.9	-4.1%	5.4%
Others	3,760.8	3,178.5	582.3	18.3%	1,993.9	1,766.8	227.1	12.9%	3.6%

# Asset Quality

(KRW bn)		Total Loans						Substandard & Below	NPL Ratio	Loan Loss Allowance	NPL Coverage Ratio
			Normal	Precautionary	Substandard	Doubtful	Estimated Loss				
<b>Group<sup>1</sup></b>	<b>2022.6</b>	<b>387,947</b>	<b>383,850</b>	<b>2,606</b>	<b>580</b>	<b>327</b>	<b>584</b>	<b>1,491</b>	<b>0.38%</b>	<b>3,116</b>	<b>209%</b>
	2021.6	357,270	353,578	2,048	703	366	575	1,643	0.46%	2,696	164%
	YoY %	8.6%	8.6%	27.2%	-17.5%	-10.6%	1.6%	-9.3%	-0.08%p	15.6%	44.95%p
	2022.3	379,923	375,879	2,634	507	307	597	1,410	0.37%	2,942	209%
	QoQ %	2.1%	2.1%	-1.1%	14.5%	6.6%	-2.2%	5.7%	0.01%p	5.9%	0.42%p
<b>SHB</b>	<b>2022.6</b>	<b>316,063</b>	<b>314,279</b>	<b>973</b>	<b>476</b>	<b>154</b>	<b>182</b>	<b>812</b>	<b>0.26%</b>	<b>1,550</b>	<b>191%</b>
	2021.6	292,247	290,406	831	532	214	264	1,011	0.35%	1,350	134%
	YoY %	8.1%	8.2%	17.1%	-10.5%	-28.1%	-31.1%	-19.7%	-0.09%p	14.8%	57.29%p
	2022.3	310,151	308,360	991	458	145	197	800	0.26%	1,408	176%
	QoQ %	1.9%	1.9%	-1.8%	4.0%	6.1%	-7.8%	1.5%	-0.00%p	10.0%	14.84%p
<b>SHC</b>	<b>2022.6</b>	<b>38,088</b>	<b>36,769</b>	<b>1,009</b>	<b>-</b>	<b>133</b>	<b>177</b>	<b>310</b>	<b>0.81%</b>	<b>1,103</b>	<b>356%</b>
	2021.6	34,400	33,177	913	-	123	187	310	0.90%	1,001	323%
	YoY %	10.7%	10.8%	10.4%	-	8.2%	-5.3%	0.0%	-0.09%p	10.2%	32.76%p
	2022.3	36,596	35,361	936	-	124	175	299	0.82%	1,076	360%
	QoQ %	4.1%	4.0%	7.8%	-	7.2%	1.2%	3.7%	-0.00%p	2.5%	-4.14%p

NOTE 1 Group Total Loans are sum of Shinhan Bank, Jeju Bank, Shinhan Card, Shinhan Investment Corp. Shinhan Life Insurance, Shinhan Capital, Shinhan Savings Bank and Shinhan Asset Trust.

# Provisioning and Write-Offs

## Provision for Credit Losses and Credit Cost Ratio

(KRW bn)	FY22	1Q22	2Q22	3Q22	4Q22	FY21	1Q21	2Q21	3Q21	4Q21
<b>Shinhan Bank<sup>1</sup></b>	<b>277.5</b>	<b>80.7</b>	<b>196.8</b>			<b>236.1</b>	<b>58.6</b>	<b>9.4</b>	<b>43.4</b>	<b>124.7</b>
Retail	170.5	38.2	132.3			165.4	39.9	37.2	44.8	43.5
Corporate	107.0	42.5	64.5			70.7	18.7	-27.8	-1.4	81.1
<b>Shinhan Card<sup>1</sup></b>	<b>257.9</b>	<b>145.5</b>	<b>112.3</b>			<b>442.7</b>	<b>102.1</b>	<b>108.6</b>	<b>127.4</b>	<b>104.6</b>
<b>Total</b>	<b>535.4</b>	<b>226.2</b>	<b>309.1</b>			<b>678.7</b>	<b>160.7</b>	<b>118.0</b>	<b>170.8</b>	<b>229.2</b>
<b>Credit Cost Ratio<sup>2</sup></b>										
Group	0.31%	0.26%	0.37%			0.27%	0.22%	0.19%	0.22%	0.46%
Bank	0.19%	0.12%	0.27%			0.11%	0.10%	0.07%	0.08%	0.21%
Card	1.37%	1.61%	1.18%			1.24%	1.24%	1.27%	1.43%	1.17%

