

SHINHAN FINANCIAL GROUP CO LTD

Form 6-K

February 22, 2011

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, DC 20549**

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER**

**Pursuant to Rule 13a-16 or 15d-16 of**

**the Securities Exchange Act of 1934**

**For the Month of February 2011**

**SHINHAN FINANCIAL GROUP CO., LTD.**

(Translation of registrant's name into English)

120, 2-Ga, Taepyung-Ro, Jung-Gu, Seoul 100-102, Korea

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will  
file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in  
paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in  
paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the  
information contained in this form is also thereby furnishing the  
information to the Commission pursuant to Rule 12g3-2(b) under the  
Securities Exchange Act of 1934.

Yes  No

If  Yes is marked, indicate below the file number assigned to the  
registrant in connection with Rule 12g3-2(b): 82-\_\_\_\_\_.

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Shinhan Financial Group  
120, 2-Ga, Taepyungro, Jung Gu,  
Seoul 100-102, Korea  
February 21, 2011

**Convocation Notice of the 10th Annual General Meeting of Shareholders**

To our Shareholders:

Notice is hereby given that the 10th Annual General Meeting of Shareholders of Shinhan Financial Group will be held as described hereunder and your attendance is cordially requested.

**Meeting Description**

- |                  |   |
|------------------|---|
| 1. Date and Time | March 23, 2011 10 A.M., Seoul time.   |
| 2. Place         | Auditorium, 20th floor, Shinhan Bank,<br>120, 2Ga, Taepyung-ro, Jung-gu, Seoul, Korea |

**Agendas to be voted on:**

- 1) Approval of Financial Statements (Statement of Financial Position, Statement of Income and Statement of Appropriation of Retained Earnings) for fiscal year 2010 (January 1, 2010~ December 31, 2010)
- 2) Approval of Revision to Articles of Incorporation
- 3) Approval of Director Remuneration Limit
- 4) Appointment of Directors (12 directors)
  - 4-1) Executive Director Candidate: Mr. Dong Woo Han
  - 4-2) Non-executive Director Candidate: Mr. Jin Won Suh
  - 4-3) Outside Director Candidate: Mr. Taeun Kwon
  - 4-4) Outside Director Candidate: Mr. Kee Young Kim
  - 4-5) Outside Director Candidate: Mr. Seok Won Kim
  - 4-6) Outside Director Candidate: Mr. Hoon Namkoong
  - 4-7) Outside Director Candidate: Mr. Jaekun Yoo
  - 4-8) Outside Director Candidate: Mr. Ke Sop Yun

- 4-9) Outside Director Candidate: Mr. Jung Il Lee
- 4-10) Outside Director Candidate: Mr. Sun Tae Hwang
- 4-11) Outside Director Candidate: Mr. Haruki Hirakawa
- 4-12) Outside Director Candidate: Mr. Philippe Aguinier
- 5) Appointment of Audit Committee Members (4 members)
- 5-1) Audit Committee Member Candidate: Mr. Taeun Kwon
- 5-2) Audit Committee Member Candidate: Mr. Seok Won Kim
- 5-3) Audit Committee Member Candidate: Mr. Ke Sop Yun
- 5-3) Audit Committee Member Candidate: Mr. Sun Tae Hwang

*For details of the agenda for the 10<sup>th</sup> Annual General Meeting of Shareholders, please visit our website <http://www.shinhangroup.co.kr/eng/main/main.html>*

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**Meeting Agendas**

**Agenda Item No. 1** Approval of Financial Statements (Statement of Financial Position, Statement of Income and Statement of Appropriation of Retained Earnings) for fiscal year 2010 (January 1, 2010 ~ December 31, 2010)

Please refer to Appendix A for financial statements of Shinhan Financial Group.

The dividends proposed by the Board of Directors for fiscal year 2010 is as follows

- 1) Dividend for Common Stocks: KRW 355,650 million  
(KRW 750 per share, 15% of par value and 1.45% of market price of Common Stock)
- 2) Dividend for Preferred Stocks: KRW 230,586 million
- 3) Total Dividend Amount: KRW 586,236 million

