

## Statement of compliance

We have prepared this unaudited Disclosure Statement of Shinhan Bank, Hong Kong Branch (“the Branch”) as of 30 June 2024. It is compiled according to the Banking (Disclosure) Rules under the Banking Ordinance (Chapter 155M) effective from 1 January 2007.

As the Chief Executive of the Branch, I confirm, to the best of my knowledge, that the information contained in the Disclosure Statement is correctly compiled in accordance with the Banking (Disclosure) Rules requirement and consistent with the books and records of the Branch.

Shinhan Bank, Hong Kong Branch



Chief Executive  
Hong Kong  
30 September 2024

**Shinhan Bank, Hong Kong Branch**  
**Financial Disclosure as of 30 June 2024**

(Expressed in Thousand of Hong Kong dollars)

**Branch Information (Hong Kong office only)**

**Profit and loss information**

<b>Income</b>	<b>Jun 2024</b>	<b>Jun 2023</b>
Interest income	735,569	971,727
Interest expense	693,780	928,519
Net interest income	<u>41,789</u>	<u>43,208</u>
Other operating income		
- Gains less losses from trading in foreign currencies	23,852	34,953
- Gains less losses from non-trading activities in foreign currencies	630	(254)
- Gains less losses from trading in securities	27,206	14,929
- Gains less losses from non-trading activities in securities <sup>Note</sup>	23,071	30,222
- Gains less losses from other trading activities <sup>Note</sup>	-	-
	<u>74,759</u>	<u>79,850</u>
Net fee and commission income		
- Fee and commission income	24,357	32,981
- Fee and commission expense	<u>(2,992)</u>	<u>(3,084)</u>
	<u>21,365</u>	<u>29,897</u>
Other income	114	2,274
<b>Total operating income</b>	<u>138,027</u>	<u>155,229</u>
<b>Expenses</b>		
Operating expenses		
- Staff expenses	21,794	22,796
- Rental expenses	5,690	5,506
- Other operating expenses	<u>4,866</u>	<u>8,257</u>
<b>Total Operating expenses</b>	<u>32,350</u>	<u>36,559</u>
<b>Operating profit before impairment losses</b>	105,677	118,670
Impairment losses and charges for allowances on impaired loans and receivables		
- Collective impairment allowances	(6,602)	1,374
- Individual impairment allowances	-	-
	<u>(6,602)</u>	<u>1,374</u>
Gains less losses from the disposal of property, plant and equipment and investment properties	97	-
<b>Profit before taxation</b>	<u>112,376</u>	<u>117,296</u>
<b>Tax expense</b>	<u>22,420</u>	<u>35,805</u>
<b>Profit after taxation</b>	<u>89,956</u>	<u>81,491</u>

Note : including gains less losses from changes of fair value of derivative instruments

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**Balance sheet information**

<b>Assets</b>	<b>At 30 Jun 2024</b>	<b>At 31 Dec 2023</b>
Cash and balances with banks	2,968,232	2,419,649
Placements with banks which have a residual contractual maturity		
not more than 1 month	570,477	1,293,755
more than 1 month but not more than 1 year	2,397,068	1,125,210
more than 1 year	-	-
	<u>2,967,545</u>	<u>2,418,965</u>
Amount due from overseas offices of Shinhan Bank	1,131,268	1,752,346
Trade bills	5,228,020	3,129,854
Advances and other accounts		
- Advances to customers	8,143,827	12,290,380
- Advances to banks and other financial institutions	-	-
- Accrued interest and other accounts	183,442	200,964
- Collective allowances for impaired advances to customers	(43,387)	(49,868)
- Collective allowances for impaired advances to banks	-	-
- Individual allowances for impaired advances to customers	-	-
- Individual allowances for impaired advances to banks	-	-
	<u>8,283,882</u>	<u>12,441,476</u>
Investment Securities		
- Available-for-sale securities	6,268,056	6,343,720
	<u>6,268,056</u>	<u>6,343,720</u>
Property, plant and equipment and investment properties	1,350	1,065
Other assets	1,449,440	1,371,880
<b>Total assets</b>	<b><u>25,330,248</u></b>	<b><u>27,459,990</u></b>
<b>Liabilities</b>		
Deposits and balances from banks	6,588,472	7,623,070
Deposits from customers		
- Demand deposits and current accounts	793	800
- Savings deposits	166,888	858,619
- Time, call and notice deposits	5,077,712	4,747,175
	<u>5,245,393</u>	<u>5,606,594</u>
Amount due to overseas offices of Shinhan Bank	9,205,746	7,852,629
Certificates of deposit issued	1,471,540	2,483,948
Issued debt securities	6,988,697	8,401,985
Other liabilities	1,075,793	1,098,358
Provisions	-	-
<b>Total liabilities</b>	<b><u>25,330,248</u></b>	<b><u>27,459,990</u></b>

