

## Shinhan Bank Canada Seniors Code Annual Report – 2024

Shinhan Bank Canada (the “Bank”) remains deeply committed to supporting our Senior customers, ensuring that their banking experience is accessible, secure, and responsive to their unique needs. As part of our ongoing dedication to Seniors, we provide this Annual Report for 2024, outlining our efforts in compliance with the Code of Conduct for the Delivery of Banking Services to Seniors (the “Seniors Code”). We recognize that Seniors - individuals aged 60 and older, transacting for non-business purposes - are an essential part of our customer base, and we are committed to continuously enhancing the services and protections we offer to this group.

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

Shinhan Bank Canada is committed to delivering banking services that prioritize safety, accessibility, and protection for Senior customers, as outlined in our *Procedure for Banking Services to Seniors*. Our other internal policies are meticulously designed to address the complex needs of Seniors, with particular focus on *Powers of Attorney, Joint Deposit Accounts, Notice of Proposed Branch Closure or Cessation of Activities, Complaint-Handling Procedure, Information Disclosure, Anti-money Laundering Monitoring and Fraud Detection*. These policies are subject to continuous review and enhancement, ensuring they remain relevant and responsive to emerging challenges.

As part of our commitment to safeguarding Seniors, all employees undergo mandatory annual training that equips them with the knowledge and skills to effectively identify and respond to the unique concerns of Senior customers. This training includes modules on recognizing early signs of financial abuse and fraud, protecting Seniors’ Privacy and Accessibility, managing POA and Joint Deposit Accounts, along with established protocols for escalating and addressing these incidents promptly and decisively. The training materials are readily available on the Bank’s internal Company Board for reference at any time.

Further reinforcing this commitment is our Seniors Champion, which provides specialized support to frontline staff, ensuring they are well-prepared to address senior-specific financial concerns with heightened sensitivity and expertise. Advocating for public education and awareness initiatives, Seniors Champion publishes tips on ‘How to Avoid Online Scams’ on the Bank’s homepage and online banking. Additionally, our Regulatory Compliance Management (RCM) framework integrates the seven principles of the Seniors Code, ensuring our policies are rigorously monitored, reviewed, and updated to reflect best practices and evolving regulatory standards. All staff members can also reach out to the Compliance staff in case of any questions related to Seniors Code.

In alignment with our overarching Accessibility Plan, we continue to refine both in-branch and digital services to ensure they are fully accessible to all Seniors, particularly those with unique needs. This commitment ensures that every senior, regardless of their circumstances, can engage with our services confidently and independently.

## **Principle 2: Communicating effectively with Seniors**

Shinhan Bank Canada recognizes that clear, accessible, and personalized communication is fundamental to fostering trust and empowering Senior customers in their financial decision-making. To accommodate the diverse linguistic needs of our customers, we provide bilingual services in English and Korean, ensuring seamless communication across all channels. Our Senior Banking Webpage serves as a centralized, user-friendly platform, designed to provide Seniors with essential tools and information for managing their financial well-being. Accessible via link <https://shinhan.ca/help-guidance/advice-centre/senior-banking/>, the page offers:

- Customized banking solutions: Specialized Senior Banking Packages designed specifically and tailored for Senior customers including fee waivers, unlimited transactions and other incentives to enhance their banking experience.
- Personalized financial guidance: Comprehensive retirement planning resources and advice tailored to the unique financial needs of Senior customers, empowering them to make informed decisions about their future.
- Guidance on Powers of Attorney and joint accounts: Clear, concise information to support Seniors understand the complexities and implications of Powers of Attorney and Joint Accounts, ensuring informed and secure financial management.
- Digital literacy support: Step-by-step guides and tutorials designed to enhance Seniors' confidence in using digital banking services. These resources include instructions on accessing online banking, conducting bill payments, transferring funds, and navigating online banking demos.

Additionally, our fraud prevention resources are available through the link <https://shinhan.ca/footer/security-disclosure/>, offering practical tools and guidance to help Seniors recognize and avoid common scams. These resources include:

- Security measures overview: Detailed explanations of phishing, pharming, and other cyber threats, along with preventative strategies.
- Use of security tools: Guidance on using advanced security technologies to protect personal and financial information.
- Fraud reporting channels: Direct contact information for Seniors to report suspected fraudulent activities, ensuring prompt action and support.

To ensure equitable access, we provide financial statements and documents in hard copies and soft file versions upon request. Additionally, our branches are equipped with printed materials in both

English and Korean, and staff are extensively trained to assist Seniors in selecting the format that best meets their needs.