**Agenda Item No. 2** Approval of Revision to Articles of Incorporation

The following table sets forth a summary of the proposed amendments to the Articles of Incorporation;

| Current Provisions  | Proposed Amendments   | Remarks  |
|---|---|--|
| <b>Article 1 (omitted)</b>  | <b>Article 1 (not subject to amendment)</b>   |  |
| <b>Article 2 (Objectives)</b>   | <b>Article 2 (Objectives)</b>   |  |
| (1~3) (omitted)   | (1~3) (not subject to amendment)  |  |
| (4) To develop and sell joint products with its subsidiary, etc., and to <u>provide business support for the joint use of facility, computer system, etc. with its subsidiary, etc.</u>   | (4) To develop and sell joint products with its subsidiary, etc., and to <u>provide the necessary resources for the business operation of its subsidiary, etc.</u>  | To reflect the amendment to Article 11 of the Enforcement Decree of the Financial Holding Company Act relating to business objectives. |
| (new)   | (5) <u>To provide business support including computer, legal, accounting support, etc., entrusted by its subsidiary, etc.</u>   |  |
| (5) (omitted)   | (6) (not subject to amendment)  | To change paragraph number.  |
| <b>Article 3 ~ 23 (omitted)</b>   | <b>Article 3 ~ 23 (not subject to amendment)</b>  |  |
| <b>Article 24 (Authority to Convene)</b>  | <b>Article 24 (Authority to Convene)</b>  |  |
| (1) <u>The Representative Director-President</u> of the Company shall convene the General Meeting of Shareholders in accordance with resolution of the Board of Directors, unless otherwise prescribed by applicable laws and ordinances. | (1) <u>The Representative Director-Chairman</u> of the Company shall convene the General Meeting of Shareholders in accordance with resolution of the Board of Directors, unless otherwise prescribed by other laws and ordinances. | To reflect corporate governance structure change.  |
| (2) If <u>the Representative Director-President</u> is unable to perform his/her duties, the General Meeting of Shareholders shall be convened by a Director designated by the Board of Directors.  | (2) If <u>the Representative Director-Chairman</u> is unable to perform his/her duties, the General Meeting of Shareholders shall be convened by a Director designated by the Board of Directors.                                   |  |
| <b>Article 25~35 (omitted)</b>  | <b>Article 25~35 (not subject to amendment)</b>   |  |
| <b>Article 36 (Election of Director)</b>  | <b>Article 36 (Election of Director)</b>  |  |
| (1~2) (omitted)   | (1~2) (not subject to amendment)  |  |
| (3) (new)   | (3) <u>The Directors other than Outside Directors shall be recommended by the Board Steering Committee pursuant to Article 47 of these</u>  | To clarify the appointment process of the Directors other than Outside   |

Articles of Incorporation and elected Directors.  
at the General Meeting of  
Shareholders.

**Article 37 (omitted)**

**Article 37 (not subject to amendment)**

**Article 38 (Eligibility of Outside Director)**

**Article 38 (Eligibility of Outside Director)**

(1) (omitted)  
1. a professional manager (it being noted that an individual who is or was an executive officer or served at an equivalent or more senior position, of a company that is subject to external audit according to the Act on External Audit of Stock Companies or similar foreign laws, provided that, even if such company does not meet the above eligibility requirement, an individual who has worked for five or more years at a company meeting the minimum size requirements prescribed by the Outside Director Recommendation Committee shall be regarded as a professional manager);

(1) (not subject to amendment)  
1. a professional manager (it being noted that an individual who is or was an executive officer or served at an equivalent or more senior position, of a company that is subject to external audit according to the Act on External Audit of Stock Companies or similar foreign law, provided that, even if such company does not meet the above eligibility requirement, an individual who has worked for five or more years at a company meeting the minimum size requirements prescribed by the Outside Director Recommendation Committee equivalent or higher than an executive position shall be regarded as a professional manager);

To reflect recommendations from the FSS examination.

2.-8. (omitted)

2.-8. (not subject to amendment)

(2) (omitted)

(2) (not subject to amendment)

