Shinhan Bank Canada Seniors Code Annual Report – 2025

Shinhan Bank Canada (the "Bank") remains committed to supporting Senior customers by providing banking services that are accessible, secure, respectful, and responsive to their needs. This Annual Report outlines the Bank's actions in 2025 to support the Code of Conduct for the Delivery of Banking Services to Seniors (the "Seniors Code"). For the purpose of the Seniors Code, "Seniors" refers to individuals aged 60 or older who are transacting for non-business purposes.

In 2025, the Bank continued to enhance employee training, customer communication, fraud prevention tools, and internal resources to better support Senior customers and the employees who serve them.

The Bank has designated Mr. Sungho Ahn, Director of Strategy Planning, as the Seniors Champion to advocate for the Bank's senior customers and promote age-friendly banking practices. With his expertise in consumer protection, retail banking, and digital banking services, Mr. Ahn is committed to place seniors at the heart of the Bank's operational design, customer experience, and service journey.

Principle 1: Establish and implement policies, procedures, and processes to support the Seniors Code

Shinhan Bank Canada maintains policies, procedures, and internal processes designed to support the interests of Senior customers and ensure consistent application of the Seniors Code across the Bank. These include the Bank's *Procedure for Banking Services to Seniors*, as well as related procedures, including *Complaint-Handling Procedure*, *Powers of Attorney, Joint Deposit Accounts, Notice of Proposed Branch Closure, Information Disclosure, Anti-Money Laundering Monitoring and Fraud Detection*.

The Bank's Regulatory Compliance Management (RCM) Framework continues to incorporate the seven principles of the Seniors Code, supporting ongoing monitoring and periodic review of compliance. Through internal procedures, employee training, and escalation protocols, the Bank continues to strengthen its ability to support Senior customers who may be vulnerable to financial abuse, fraud, scams, or undue influence. Frontline employees are provided with guidance on recognizing warning signs, responding appropriately to customer concerns, and escalating suspected incidents in accordance with internal procedures.

In 2025, the Bank continued to provide annual Seniors Code training to employees, with a focus on frontline staff. Training topics included understanding Seniors' needs, fraud trends and common scams, recognizing warning signs, practical fraud prevention tips, employee responsibilities, and escalation procedures for suspected financial abuse or fraud. The Chief Compliance Officer periodically issued compliance awareness newsletters to employees covering regulatory compliance topics and emerging fraud risks. All training materials are made available internally to support ongoing employee awareness and consistent application of escalation procedures.

The Bank's Seniors Champion further supports frontline staff by providing guidance on Senior-related matters and promoting awareness initiatives, including publishing fraud prevention advisories such as voice-phishing alerts on the Bank's website and online banking platforms.
In alignment with the Bank's Accessibility Plan, Shinhan Bank Canada continues to enhance both in-branch and digital services to support accessibility and ensure that Senior customers can confidently and independently access banking services.

Principle 2: Communicating effectively with Seniors

Shinhan Bank Canada recognizes that clear, accessible, and timely communication is essential to supporting Senior customers. The Bank continues to provide services in both English and Korean, ensuring effective communication across its customer base.

The Bank maintains a dedicated Senior Banking webpage, *https://shinhan.ca/help-guidance/advice-centre/senior-banking/*, which serves as a centralized resources providing information and guidance tailored to the needs of Senior customers.

The webpage includes:

- Senior-focused banking solution: Specialized Senior Banking Packages designed for Seniors, offering benefits such as fee waivers, unlimited transactions, and other features intended to enhance convenience and accessibility.
- Retirement and financial planning resources: Information and guidance to support Seniors in making informed financial decisions and managing their long-term financial well-being.
- Guidance on Powers of Attorney and joint accounts: Easy-to-understand information explaining the purpose, considerations, and implications of Power of Attorney and Joint Account to support secure financial management.
- Digital banking support: Step-by-step instructions and educational resources to help Seniors navigate online banking services, including bill payments, funds transfers, and other digital banking functions with greater confidence.

Additionally, our fraud prevention resources are available through the Bank's Security Disclosure webpage, providing practical guidance on phishing, fraud prevention, cybersecurity awareness, and reporting channels for suspicious activities.

Printed materials and brochures are available in branches in both English and Korean languages, supporting Seniors who prefer in-person or paper-based communication. Financial documents are also available in both hard copy and electronic formats upon request.

In 2025, the Bank enhanced communication materials, including fraud awareness notices and website advisories. A Scam Alert was published to inform customers of voice-phishing scams involving impersonation of financial institutions and other organizations, with guidance for recognizing and responding to such threats.