NOTE 1 Shinhan Bank figures are on a separate basis, Shinhan Card on a consolidated basis

NOTE 2 Credit Cost Ratio based YTD basis

## Write-Offs and NPL Sales

(KRW bn)	FY22	1Q22	2Q22	3Q22	4Q22	FY21	1Q21	2Q21	3Q21	4Q21
<b>Shinhan Bank</b>	<b>209.2</b>	<b>89.2</b>	<b>120.0</b>			<b>583.0</b>	<b>141.2</b>	<b>125.6</b>	<b>146.0</b>	<b>170.1</b>
Write-Off	133.9	53.9	80.0			423.6	115.7	90.8	95.9	121.2
Retail	58.2	30.2	28.0			196.8	50.1	38.7	48.8	59.2
Corporate	75.7	23.7	52.0			226.8	65.6	52.1	47.1	62.0
Sale	75.2	35.2	40.0			159.5	25.5	34.8	50.1	49.0
Retail	16.5	7.5	9.0			39.7	7.3	7.8	14.4	10.2
Corporate	58.7	27.7	31.0			119.8	18.2	27.0	35.7	38.8
<b>Shinhan Card</b>	<b>286.6</b>	<b>143.3</b>	<b>143.3</b>			<b>595.2</b>	<b>154.0</b>	<b>153.8</b>	<b>137.8</b>	<b>149.7</b>
<b>Total</b>	<b>495.7</b>	<b>232.5</b>	<b>263.3</b>			<b>1,178.2</b>	<b>295.2</b>	<b>279.4</b>	<b>283.8</b>	<b>319.8</b>

NOTE Write-Offs and NPL Sales data for Shinhan Bank on a separate basis, Shinhan Card on a consolidated basis



# Disclaimer and Additional Notes (1)

Please note the following:

- Financial information has been prepared in accordance with the Korean IFRS (K-IFRS).
- The financial figures for periods starting January 1, 2018 have been stated in accordance with K-IFRS No.1109, '*Financial instruments*' and K-IFRS No.1115, '*Revenue from Contracts with Customers*', and the figures for periods prior to December 31, 2017 have not been restated.
- The financial figures for periods starting January 1, 2019 have been stated in accordance with K-IFRS No. 1116, '*Leases*', and the figures for periods prior to December 31, 2018 have not been restated.
- Upon the acquisition of a 60% stake in Asia Trust Co., Ltd. ("Asia Trust", which was later rebranded to Shinhan Asset Trust on June 1, 2022), the acquisition accounting has been applied for periods starting April 1, 2019, which is the deemed acquisition date. Then, on May 16, 2022, remaining shares of Asia Trust have been acquired.
- Upon the acquisition of a 96.77% stake in Neoplux Co, Ltd. ("Neoplux", which was later rebranded to Shinhan Venture Investment on January 11, 2021), the acquisition accounting has been applied for periods starting September 29, 2020, which is the acquisition date. And, as of the end of December, 2020, the remaining shares of Neoplux have been acquired.
- On January 15, 2021, Shinhan Financial Group acquired the remaining 35% stake of Shinhan BNP Paribas Asset Management (Rebranded to Shinhan Asset Management on the same day). On January 5, 2022, Shinhan Asset Management merged with Shinhan Alternative Asset Management.
- Orange Life Insurance was merged into Shinhan Life Insurance on July 1, 2021.
- Upon the acquisition of 94.54% stake in BNP Paribas Cardif General Insurance Co., Ltd (rebranded to Shinhan EZ General Insurance Co., Ltd. on the same day), the acquisition accounting has been applied for periods starting June 30, 2022, which is the acquisition date.
- To present the financial information more effectively, the interest portion of provision for policy reserve, which had been previously been categorized as non-interest expense, is now categorized as interest expense. Financial information for periods prior to this change has been restated to reflect the same.