**Article 39 (omitted)**

**Article 39 (not subject to amendment)**

**Article 40 (Appointment of Representative Director,**  
**et al.)**

**Article 40 (Appointment of Representative Director,**  
**et al.)**

| Current Provisions  | Proposed Amendments  | Remarks  |
|---|--|--|
| <p>The Company <u>may appoint one Representative Director-Chairman and one Representative Director-President</u>, by resolution of the Board of Directors.</p>  | <p>The Company <u>shall appoint one Representative Director-Chairman</u>, by resolution of the Board of Directors.</p>   | <p>To reflect changes in the corporate governance structure.</p> |
| <b>Article 41 (Duties of Directors)</b>   | <b>Article 41 (Duties of Directors)</b>  |  |
| <p>(1) The Representative Director-Chairman shall represent the Company <u>and shall oversee the business operations of the Company</u>.</p>  | <p>(1) The Representative Director-Chairman shall represent the Company, <u>perform the matters resolved by the Board of Directors and oversee the business operations of the Company as determined by the Board of Directors</u>.</p>   | <p>To reflect changes in the corporate governance structure.</p> |
| <p>(2) <u>The Representative Director-Presidents shall also represent the Company and shall perform the matters resolved by the Board of Directors and oversee the business operations of the Company as determined by the Board of Directors</u>.</p>  | <p>(2) (deleted)</p>   | <p>To reflect changes in the corporate governance structure.</p> |
| <p>(3) (omitted)</p>  | <p>(2) (not subject to amendment)</p>  |  |
| <b>Article 42 (omitted)</b>   | <b>Article 42 (not subject to amendment)</b>   |  |
| <b>Article 43 (Composition and Convening of the</b>   | <b>Article 43 (Composition and Convening of the</b>  |  |
| <b>Meeting of Board of Directors)</b>   | <b>Meeting of Board of Directors)</b>  |  |
| <p>(1~2) (omitted)</p> <p>(3) The Meeting of the Board of Directors shall be convened by <u>the Representative Director-Chairman of the Director designated by the Board of Directors (if any)</u> by giving notice to each Director at least seven (7) days prior to the scheduled date of such Meeting. However, such period may be reduced upon occurrence of urgent events, and the said procedures may be omitted with the consent thereon of all Directors.</p> | <p>(1~2) (not subject to amendment)</p> <p>(3) The Meeting of the Board of Directors shall be convened by <u>the Chairman of Board of Directors</u> by giving notice to each Director at least seven (7) days prior to the scheduled date of such Meeting. However, such period may be reduced upon occurrence of urgent events, and the said procedures may be omitted with the consent thereon of all Directors.</p> | <p>To reflect changes in the corporate governance structure.</p> |
| <b>Article 44~53 (omitted)</b>  | <b>Article 44~53 (not subject to amendment)</b>  |  |

**Article 54 (Preparation and Maintenance of Financial Statements and Business Reports)**

- (1) The Representative Director-President of the Company shall prepare the following documents to be submitted to the Ordinary General Meeting of Shareholders, together with supplementary data and business reports, and have such documents audited by the Audit Committee no later than six (6) weeks before the date of the Ordinary General Meeting of Shareholders:
- (a~c) (omitted)
- (2) The Audit Committee shall submit an audit report to the Representative Director-President no later than one (1) week before the date of the Ordinary General Meeting of Shareholders.
- (3) The Representative Director-President shall keep file copies of the documents described in Paragraph (1) above, together with the business report and Audit Committee's audit report thereon, at the head office of the Company for five (5) years, and certified copies of all of such documents at the branches of the Company for three (3) years, beginning from one (1) week before the date of the Ordinary General Meeting of Shareholders.
- (4) Immediately upon obtaining the approval for the documents mentioned in Paragraph (1) above from the General Meeting of Shareholders, the Representative Director-President shall make a public notice of the balance sheet, income statement, consolidated balance sheet and income statement pursuant to the Act on External Audit of Stock Companies and the opinion of an external auditor. In doing so, notwithstanding the provisions of Article 4, the Company may use the means of electronic document as prescribed by Article 55.2 of the

**Article 54 (Preparation and Maintenance of Financial Statements and Business Reports)**

- (1) The Representative Director-Chairman of the Company shall prepare the following documents to be submitted to the Ordinary General Meeting of Shareholders, together with supplementary data and business reports, and have such documents audited by the Audit Committee no later than six (6) weeks before the date of the Ordinary General Meeting of Shareholders:
- (a~c) (not subject to amendment)
- The Audit Committee shall submit an audit report to the Representative Director-Chairman no later than one (1) week before the date of the Ordinary General Meeting of Shareholders.
- (3) The Representative Director-Chairman shall keep file copies of the documents described in Paragraph (1) above, together with the business report and Audit Committee's audit report thereon, at the head office of the Company for five (5) years, and certified copies of all of such documents at the branches of the Company for three (3) years, beginning from one (1) week before the date of the Ordinary General Meeting of Shareholders.
- (4) Immediately upon obtaining the approval for the documents mentioned in Paragraph (1) above from the General Meeting of Shareholders, the Representative Director-Chairman shall make a public notice of the balance sheet, income statement, consolidated balance sheet and income statement pursuant to the Act on External Audit of Stock Companies and the opinion of an external auditor. In doing so, notwithstanding the provisions of Article 4, the Company may use the means of electronic document as prescribed by Article 55.2 of the

To reflect changes in the corporate governance structure.