**Shinhan Bank, Hong Kong Branch**  
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(Expressed in Thousand of Hong Kong dollars)

**I Additional Balance Sheet Information**

<b>(a) Loans and receivables</b>	<b>At 30 Jun 2024</b>	<b>At 31 Dec 2023</b>
Advances to customers	8,143,827	12,290,380
Advances to banks	-	-
Accrued interest and other accounts	183,442	200,964
Impairment allowances for impaired advances		
- Collective allowances for impaired advances to customers	(43,387)	(49,868)
- Collective allowances for impaired advances to banks	-	-
- Individual allowances for impaired advances to customers	-	-
- Individual allowances for impaired advances to banks	-	-
	<u>8,283,882</u>	<u>12,441,476</u>

**As at 30 Jun 2024**

	<b>Gross amount</b>	<b>Impairment allowances (individually)</b>	<b>Market Value of collateral held</b>	<b>% to total loans and advances to customers</b>
Impaired loans and advances to customers (individually determined)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	<b>Gross amount</b>	<b>Impairment allowances (individually)</b>	<b>Market Value of collateral held</b>	<b>% to total loans and advances to banks</b>
Impaired loans and advances to banks (individually determined)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**As at 31 Dec 2023**

	<b>Gross amount</b>	<b>Impairment allowances (individually)</b>	<b>Market Value of collateral held</b>	<b>% to total loans and advances to customers</b>
Impaired loans and advances to customers (individually determined)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	<b>Gross amount</b>	<b>Impairment allowances (individually)</b>	<b>Market Value of collateral held</b>	<b>% to total loans and advances to banks</b>
Impaired loans and advances to banks (individually determined)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Shinhan Bank, Hong Kong Branch**  
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**I Additional Balance Sheet Information (continued)**

**(b) Overdue and rescheduled assets**

	At 30 Jun 2024		At 31 Dec 2023	
<b>Overdue advances</b>				
Advances to customers overdue for	<b>Gross amount</b>	<b>% to total advances to customers</b>	<b>Gross amount</b>	<b>% to total advances to customers</b>
- not more than 3 months	-	-	-	-
- more than 3 months but not more than 6 months	-	-	-	-
- more than 6 months but not more than 1 year	-	-	-	-
- more than 1 year	-	-	-	-
Total overdue advances	-	0.00%	-	0.00%
Advances to banks overdue for	<b>Gross amount</b>	<b>% to total advances to banks</b>	<b>Gross amount</b>	<b>% to total advances to banks</b>
- not more than 3 months	-	-	-	-
- more than 3 months but not more than 6 months	-	-	-	-
- more than 6 months but not more than 1 year	-	-	-	-
- more than 1 year	-	-	-	-
Total overdue advances	-	-	-	-
Market value of collateral held against the secured overdue advances	<b>Gross amount</b>		<b>Gross amount</b>	
	-		-	
Secured overdue advances				
Unsecured overdue advances				
	-		-	
Specific provision made on overdue advances				
	-		-	
<b>Rescheduled advances</b>				
Rescheduled advances to customers	<b>Gross amount</b>	<b>% to total advances to customers</b>	<b>Gross amount</b>	<b>% to total advances to customers</b>
	-	-	-	-
Rescheduled advances to banks	<b>Gross amount</b>	<b>% to total advances to banks</b>	<b>Gross amount</b>	<b>% to total advances to banks</b>
	-	-	-	-

**Shinhan Bank, Hong Kong Branch**  
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**I Additional Balance Sheet Information** (continued)