To further support accessibility and awareness, the Bank is planning to implement automated debit transaction email alerts for customers enrolled in the Seniors Package in May 2026. These alerts, provided in English and Korean, use simple language to help customers stay informed of account activity.

The Bank is also enhancing its ARS (Automated Response System) by simplifying scripts, improving clarity, and adjusting tone and pacing to better support Senior customers who prefer communicating with the Bank by phone. These enhancements are intended to improve accessibility, reduce confusion, and provide a more user-friendly customer experience.

Through these initiatives, Shinhan Bank Canada continues to strengthen its communication approach, ensuring that Senior customers receive information in a manner that is clear, accessible, and responsive to their needs.

Principle 3: Appropriate training to employees and representatives who serve Seniors

Shinhan Bank Canada recognizes that serving Senior customers requires employees to be knowledgeable, alert, respectful, and empathetic.

Training materials and awareness content are developed and enhanced using guidance and educational resources from recognized external organizations, including the Canadian Anti-Fraud Centre, FINTRAC, the Canadian Bankers Association, and other industry resources relating to fraud prevention and financial abuse awareness.

In 2025, the Bank delivered annual Seniors Code training to all employees, with particular focus on frontline staff. This training collectively enhanced employees' ability to identify risks, prevent fraud, and respond appropriately to potential financial abuse.

Key training areas include:

- Understanding Seniors' Needs and Communication: Employees are trained to recognize the unique needs of Senior customers, including the importance of clear communication, patience, and sensitivity to potential limitations in digital literacy. Training emphasizes providing simple explanations, confirming customer understanding, and ensuring informed decision-making.
- Fraud Awareness and Scam Prevention: Training covers current fraud trends and common scams targeting Seniors, including investment scams, phishing, voice-phishing, tech support

scams, holiday-related scams, and impersonation fraud. Employees are equipped with practical knowledge to educate customers and help them avoid financial loss.

- Identifying Red Flag and Financial Abuse Risks: Employees are trained to recognize behavioral, transactional, and third-party red flags associated with financial abuse and fraud. This includes unusual account activity, pressured transactions, sudden changes in financial behavior, and potential undue influence from third parties.
- Employee Responsibilities and Ethical Conduct: Training reinforces employees' responsibility to act in the best interest of Senior customers. This includes providing clear and transparent information about products and services, avoiding high-pressure sales practices, ensuring customers fully understand account features and risks, and maintaining professionalism when engaging with Seniors both in-branch and in public settings.
- Management of Powers of Attorney and Joint Accounts: Employees receive guidance on the appropriate handling of Powers of Attorney and Joint Deposit accounts, including understanding associated risks and ensuring these arrangements are managed in accordance with internal policies and regulatory expectations.
- Escalation and Reporting Procedures: Clear procedures are provided for escalating concerns related to suspected financial abuse, fraud, or unusual customer behavior. Employees are trained to document observations accurately and report concerns promptly to the appropriate internal teams.

In addition, the newsletters periodically issued by the Chief Compliance Officer cover regulatory compliance topics and emerging fraud risks, including Holiday Scams and Investment Scams – Protecting Seniors from Financial Exploitation. These newsletters provided employees with practical guidance on common scam trends, warning signs, fraud prevention tips, escalation procedures, and measures employees can take to better support and protect Senior customers.

Through these integrated training initiatives, Shinhan Bank Canada continues to strengthen employee awareness, enhance fraud detection capabilities, and ensure that Senior customers are supported with care, professionalism, and appropriate safeguards.

Principle 4: Appropriate resources available to client-facing employees and representatives relevant to Seniors' banking needs

Shinhan Bank Canada continues to provide employees with resources and internal support to assist Senior customers effectively. The Bank's internal system, *Shinhan Bank – Bylaw Assistance System for Internal Compliance ("S-BASIC")*, serves as a central source for policies, procedures, and guidance relevant to Seniors' banking needs.

Through S-BASIC and other internal communication channels, employees have access to resources covering fraud detection, AML monitoring, Powers of Attorney, Joint Deposit accounts, complaint handling, and escalation procedures. Training materials are also available through the Bank's internal system – 'Swing'.