Financial Holding Company Act.

Financial Holding Company Act.

**Article 55~60 (omitted)**

**Article 55~60 (not subject to amendment)**

**(new)**

**Addenda 8**

Article 1 (Effective Date) These Articles of Incorporation shall become effective as of March 23, 2011.

**Agenda Item No.3 Approval of Director Remuneration Limit**

KRW 6.0 billion is proposed as the maximum amount of aggregate remuneration that may be disbursed to the 12 directors, including 10 outside directors, of the Company for fiscal year 2011. For your reference the limitation for fiscal year 2010 for 12 directors, including 8 outside directors, was KRW 8.5 billion.

Additionally, 71,000 performance shares are proposed to be granted as the maximum aggregate amount of shares that may be disbursed from April 2, 2010 to December 31, 2013 to the directors of Shinhan Financial Group as long-term incentives over the term of their office. The approval and ratification of awards, performance measure and allocation for these performance shares will be delegated to the Board of Directors.

**Agenda Item No. 4 Appointment of Directors (12 directors)**

Agenda Item No.4-1 Executive Director Candidate Mr. Dong Woo Han

- |    |  |   |
|----|--|---|
| 1. | Date of Birth  | November 10, 1948   |
| 2. | Nominator  | Board Steering Committee                                  |
| 3. | Relation to the largest shareholder                      | None  |
| 4. | Business transaction with SFG during the last 3 years    | None  |
| 5. | Term of Office   | From Mar.23, 2011 until the 13 <sup>th</sup> AGM (3 year) |
| 6. | Current Position   |   |
| 7. | New Appointment  | Yes   |
|    | 7-1 If incumbent, prior year BoD meeting attendance rate | N.A.  |
| 8. | Education  | LL.B., College of Law, Seoul National University          |
| 9. | Main Work Experience                                     |   |
|    | 2007 - 2009  | Vice Chairman, Shinhan Life Insurance                     |
|    | 2002   | Chief Executive Officer, Shinhan Life Insurance           |
|    | 1999   | Vice President, Shinhan Bank                              |
|    | 1995   | Managing Director, Shinhan Bank                           |
|    | 1993   | Director, Shinhan Bank                                    |
|    | 1987   | Head of Human Resources, Shinhan Bank                     |
|    | 1986   | General Manager, Jong-No Branch, Shinhan Bank             |
|    | 1983   | Head of Planning & Coordination, Shinhan Bank             |
|    | 1982   | Founding Staff Member of Shinhan Bank                     |
|    | 1977   | Joined Korea Credit Guarantee Fund                        |
|    | 1971   | Joined Korea Trust Bank                                   |

Agenda Item No.4-2 Non-executive Director Candidate

Mr. Jin Won Suh

- |    |  |  |
|----|--|--|
| 1. | Date of Birth  | April 20, 1951   |
| 2. | Nominator  | Board Steering Committee   |
| 3. | Relation to the largest shareholder                      | None   |
| 4. | Business transaction with SFG during the last 3 years    | None   |
| 5. | Term of Office   | From Mar.23, 2011 until the 11 <sup>th</sup> AGM (1 year)          |
| 6. | Current Position   | President & CEO of Shinhan Bank                                    |
| 7. | New Appointment  | Yes  |
|    | 7-1 If incumbent, prior year BoD meeting attendance rate | N.A.   |
| 8. | Education  | BA in Historical Science, Korea University                         |
| 9. | Main Work Experience                                     |  |
|    | 2010 - current   | President & CEO, Shinhan Bank                                      |
|    | 2007   | Chief Executive Officer, Shinhan Life Insurance                    |
|    | 2006   | Deputy President, Shinhan Financial Group                          |
|    | 2004   | Deputy President, Shinhan Bank                                     |
|    | 2002   | Deputy Head of the Retail Banking Division, Shinhan Bank           |
|    | 2000   | General Manager, Human Resource Department, Shinhan Bank           |
|    | 1997   | General Manager, Information & Technology Department, Shinhan Bank |
|    | 1995   | General Manager, Pohang Branch                                     |
|    | 1993   | General Manager, Myeonmuk-Dong Branch                              |
|    | 1991   | General Manager, Personnel Training Office, Shinhan Bank           |
|    | 1983   | Joined Shinhan Bank  |