**(b) Overdue and rescheduled assets** (continued)

Other overdue assets	At 30 Jun 2024		At 31 Dec 2023	
	Gross amount	% to total other assets	Gross amount	% to total other assets
Other assets overdue for				
- not more than 3 months	-	-	-	-
- more than 3 months but not more than 6 months	-	-	-	-
- more than 6 months but not more than 1 year	-	-	-	-
- more than 1 year	-	-	-	-
Total other overdue assets	-	-	-	-
<b>Repossessed assets</b>	<b>Gross amount</b>		<b>Gross amount</b>	
Repossessed assets held	-	-	-	-

**(c) The breakdown of the gross amount of loans and advances to customers by industry categories**

As at 30 Jun 2024

	Gross advances	Extent advances are covered by collateral or other security
Loans and advances for use in Hong Kong		
Industrial, commercial and financial		
- Property development	-	-
- Property investment	-	-
- Civil engineering works	-	-
- Financial concerns	24,630	-
- Stockbrokers	230,000	-
- Wholesale and retail trade	345,757	265,492
- Manufacturing	-	-
- Transport and transport equipment	-	-
- Recreational activities	148,031	-
- Information technology	-	-
- Others	-	-
Sub-total	748,418	265,492
Individuals		
- Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme or their respective successor schemes	-	-
- Loans for the purchase of other residential properties	-	-
- Credit card advances	-	-
- Others	-	-
Sub-total	-	-
Total loans and advances for use in Hong Kong	748,418	265,492
Trade finance	-	-
Loans and advances for use outside Hong Kong	7,395,409	5,239,452
	8,143,827	5,504,944

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(Expressed in Thousand of Hong Kong dollars)

I Additional Balance Sheet Information (continued)

(c) The breakdown of the gross amount of loans and advances to customers by industry categories (continued)

As at 31 Dec 2023

	<u>Gross advances</u>	<u>Extent advances are covered by collateral or other security</u>
Loans and advances for use in Hong Kong		
Industrial, commercial and financial		
- Property development	-	-
- Property investment	300,000	-
- Civil engineering works	-	-
- Financial concerns	-	-
- Stockbrokers	230,000	-
- Wholesale and retail trade	400,161	265,737
- Manufacturing	-	-
- Transport and transport equipment	-	-
- Recreational activities	177,133	-
- Information technology	-	-
- Others	18,058	-
Sub-total	<u>1,125,352</u>	<u>265,737</u>
Individuals		
- Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme or their respective successor schemes	-	-
- Loans for the purchase of other residential properties	-	-
- Credit card advances	-	-
- Others	-	-
Sub-total	<u>-</u>	<u>-</u>
Total loans and advances for use in Hong Kong	<u>1,125,352</u>	<u>265,737</u>
Trade finance	-	-
Loans and advances for use outside Hong Kong	11,165,028	8,173,087
	<u>12,290,380</u>	<u>8,438,824</u>

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I Additional Balance Sheet Information (continued)

(d) Analysis of gross loans and advances to customer by geographical areas

As at 30 Jun 2024

	<u>Gross loans and advances</u>	<u>Overdue loans and advances to customers</u>	<u>Impaired loans (individually determined)</u>
- Asia & Pacific			
of which	<b>7,917,710</b>	-	-
- China	1,290,525	-	-
- Hong Kong	733,488	-	-
- South Korea	4,412,842	-	-
- Vietnam	1,038,366	-	-
- Caribbean			
of which	<b>148,031</b>	-	-
- Cayman Island	148,031	-	-
- Western Europe	<b>78,086</b>	-	-
- North America	-	-	-
- Other	-	-	-
Total	<u>8,143,827</u>	<u>-</u>	<u>-</u>

As at 31 Dec 2023

	<u>Gross loans and advances</u>	<u>Overdue loans and advances to customers</u>	<u>Impaired loans (individually determined)</u>
- Asia & Pacific			
of which	<b>11,013,301</b>	-	-
- China	2,338,204	-	-
- Hong Kong	1,084,929	-	-
- South Korea	6,434,226	-	-
- Vietnam	806,257	-	-
- Caribbean			
of which	<b>177,134</b>	-	-
- Cayman Island	177,134	-	-
- Western Europe	<b>318,365</b>	-	-
- North America	781,580	-	-
Total	<u>12,290,380</u>	<u>-</u>	<u>-</u>

Note: Classification of gross amount of loans and advances to customers by countries or geographical areas constitutes 10% or more of the relevant disclosure amount. The analysis is based on the location of the counterparty.