Complementing our digital resources is the Seniors Banking brochure, a concise, in-branch guide that simplifies key banking concepts and services, empowering Seniors with readily accessible information. Both the Senior Banking Webpage and brochure are subject to regular updates, ensuring they remain aligned with regulatory standards and industry best practices, while continually enhancing the banking experience for Senior customers.

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

Shinhan Bank Canada recognizes that delivering exceptional service to Seniors requires a workforce that is both knowledgeable and empathetic. To meet this standard, we have developed a comprehensive training program tailored to address the unique financial challenges and vulnerabilities faced by Seniors. This program is mandatory for all frontline employees and is updated annually. Training materials are developed using credible external resources, such as the Canadian Anti-Fraud Centre, the Canadian Bankers Association, and other recognized industry sources, to ensure alignment with emerging fraud trends, current risks, and the latest regulatory and industry best practices.

Key areas of focus include:

- Anti-money laundering (AML) & counter-terrorist financing (CTF): Staff receive advanced training on AML and CTF protocols, ensuring heightened vigilance in identifying and mitigating suspicious transactions.
- Management of Powers of Attorney and joint deposit accounts: Staff receive detailed training on the legal and ethical considerations involved in managing these sensitive financial arrangements, ensuring that they are handled with the utmost diligence and care to mitigate potential risks.
- Preventing financial abuse, fraud, and scams: Employees are trained to recognize signs of financial abuse, recognize fraud and scams scenarios, implement prevention measures, and take appropriate actions, while working with trusted contacts designated by Senior customers to enhance protection.
- Effective communication strategies: The training emphasizes clear, respectful, and empathetic communication, tailored to the needs of Senior customers. This ensures that Seniors feel confident and understood in their interactions with the Bank.
- Confidential support for Seniors: Staff are trained to utilize private spaces in branches for sensitive discussions with Senior customers, ensuring privacy and comfort during consultations.
- Complaint escalation protocols: Clear procedures are in place for escalating concerns related to financial abuse, fraud, or customer confusion, ensuring timely intervention and resolution.

Additionally, to enhance detection and prevention of financial crimes, the Bank has undergone specialized training, incorporating insights from industry leaders, including The Vidocq Group, an expert in financial crime investigation and fraud prevention. This training empowers employees to recognize and prevent various forms of financial exploitation, including scams and financial abuse, targeting Seniors and other customers.

This robust training program equips employees with the expertise, confidence, and resources needed to serve Senior customers effectively, reinforcing our commitment to their financial well-being and security. By continuously investing in our staff's knowledge and skills, we ensure that Shinhan Bank Canada remains a trusted and reliable partner for our Senior customers.

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

Shinhan Bank Canada is deeply committed to empowering its employees with the tools and knowledge necessary to provide exceptional service to Senior customers. Through a suite of specialized resources and support systems, employees are well-prepared to navigate complex financial scenarios with precision and care.

*Shinhan Bank – Bylaw Assistance System for Internal Compliance ("S-BASIC")* serves as a central hub, offering real-time access to a wide array of senior-focused resources, including:

- Guidelines for identifying and responding to fraudulent/anti-money laundering transactions: Comprehensive protocols enable employees to detect early warning signs of fraudulent transactions and implement the appropriate protective measures, safeguarding Senior customers from harm.
- Specialized product knowledge: Detailed information on senior-specific financial products, including retirement accounts and secure banking solutions, empowers staff to provide personalized and informed advice tailored to the unique needs of Seniors.
- Powers of Attorney and joint deposit account management: Clear, step-by-step instructions ensure that these accounts are handled responsibly and ethically, mitigating risks and maintaining compliance with regulatory standards.

At the branch level, Branch Managers appoint Customer Care Officers to handle Senior customer concerns effectively. These officers are highly experienced and well-qualified to deliver exceptional service, working closely with the Seniors Champion and the Chief Compliance Officer to ensure consistent application of the Seniors Code across all customer interactions.

The Bank's Seniors Champion further enhances this support by offering specialized expertise on senior-related topics. Seniors Champions serve as internal advisors, ensuring that employees consistently apply the principles of the Seniors Code and uphold the Bank's commitment to protecting and empowering Senior customers. Committed to continuous improvement, the Seniors Champion also participates in annual training to stay updated on emerging trends and best practices.

By providing these advanced resources and support systems, Shinhan Bank Canada enables its employees to deliver service that is both compassionate and precise, ensuring that Senior customers receive the highest standard of care and protection in every aspect of their banking experience.