Agenda Item No.4-3 Outside Director Candidate

Mr. Taeun Kwon

- |    |  |  |
|----|--|--|
| 1. | Date of Birth  | January 29, 1941   |
| 2. | Nominator  | Outside Director Recommendation Committee  |
| 3. | Relation to the largest shareholder                      | None   |
| 4. | Business transaction with SFG during the last 3 years    | None   |
| 5. | Term of Office   | From Mar.23, 2011 until the 12 <sup>th</sup> AGM (2 year)  |
| 6. | Current Position   | Professor, Nagoya University of Foreign Studies  |
| 7. | New Appointment  | Yes  |
|    | 7-1 If incumbent, prior year BoD meeting attendance rate | N.A.   |
| 8. | Education  | Ph.D. in Business Administration, Nanzan University  |
| 9. | Main Work Experience                                     |  |
|    | 2010 - current   | Dean, Department of Global Business, School of Contemporary International Studies, Nagoya University of Foreign Studies      |
|    | 1983 - 2010  | Chief Executive Officer, Nam Bu Ham Co., Ltd   |
|    | 1997 - 2009  | Committee member, Korean Residents Union HQ in Japan   |
|    | 1991 - 2008  | Counsel and Director, Korea Education Foundation   |
|    | 2004   | Professor, Department of Global Business, School of Contemporary International Studies, Nagoya University of Foreign Studies |

Agenda Item No.4-4 Outside Director Candidate

Mr. Kee Young Kim

- |    |  |   |
|----|--|---|
| 1. | Date of Birth  | October 7, 1937   |
| 2. | Nominator  | Outside Director Recommendation Committee                                       |
| 3. | Relation to the largest shareholder                      | None  |
| 4. | Business transaction with SFG during the last 3 years    | None  |
| 5. | Term of Office   | From Mar.23, 2011 until the 12 <sup>th</sup> AGM (2 year)                       |
| 6. | Current Position   | President, Kwangwoon University   |
| 7. | New Appointment  | Yes   |
|    | 7-1 If incumbent, prior year BoD meeting attendance rate | N.A.  |
| 8. | Education  | Ph.D in Business Administration, Washington University                          |
| 9. | Main Work Experience                                     |   |
|    | 2009 - current   | President, Kwangwoon University   |
|    | 2004 - 2009  | Outside Director, GS Holdings Corp.   |
|    | 2003   | Outside Director, KTB Networks, currently KTB Investment & Securities Co., Ltd. |
|    | 2000   | Dean, Graduate School of Information, Yonsei University                         |
|    | 1979 - 2003  | Professor, School of Business, Yonsei University                                |

Agenda Item No.4-5 Outside Director Candidate

Mr. Seok Won Kim

- |    |  |   |
|----|--|---|
| 1. | Date of Birth  | April 29, 1947  |
| 2. | Nominator  | Outside Director Recommendation Committee                 |
| 3. | Relation to the largest shareholder                      | None  |
| 4. | Business transaction with SFG during the last 3 years    | None  |
| 5. | Term of Office   | From Mar.23, 2011 until the 12 <sup>th</sup> AGM (2 year) |
| 6. | Current Position   | Chairman, Credit Information Companies Association        |
| 7. | New Appointment  | Yes   |
|    | 7-1 If incumbent, prior year BoD meeting attendance rate | N.A.  |
| 8. | Education  | Ph.D. in Economics, Kyung Hee University                  |
| 9. | Main Work Experience                                     |   |
|    | 2009 - current   | Chairman, Credit Information Companies Association        |
|    | 2006 - 2009  | Chairman, Korea Federation of Savings Banks               |
|    | 2005   | Outside Director, Woori Bank                              |
|    | 2002 - 2005  | Vice President, Korea Deposit Insurance Corporation       |
|    | 1999 - 2001  | Head of the Korea-OECD Multilateral Tax Center            |

|   |  |   |
|---|--|---|
| Agenda Item No.4-6 Outside Director Candidate |  | <u>Mr. Hoon Namkoong</u>  |
| 1.  | Date of Birth  | June 26, 1947   |
| 2.  | Nominator  | Outside Director Recommendation Committee                             |
| 3.  | Relation to the largest shareholder                      | None  |
| 4.  | Business transaction with SFG during the last 3 years    | None  |
| 5.  | Term of Office   | From Mar.23, 2011 until the 12 <sup>th</sup> AGM (2 year)             |
| 6.  | Current Position   | Outside Director, Samsung Electro-Magnetics Co., Ltd                  |
| 7.  | New Appointment  | Yes   |
|   | 7-1 If incumbent, prior year BoD meeting attendance rate | N.A.  |
| 8.  | Education  | M.A. in public administration from University of Wisconsin at Madison |
| 9.  | Main Work Experience                                     |   |
|   | 2009 - current   | Outside Director, KORAMCO (Korea Real Asset Management Company)       |
|   | 2005 - current   | Outside Director, Samsung Electro-Magnetics Co., Ltd                  |
|   | 2005 - 2008  | Chairman, Korea Life Insurance Association                            |
|   | 2000 - 2004  | Member, Monetary Policy Committee, Bank of Korea                      |
|   | 1999 - 2000  | Chairman and President, Korea Deposit Insurance Corporation           |

