

Press Release

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Shinhan Bank awarded Best Retail Bank in Korea for 2016

- **Shinhan Bank utilised a differentiated growth strategy to maintain profitability and soundness**
- **Harnessed big data to enhance customer segmentation and create new markets**
- **Optimised branch network and alternative channels**

Hong Kong, March 16th 2016— **Shinhan Bank** was awarded **Best Retail Bank in Korea for 2016** at The Asian Banker's International Excellence in Retail Financial Services 2016 Awards ceremony, held in conjunction with the region's most prestigious retail banking event, the Excellence in Retail Financial Services Convention. The ceremony was held March 16th 2016 at the W Hotel, Hong Kong.

Shinhan Bank utilised a differentiated growth strategy to maintain profitability and soundness

Uncertainty in the loan market and rising mortgages have threatened the retail banking industry in Korea. Shinhan Bank, whose mortgage income contributed greatly to total income in the past, ventured into other sources of growth such as car loans, unsecured loans to prime customers, and house rent key money loans. In line with this, the bank made a strategic move to implement a more cautious approach towards mortgages and further strengthened its initiative to support customers who are experiencing financial troubles. As a result, the bank lowered its nonperforming loan ratio to less than 1%, the lowest among Korean banks.

Harnessed big data to enhance customer segmentation and create new markets

Taking advantage of the richness of the data sourced from Shinhan's credit card business, the bank developed new markets and identified new customers based on the daily transactions of existing clients. In 2015, Shinhan Bank discovered the untapped wallets of new segments such as teachers and school employees, social welfare workers, and re-employed women. To further expand its market reach, the bank also entered into strategic partnerships with other industry players in telecommunications, and with retail distributors and associations.

Optimised branch network and alternative channels

To improve productivity and reduce branch overload while supporting its expanding customer base, the bank centralised more of its transactions at the head office and its smart banking centre. As a replacement to traditional branches, Shinhan Bank introduced "Digital Kiosk" as a platform for a range of banking services, from opening of new accounts to buying mutual funds.

About 200 senior bankers from award-winning banks in 29 countries across the Asia Pacific, the Middle East, Central Asia, and Africa attended the Excellence in Retail Financial Services Convention, which recognises banks' efforts in bringing superior products and services to their customers. The awards programme, administered by The Asian Banker and refereed by prominent global bankers, consultants, and academics, is the most prestigious of its kind.

A stringent evaluation process across three months based on a balanced and transparent scorecard determines the winners of The Asian Banker International Excellence in Retail Financial Services Awards, and the positions of various retail banks in the region.

About The Asian Banker

The Asian Banker is the region's most authoritative provider of strategic business intelligence to the financial services community. The company is headquartered in Singapore, with offices in Manila, Malaysia, Hong Kong, Beijing, and Dubai, as well as representatives in London, New York, and San Francisco. It has a business model that revolves around three core business lines: publications, research services, and forums.

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