**Shinhan Bank, Hong Kong Branch**  
**Financial Disclosure as of 30 June 2024**

(Expressed in Thousand of Hong Kong dollars)

**I Additional Balance Sheet Information (continued)**

**(e) Non-bank Mainland China exposures**

As at 30 Jun 2024

Types of counterparties	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-
2. Local governments, local government-owned entities and their subsidiaries and JVs	152,756	-	152,756
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	246,974	293,170	540,144
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local governments not reported in item 2 above	188,985	-	188,985
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	677,984	-	677,984
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	1,266,699	293,170	1,559,869
Total assets after provision	25,330,248		
On-balance sheet exposures as percentage of total assets	5.00%		

**Shinhan Bank, Hong Kong Branch**  
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(Expressed in Thousand of Hong Kong dollars)

**I Additional Balance Sheet Information (continued)**

**(e) Non-bank Mainland China exposures**

As at 31 Dec 2023	On-balance sheet exposure	Off-balance sheet exposure	Total
Types of counterparties			
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-
2. Local governments, local government-owned entities and their subsidiaries and JVs	168,003	-	168,003
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	416,092	239,968	656,060
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local governments not reported in item 2 above	189,160	-	189,160
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	1,556,718	1,523	1,558,241
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	<u>2,329,973</u>	<u>241,491</u>	<u>2,571,464</u>
Total assets after provision	<u>27,459,990</u>		
On-balance sheet exposures as percentage of total assets	<u>8.48%</u>		

**Shinhan Bank, Hong Kong Branch**  
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**II Cross-border claims (excluding claims from Head Office, branches and subsidiaries) by geographical areas after taking into consideration of transfer of risks**

Cross-border claims are on-balance sheet exposures to counterparties after taking into account the transfer of risk.

<b>As at 30 Jun 2024</b>	<b>Banks and others financial institutions</b>	<b>Public sector entities</b>	<b>Others</b>	<b>Total</b>
- Asia & Pacific of which	<b>10,949</b>	-	<b>10,663</b>	<b>21,612</b>
- China	2,853	-	220	3,073
- Hong Kong	77	-	574	651
- South Korea	7,148	-	9,060	16,208
- Japan	640	-	-	640
- Vietnam	1	-	204	205
- North America	<b>998</b>	-	<b>30</b>	<b>1,028</b>
- Middle East	<b>40</b>	-	-	<b>40</b>
- Caribbean	<b>461</b>	-	<b>289</b>	<b>750</b>
- Western Europe	<b>859</b>	-	-	<b>859</b>
	<u>13,307</u>	<u>-</u>	<u>10,982</u>	<u>24,289</u>

<b>As at 31 Dec 2023</b>	<b>Banks and others financial institutions</b>	<b>Public sector entities</b>	<b>Others</b>	<b>Total</b>
- Asia & Pacific of which	<b>9,945</b>	-	<b>14,458</b>	<b>24,403</b>
- China	1,703	-	477	2,180
- Hong Kong	318	-	725	1,043
- South Korea	6,942	-	12,765	19,707
- Japan	583	-	-	583
- Vietnam	102	-	223	325
- North America	<b>703</b>	-	<b>31</b>	<b>734</b>
- Middle East	<b>39</b>	-	-	<b>39</b>
- Caribbean	<b>455</b>	-	<b>366</b>	<b>821</b>
- Western Europe	<b>836</b>	-	<b>243</b>	<b>1,079</b>
	<u>11,978</u>	<u>-</u>	<u>15,098</u>	<u>27,076</u>

Note: Amounts represent cross-border claims based on countries or geographical classification and constitutes 10% or more of the total amount. Claims arising between branches and subsidiaries are excluded.