*Mr. Hoon Namkoong has been serving as an Outside Director for Samsung Electro-Magnetics from February 2005. Prior to Shinhan Financial Group's FY 2010 Annual General Meeting of Shareholders, Mr. Namkoong plans to resign the Outside Director seat of Samsung Electro-Magnetics.*

|   |  |   |
|---|--|---|
| Agenda Item No.4-7 Outside Director Candidate |  | <u>Mr. Jaekun Yoo</u>                                     |
| 1.  | Date of Birth  | August 24, 1941   |
| 2.  | Nominator  | Outside Director Recommendation Committee                 |
| 3.  | Relation to the largest shareholder                      | None  |
| 4.  | Business transaction with SFG during the last 3 years    | None  |
| 5.  | Term of Office   | From Mar.23, 2011 until the 12 <sup>th</sup> AGM (2 year) |
| 6.  | Current Position   | Chairman, Sankeihonsha Co., Ltd.                          |
| 7.  | New Appointment  | Yes   |
|   | 7-1 If incumbent, prior year BoD meeting attendance rate | N.A.  |
| 8.  | Education  |   |
| 9.  | Main Work Experience                                     |   |
|   | 2003   | Non-executive Director, Shinhan Financial Group           |
|   | 1997 - 2003  | Chairman of Korean-Japanese Chamber of Commerce in Tokyo  |
|   | 1998   | Non-executive Director, Shinhan Bank                      |

Agenda Item No.4-8 Outside Director Candidate

Mr. Ke Sop Yun

- |    |  |   |
|----|--|---|
| 1. | Date of Birth  | May 20, 1945  |
| 2. | Nominator  | Outside Director Recommendation Committee   |
| 3. | Relation to the largest shareholder                      | None  |
| 4. | Business transaction with SFG during the last 3 years    | None  |
| 5. | Term of Office   | From Mar.23, 2011 until the 11 <sup>th</sup> AGM (1 year)                         |
| 6. | Current Position   | Emeritus Professor, College of Business Administration, Seoul National University |
| 7. | New Appointment  | No  |
|    | 7-1 If incumbent, prior year BoD meeting attendance rate | 100% (attended all 8 BoD meetings held in FY 2010)                                |
| 8. | Education  | Ph.D in Business Administration, Seoul National University                        |
| 9. | Main Work Experience                                     |   |
|    | 2001 - current   | Chairman, Seoul Economist Club  |
|    | 1999 - 2001  | Dean, College of Business Administration, Seoul National University               |
|    | 1997 - 1998  | Exchange professor of London Graduate School, England(LBS)                        |
|    | 1997   | Member, Financial Renovation Committee  |

Agenda Item No.4-9 Outside Director Candidate

Mr. Jung Il Lee

- |    |  |   |
|----|--|---|
| 1. | Date of Birth  | August 28, 1952   |
| 2. | Nominator  | Outside Director Recommendation Committee                 |
| 3. | Relation to the largest shareholder                      | None  |
| 4. | Business transaction with SFG during the last 3 years    | None  |
| 5. | Term of Office   | From Mar.23, 2011 until the 11 <sup>th</sup> AGM (1 year) |
| 6. | Current Position   | CEO, Hirakawa Shoji Co., Ltd.                             |
| 7. | New Appointment  | Yes   |
|    | 7-1 If incumbent, prior year BoD meeting attendance rate | N.A.  |
| 8. | Education  | BA in Political Science & Economics, Meiji University     |
| 9. | Main Work Experience                                     |   |
|    | 2009   | Outside Director, Shinhan Financial Group                 |
|    | 1990   | CEO, Hirakawa Shoji Co., Ltd                              |