# Disclaimer and Additional Notes (2)

## Digital Transformation (pg. 16)

NOTE 1 The MAU figures are average MAU of the given period, and are based on managed data

The MAU figures for financial platform represent the sum of MAUs of the following apps:

- SOL (Shinhan Bank), pLay (Shinhan Card), Alpha (Shinhan Investment Corp.), Square (Shinhan Life), Jbank (Jeju Bank), Shinhan Savings Bank

The MAU figures for non-financial platform represent the sum of MAUs of the following apps:

- Shinhan MyCar (Auto), AllThat (Shopping), Jeju Jini (Travel), HowFIT (Healthcare)

NOTE 2 The figure for My Data users represent the sum of customers who have given consent to My Data services including Moneyverse (Shinhan Bank) and My Assets (Shinhan Card)

NOTE 3 Digital Innovation Branches are Shinhan Bank's branches equipped with Digital Desks and/or Smart KIOSKs that offer unmanned · remote financial consulting services

NOTE 4 Profit from new digital businesses is calculated by adding revenue of Shinhan's lifestyle platform (Shinhan MyCar, AllThat) and data-related businesses of Shinhan Bank, Shinhan Card, and Shinhan Investment Corp.

NOTE 5 The Digital Cost Efficiency is sum of costs saved in Front, Middle, and Back offices. Please refer to below for calculation details

	Definition	Calculation
<b>Front</b>	Digitalizing customer channels (Financial services offered via digital means, etc.)	Front = Total # of offered services (on+offline) X Digital coverage X Reduced cost per task
<b>Middle</b>	Innovating offline customer experience (paperless branch, etc.)	Middle = Total # of offered digital services X Reduced work time per task X Average wage
<b>Back</b>	Streamlining back office operations (Robotic Process Automation, etc.)	Back(DT <sup>1</sup> ) = Total RPA time X Average wage Back(DT <sup>2</sup> ) = # of transactions turned digital X Reduced cost per task

## Sustainability Initiative (ESG) (pg. 17)

NOTE 1 The methodology from the *PCAF Global GHG Accounting & Reporting Standard for the Financial Industry* was applied to measure the financed emissions of Shinhan Financial Group's asset portfolio. The formula for the general approach to calculate financed emissions is as follows:

$$\text{Financed emissions} = \text{Emissions}_i \times (\text{Outstanding amount}_i / \text{Total asset}_i)$$

(with  $i$  = borrower or investee)

Calculation of the quarterly financed emissions data takes about 1.5 months after the quarterly earnings figures are confirmed. The quarterly financed emissions data contained in this presentation, therefore, is the financed emissions data for the previous quarter.

NOTE 2 PCAF (Partnership for Carbon Accounting Financials) is a global initiative that enables financial institutions to measure and disclose GHG emissions of their asset portfolios such as loans and investments.

NOTE 3 In accordance with the PCAF Standard, six asset classes – listed equity and corporate bonds, business loans and unlisted equity, project finance, commercial real estate, mortgages, and motor vehicle loans – are included in the calculation of financed emissions.

NOTE 4 Green Finance results are in line with the Green Bond Principle (GBP) of the International Capital Market Association (ICMA). The figures will be reclassified and reassessed in accordance with K-Taxonomy once made available.

NOTE 5 The performance of fund investments are excluded from the Green PF figures, but is included in the Green investment figures. Green investment figures include the AUM of Shinhan Asset Management, Shinhan Bank, and Shinhan Investment Corp.