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

Shinhan Bank Canada is steadfast in its commitment to safeguarding Senior customers from financial exploitation through a rigorous, multi-layered approach. Our advanced Anti-Money Laundering (AML) and fraud detection framework is designed to proactively detect and prevent financial abuse, leveraging advanced technology and continuous monitoring. Powered by Verafin, a transaction monitoring platform, we meticulously analyze account activities to identify anomalies, ensuring swift and decisive action against potential threats.

Our key measures including:

- “Know Your Customer” (KYC) and customer due diligence processes to verify customer identity and monitor transactions, reducing risks of financial crimes.
- Employees training focused on anti-money laundering (AML) practices, high-risk customer identification, and fraud detection. These trainings enable employees to provide secure and personalized guidance to Seniors.
- Confidential support: we also prioritizes privacy and comfort for Seniors, providing quiet and private areas in branches for confidential discussions.

At Head Office, the AML Compliance Department monitors customer transaction activity on an ongoing basis to detect unusual behavior and escalates such cases to the Chief Compliance Officer for further review. The Bank is aware of the growing incidence of financial abuse and continuously raises awareness among Branch employees to protect our Seniors customers.

To further enhance protection, Shinhan Bank Canada engages in proactive customer awareness initiatives. Email reminder are sent to all customers, including Seniors, to highlight scams involving e-transfers and other fraudulent activities. These emails provide practical advice, such as creating and regular updating secure passwords, using trusted online banking channels, exercising caution with email transfers and phishing attempts, and monitoring account activities for unusual behavior. Complementing these efforts, posters and notices promoting scam awareness are displayed prominently in branches and on the SHBC website to facilitate better accessibility for Senior customers.

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.

By integrating cutting-edge technology with personalized support, Shinhan Bank Canada empowers Seniors to manage their finances securely, confidently, and independently while mitigating financial risks.

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

Shinhan Bank Canada is committed to prioritizing the needs of its Senior customers during any branch closure or relocation, ensuring minimal disruption and continued access to essential banking services. To achieve this, we have established a detailed Procedure for Branch Closure that emphasizes clear communication, proactive outreach, and support throughout the process.

In May 2025, we closed the Thornhill Branch in Ontario and relocated it to the North York Branch. In line with our commitment to Senior customers, we implemented a comprehensive framework to facilitate a seamless transition. This proactive approach included the following actions:

- **Four-month advance notice:** A minimum of four months' notice was provided to all customers, including Senior customers, ensuring ample time to adjust to the upcoming changes.
- **Pre-closure planning:** A dedicated Task Force Team was established to manage key activities, focusing on customer engagement and support to ensure a smooth transition. Key initiatives included client-calling programs to gather concerns and opinions, a toll-free phone line and web-based consultation channel for inquiries, and monthly in-branch information sessions during evenings or weekends to maximize accessibility for Seniors and all customers.
- **In-branch communication and support:** Visible signage was displayed in the Thornhill branch, ATMs, and other key areas well in advance of its closure. Staff were actively engaged to provide Senior customers with the necessary support and reassurance throughout the transition process.
- **Comprehensive digital updates:** Updates were shared via the Bank's website, social media platforms (Facebook, LinkedIn, and Instagram), email and text message communications to keep customers informed about the closure and next steps.
- **Information sessions:** In-branch sessions were organized to guide Senior customers through the new North York Branch facilities and to ensure they felt confident in using alternative banking channels.
- **Promoting online banking options:** To further support Seniors, information was provided on the convenience and security of digital banking services, encouraging them to take full advantage of these offerings.

By proactively notifying customers four months in advance and offering a range of supportive measures, Shinhan Bank Canada ensured a smooth and seamless transition for our Senior customers during the Thornhill Branch relocation. This approach reaffirms our commitment to

providing continuous, high-quality service to our Senior clientele while ensuring their ongoing access to banking services.

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

We are committed to transparency in our efforts to support Senior customers. The Bank will continue to publish an annual Seniors Code Report on our website at: <https://www.shinhan.ca/footer/legal/>, which outlines the steps taken to implement the principles of the Seniors Code and improve service delivery to Seniors. This report will be available within 135 days following the end of our financial year, and a copy will be provided to FCAC as required.

Shinhan Bank Canada is dedicated to ensuring that Seniors receive the highest level of service and support. We are committed to continuously improving our practices and policies in alignment with the Seniors Code. As we move into 2025, we will continue to prioritize the needs of our Senior customers and take action to ensure that our services are accessible, secure, and responsive to their unique requirements.