The Bank maintains a structured support framework to assist employees in handling Senior-related matters. The Seniors Champion is responsible for implementing the Seniors Code across the Bank by promoting awareness of Senior-related matters, and sharing best practices across the Bank. The Chief Compliance Officer oversees compliance with the Seniors Code, and monitors adherence to the Code. At the branch level, Customer Care Officers, appointed by Branch Managers, receive and handle customer complaints, including concerns raised by Senior customers. These officers work closely with the Seniors Champion and the Chief Compliance Officer to help ensure Senior customers receive consistent, respectful, and appropriate support.

The Bank continues to maintain knowledgeable contacts and support channels as noted above, to assist frontline employees in handling complex situations and identifying potential risks.

Principle 5: Bank will endeavor to mitigate potential financial harm to Seniors

Shinhan Bank Canada remains committed to mitigating potential financial harm to Senior customers through a comprehensive and proactive approach that integrates technology, monitoring, employee awareness, and customer education.

The Bank's Anti-Money Laundering (AML) and fraud detection framework continues to support the identification of unusual activity and potential financial abuse. Leveraging tools such as Verafin and internal monitoring processes, the Bank analyzes customer transactions to detect unusual patterns. At Head Office, the AML Compliance Department conducts ongoing monitoring of account activity and escalates identified concerns to the Chief Compliance Officer for further review and action.

The Bank also offers a dedicated Security Disclosure webpage, with essential tools to recognize and avoid scams, phishing attempts, and fraud. This webpage provides practical guidance on secure online banking practices, handling suspicious communications, and accessing direct reporting channels.

In 2025, the Bank enhanced its fraud detection capabilities through the development of fraud transaction monitoring scenarios within the core banking system, enabling earlier identification of unusual or high-risk activities. These enhancements strengthen the Bank's ability to detect potential financial abuse and respond in a timely manner.

The Bank also continued to invest in employee awareness and fraud prevention training, including targeted training on holiday scams and investment scams, which highlighted evolving fraud tactics and reinforced the importance of identifying behavioral, transactional, and third-party red flags associated with financial exploitation of Seniors. Employees are encouraged to engage customers respectfully and ask clarifying questions where unusual or potentially high-risk transactions involving Senior customers are identified.

To further strengthen customer protection, Shinhan Bank Canada continued to implement proactive fraud awareness initiatives, including website and online banking notices providing guidance on safe banking practices, phishing prevention, and recognizing suspicious activities.

In addition, the Bank is planning to launch automated debit transaction email alerts for customers enrolled in the Seniors Package in May 2026. This initiative is intended to enhance visibility of account activity and support the early detection of unauthorized or suspicious transactions, particularly for Seniors who may not actively monitor their accounts through digital channels. The alerts are designed using simple and clear language to support usability, accessibility, and security. Through continuous improvement of its monitoring tools, employee training, and customer awareness measures, the Bank remains committed to protecting Senior customers from financial harm and strengthening its overall fraud prevention framework.

Principle 6: Consider market demographics and the needs of Seniors when closing Branches

Shinhan Bank Canada remains committed to considering the needs of Senior customers in the event of any branch closure or relocation. The Bank maintains a detailed Procedure for Branch Closure, which emphasizes advance notice, clear communication, proactive outreach, and support for affected customers.

In 2025, following the Thornhill Branch closure and relocation to the North York Branch, the Bank continued to apply lessons from this process to ensure that future branch closure or relocation activities consider the needs of Seniors and affected communities. The Thornhill relocation included advance notice, customer communications, signage in the branch and related areas such as ATMs, digital updates, information sessions, and support for customers transitioning to the North York Branch or alternative banking channels. The Bank remained mindful of the potential impact on senior customers by implementing client-calling programs, conducting four in-branch information sessions, and guiding branch employees to proactively contact customers who may be more significantly affected by the closure.

The Bank will continue to apply these measures in any future closure and relocation scenarios, including consideration of market demographics, accessibility needs, in-person service preferences, and customer communication requirements for Seniors.

Principle 7: Publicly disclose steps taken to support the principles set out in the Seniors Code

Shinhan Bank Canada remains committed to transparency in its efforts to support Senior customers. The Bank continues to publish its annual Seniors Code Report on its website at: *https://www.shinhan.ca/footer/legal/.*

The annual report outlines the steps taken by the Bank to support the principles of the Seniors Code and improve the delivery of banking services to Seniors. A copy of the report will also be provided to FCAC as required.

Shinhan Bank Canada will continue to enhance its policies, procedures, training, communication, and fraud prevention initiatives in support of Senior customers. As fraud trends and customer needs continue to evolve, the Bank will continue strengthening its services to ensure that Seniors can bank safely, confidently, and with dignity.