Agenda Item No.4-10 Outside Director Candidate

Mr. Sun Tae Hwang

- |    |  |   |
|----|--|---|
| 1. | Date of Birth  | October 11, 1948  |
| 2. | Nominator  | Outside Director Recommendation Committee                     |
| 3. | Relation to the largest shareholder                      | None  |
| 4. | Business transaction with SFG during the last 3 years    | None  |
| 5. | Term of Office   | From Mar.23, 2011 until the 12 <sup>th</sup> AGM (2 year)     |
| 6. | Current Position   | Of Counsel, LOGOS Law, LLC                                    |
| 7. | New Appointment  | Yes   |
|    | 7-1 If incumbent, prior year BoD meeting attendance rate | N.A.  |
| 8. | Education  | LL.M, Graduate School of Law, Seoul National University       |
| 9. | Main Work Experience                                     |   |
|    | 2005 - 2010  | Representative Attorney, LOGOS Law, LLC                       |
|    | 2004 - 2005  | Chief Prosecutor, Seoul Eastern District Prosecutors Office   |
|    | 2003 - 2004  | Chief Prosecutor, Kwangju District Prosecutors Office         |
|    | 2002 - 2003  | Chief Prosecutor, Daejeon District Prosecutors Office         |
|    | 2001 - 2002  | Head of the Inspection Department, Supreme Prosecutors Office |
|    | 2000 - 2001  | Chief Prosecutor, Cheonju District Prosecutors Office         |

Agenda Item No.4-11 Outside Director Candidate

Mr. Haruki Hirakawa

- |    |  |   |
|----|--|---|
| 1. | Date of Birth  | November 7, 1964  |
| 2. | Nominator  | Outside Director Recommendation Committee                 |
| 3. | Relation to the largest shareholder                      | None  |
| 4. | Business transaction with SFG during the last 3 years    | None  |
| 5. | Term of Office   | From Mar.23, 2011 until the 11 <sup>th</sup> AGM (1 year) |
| 6. | Current Position   | CEO, Kokusai Kaihatsu Co., Ltd                            |
| 7. | New Appointment  | Yes   |
|    | 7-1 If incumbent, prior year BoD meeting attendance rate | N.A.  |
| 8. | Education  | BA in Political Science & Economics, Kinki University     |
| 9. | Main Work Experience                                     |   |
|    | 2008   | CEO, Kokusai Kaihatsu Co., Ltd                            |
|    | 2006   | CEO, Shinei Shoji Co., Ltd                                |
|    | 1994   | CEO, Hirakawa Shoji Co., Ltd                              |

Agenda Item No.4-12 Outside Director Candidate

Mr. Philippe Aguinier

- |    |  |   |
|----|--|---|
| 1. | Date of Birth  | September 26, 1957  |
| 2. | Nominator  | Outside Director Recommendation Committee                                     |
| 3. | Relation to the largest shareholder                      | Employee  |
| 4. | Business transaction with SFG during the last 3 years    | None  |
| 5. | Term of Office   | From Mar.23, 2011 until the 11 <sup>th</sup> AGM (1 year)                     |
| 6. | Current Position   | Head of Retail Banking for Asia, BNP Paribas                                  |
| 7. | New Appointment  | No  |
|    | 7-1 If incumbent, prior year BoD meeting attendance rate | 100% (attended all 8 BoD meetings held in FY 2010)                            |
| 8. | Education  | Ph.D in Far Eastern Studies, Universite Paris III (Inalco)                    |
| 9. | Main Work Experience                                     |   |
|    | 2010 - current   | Head of Retail Banking for Asia, BNP Paribas                                  |
|    | 2006 - 2009  | Vice-President, Bank of Nanjing Head of Retail Banking for China, BNP Paribas |
|    | 2002 - 2006  | Head, BNP Paribas Group Investor Relations and Financial Information          |

**Agenda Item No. 5** Appointment of Audit Committee Members (3 members)

Among the nominated outside director candidates, Messrs. Taeun Kwon, Seok Won Kim, Ke Sop Yun and Sun Tae Hwang were recommended as candidates of Audit Committee Members for FY 2011 through the resolution of the Audit Committee Member Recommendation Committee.

20

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Agenda Item No.5-1 Audit Committee Member Candidate

Mr. Taeun Kwon

- |    |   |  |
|----|---|--|
| 1. | Date of Birth   | January 29, 1941   |
| 2. | Nominator   | Audit Committee Member Recommendation Committee  |
| 3. | Relation to the largest shareholder                   | None   |
| 4. | Business transaction with SFG during the last 3 years | None   |
| 5. | Term of Office  | From Mar.23, 2011 until the 11 <sup>th</sup> AGM (1 year)  |
| 6. | Current Position                                      | Professor, Nagoya University of Foreign Studies  |
| 7. | Education   | Ph.D. in Business Administration, Nanzan University  |
| 8. | Main Work Experience                                  |  |
|    | 2010 - current  | Dean, Department of Global Business, School of Contemporary International Studies, Nagoya University of Foreign Studies      |
|    | 1983 - 2010   | Chief Executive Officer, Nam Bu Ham Co., Ltd   |
|    | 1997 - 2009   | Committee member, Korean Residents Union HQ in Japan   |
|    | 1991 - 2008   | Counsel and Director, Korea Education Foundation   |
|    | 2004  | Professor, Department of Global Business, School of Contemporary International Studies, Nagoya University of Foreign Studies |