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**III Currency risk**

As at 30 Jun 2024	HK\$ Million Equivalent			Total
	US Dollar	JPY & Others	CNY	
Spot assets	22,760	2,130	5	24,895
Spot liabilities	(23,631)	(836)	(22)	(24,489)
Forward purchases	1,443	75	21	1,539
Forward sales	(559)	(1,361)	(4)	(1,924)
Net option position	-	-	-	-
Net long / (net short) position	13	8	-	21
Structural position	-	-	-	-

As at 31 Dec 2023	HK\$ Million Equivalent			Total
	US Dollar	JPY & Others	CNY	
Spot assets	23,804	2,960	8	26,772
Spot liabilities	(24,082)	(1,249)	(28)	(25,359)
Forward purchases	2,077	-	19	2,096
Forward sales	(1,821)	(1,714)	-	(3,535)
Net option position	-	-	-	-
Net long / (net short) position	(22)	(3)	(1)	(26)
Structural position	-	-	-	-

**Shinhan Bank, Hong Kong Branch**  
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**IV Off-balance sheet exposures**

(a) The contractual or notional amounts of each of the following class of off-balance sheet exposures outstanding are:

	<u>At 30 Jun 2024</u>	<u>At 31 Dec 2023</u>
Contingent liabilities and commitments		
- Direct credit substitutes	-	-
- Transaction-related contingencies	550,578	513,248
- Trade-related contingencies	1,304,921	1,175,000
- Note issuance and revolving underwriting facilities	-	-
- Other commitments	1,317,321	1,521,323

Contingent liabilities and commitments arises from credit-related instruments which include letters of credit, guarantees and commitments to extend credit. The risk involved in these credit-related instruments is essentially the same as the credit risk involved in extending loan facilities to customers. The contract amounts represent the amounts at risk should the contract be fully drawn upon and the customers default. As the facilities may expire without being drawn upon, the contracts amounts do not represent expected future cash flows.

	<u>At 30 Jun 2024</u>	<u>At 31 Dec 2023</u>
Derivative transactions		
- Exchange rate-related derivative contracts (exclude forward foreign exchange contracts arising from swap deposit arrangements)	3,982,452	7,817,528
- Interest rate derivative contracts	-	-
- Others	1,154,561	1,247,762

The above derivative contracts amounts are the notional amount of the contract, they do not represent amounts at risk. All the derivative contracts held by the Branch are to offset gains/losses on fixed rate bonds and loans.

(b) The total fair value of the above derivative transactions	<u>At 30 Jun 2024</u>	<u>At 31 Dec 2023</u>
- Exchange rate-related derivative contracts	12,506	(38,272)
- Interest rate derivative contracts	-	-

No bilateral netting arrangements for above derivative transactions.

**V Liquidity**

	<u>2nd Quarter Ended 30 Jun 2024</u>	<u>2nd Quarter Ended 30 Jun 2023</u>
The average liquidity maintenance ratio for the period (Calculation period from April to June)	119.35%	106.60%

The liquidity maintenance ratio (LMR) is calculated in accordance with the Banking (Liquidity) Rules effective from 01 January 2015.

The average liquidity maintenance ratio is the arithmetic mean of each calendar month's average LMR as reported in the "Return of Liquidity Position of an Authorized Institution".

**Liquidity Risk Management**

The Branch has established a Liquidity Risk Management Policy which is reviewed and approved by the senior management. This policy requires the Branch to maintain a conservative level of liquid funds on a daily basis to meet all financial obligations, and setup the action plan on liquidity contingency.

The liquidity position is monitored through statutory liquidity ratios, cash flow analysis, and inter-bank transactions undertaken by our Branch. The Branch also perform the testing on various type of stress scenarios on monthly basis according to our Liquidity Stress Testing Policy.

## **Shinhan Bank, Hong Kong Branch**

### **Financial Disclosure as of 30 June 2024**

The key elements of the liquidity risk framework are:

#### **Liquidity Stress Testing**

The Branch performs liquidity stress testing on a regular basis, to evaluate the effect of both general market wide and institutional specific disruptions on the Branch's liquidity position. The internal stress testing is to ensure sufficient liquidity for the Branch under different adverse scenarios. The Branch's liquidity stress tests consider the effect of changes in funding assumptions, and the market value of liquidity assets, the results of which are reviewed by senior management and are considered in making liquidity management decisions. Based on the result of the liquidity stress test, the Branch takes necessary (if needed) rebalancing, restructuring actions by risk mitigation or contingency plans.

#### **Contingency Planning**

The Branch maintains the liquidity contingency funding plan in case it faces liquidity problem as part of liquidity risk management. The liquidity contingency plan specifies an approach for monitoring and evaluation of actual and potential liquidity events. The plan outlines liquidity identification, monitoring, and measurement of liquidity events. The plan also specifies possible measures, internal and external communication and action to be taken at various stages of crisis.

#### **Funding Diversification**

Apart from taking customer deposits as major sources of funding, the Branch boardens its funding source in retail market, money market and capital market by different terms. The Branch also holds a pool of highly liquid, unencumbered assets that can be readily sold or pledged to secure borrowings under stressed conditions.

#### **Oversight and Reporting**

The results of stress testing, Liquidity Maintenance Ratio(LMR) and liquidity gap are reported to the management and head office on a regular basis.

## Financial Disclosure as of 30 June 2024

(Expressed in thousand Hong Kong dollars)

### VI Bank information (Consolidated basis)

The following table shows the consolidated capital adequacy ratio and the amount of shareholders' funds of Shinhan Financial Group. The basis of preparation is in accordance with the Korean-International Financial Reporting Standards.

	<u>30 Jun 2024</u>	<u>31 Dec 2023</u>
<b>(a) Capital and Capital Adequacy</b>		
(i) Capital adequacy ratio	15.76%	15.92%
(ii) Total share capital	16,710,371	18,018,324
(iii) Total amount of shareholder funds	324,148,894	341,738,365
<b>(b) Other Financial Information</b>		
(i) Total assets	4,095,049,800	4,197,532,310
(ii) Total liabilities	3,770,900,343	3,855,794,551
(iii) Total loans and advances	2,453,580,553	2,508,938,171
(iv) Total deposits	2,266,366,552	2,314,863,783
	<u>30 Jun 2024</u>	<u>31 Dec 2023</u>
(v) Pre-tax profit	20,606,044	36,193,192

- 1 Shareholders' fund is the sum total of capital and reserves.
- 2 Total liabilities are equal to total assets minus shareholders' fund.
- 3 The conversion rate of HKD/KRW as at 30 June 2024 is 177.71.
- 4 The consolidated capital adequacy ratio was calculated in accordance with the Korean-International Financial Reporting Standards adopting Basel III approach.

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**VII Disclosure on Remuneration for CG-5 Guideline on a Sound Remuneration System issued by the HKMA**

Pursuant to section 3 of CG-5 Guideline on a Sound Remuneration System issued by the HKMA, the following disclosures are made:

**a) The design and implementation of the remuneration systems:**

The Bank adopts the remuneration policy and systems which are established by the Remuneration Committee of our Head Office for overseas branch. The objective of the remuneration policy is to attract, motivate reward and retain quality staff. The Board ensures that the remuneration policies are in line with the strategic objectives and corporate values of the Bank, and do not give rise to conflicts between the objectives of the Bank and the interests of individual Directors and key executives.

The Remuneration Committee reviews the performance of management and directors over the past fiscal year and settles on remuneration that is proportionate to the individual's responsibilities. It also make sure that the remuneration is on a proper level that improves the long-term interests of the Group and its shareholders.

**b) Aggregate quantitative information on remuneration for senior management and key personnel (Note 1) are as follows:**

**As at 30 Jun 2024**

	<u>Amount</u>	<u>Number of Beneficiaries</u>
- Fixed Remuneration	3,777	13
- Variable Remuneration	864	-
- Deferred Remuneration	-	-
Total	<u>4,641</u>	<u>13</u>

**As at 31 Dec 2023**

	<u>Amount</u>	<u>Number of Beneficiaries</u>
- Fixed Remuneration	9,371	21
- Variable Remuneration	1,711	-
- Deferred Remuneration	-	-
Total	<u>11,082</u>	<u>21</u>

No senior management or key personnel has been awarded with new sign-on or severance payments.

Note 1: As defined in CG5 Guideline on a Sound Remuneration System issued by the HKMA, senior management are those who are responsible for oversight of either the Bank's company-wide strategy or activities or those of the Bank's main business lines. Key Personnel are individual employees whose duties or activities in the course of their employment involve the assumption of material risk or the taking on of material exposures on behalf of the Bank.