Agenda Item No.5-2 Audit Committee Member Candidate

Mr. Seok Won Kim

1. Date of Birth April 29, 1947
  2. Nominator Audit Committee Member Recommendation Committee
  3. Relation to the largest shareholder None
  4. Business transaction with SFG during the last 3 years None
  5. Term of Office From Mar.23, 2011 until the 11<sup>th</sup> AGM (1 year)
  6. Current Position Chairman, Credit Information Companies Association
  7. Education Ph.D. in Economics, Kyung Hee University
  8. Main Work Experience
    - 2009 - current Chairman, Credit Information Companies Association
    - 2006 - 2009 Chairman, Korea Federation of Savings Banks
    - 2005 Outside Director, Woori Bank
    - 2002 - 2005 Vice President, Korea Deposit Insurance Corporation
    - 1999 - 2001 Head of the Korea-OECD Multilateral Tax Center
-

Agenda Item No.5-3 Audit Committee Member Candidate

Mr. Ke Sop Yun

- |    |   |   |
|----|---|---|
| 1. | Date of Birth   | May 20, 1945  |
| 2. | Nominator   | Audit Committee Member Recommendation Committee                                   |
| 3. | Relation to the largest shareholder                   | None  |
| 4. | Business transaction with SFG during the last 3 years | None  |
| 5. | Term of Office  | From Mar.23, 2011 until the 11 <sup>th</sup> AGM (1 year)                         |
| 6. | Current Position                                      | Emeritus Professor, College of Business Administration, Seoul National University |
| 7. | Education   | Ph.D in Business Administration, Seoul National University                        |
| 8. | Main Work Experience                                  |   |
|    | 2001 - current  | Chairman, Seoul Economist Club  |
|    | 1999 - 2001   | Dean, College of Business Administration, Seoul National University               |
|    | 1997 - 1998   | Exchange professor of London Graduate School, England(LBS)                        |
|    | 1997  | Member, Financial Renovation Committee  |

Agenda Item No.5-4 Audit Committee Member Candidate

Mr. Sun Tae Hwang

- |    |   |   |
|----|---|---|
| 1. | Date of Birth   | October 11, 1948  |
| 2. | Nominator   | Audit Committee Member Recommendation Committee               |
| 3. | Relation to the largest shareholder                   | None  |
| 4. | Business transaction with SFG during the last 3 years | None  |
| 5. | Term of Office  | From Mar.23, 2011 until the 11 <sup>th</sup> AGM (1 year)     |
| 6. | Current Position                                      | Of Counsel, LOGOS Law, LLC                                    |
| 7. | Education   | LL.M, Graduate School of Law, Seoul National University       |
| 8. | Main Work Experience                                  |   |
|    | 2005 - 2010   | Representative Attorney, LOGOS Law, LLC                       |
|    | 2004 - 2005   | Chief Prosecutor, Seoul Eastern District Prosecutors Office   |
|    | 2003 - 2004   | Chief Prosecutor, Kwangju District Prosecutors Office         |
|    | 2002 - 2003   | Chief Prosecutor, Daejeon District Prosecutors Office         |
|    | 2001 - 2002   | Head of the Inspection Department, Supreme Prosecutors Office |
|    | 2000 - 2001   | Chief Prosecutor, Cheonju District Prosecutors Office         |

**Additional Information**

1. Number and Classification of Voting Shares

The record date for exercising voting rights at the Annual General Meeting of Shareholders is December 31, 2010. As of the record date, there were 474,199,587 shares outstanding, all of which are valid shares for voting.

2. Method of Resolutions

Pursuant to the provisions of the Commercial Code, Agenda Item No. 1, 3, 4 and 5 shall be passed by a majority of the votes cast by the shareholders present at the meeting and at least one-fourth of the total shares that are entitled to vote. Agenda Item No. 2 shall be passed by at least two-thirds of the votes cast by the shareholders present at the meeting and at least one-third of total shares entitled to vote.

25

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**Appendix A. Financial Statements of Shinhan Financial Group****1) Statement of Financial Position****Non-Consolidated Statement of Financial Position**

December 31, 2010 and December 31, 2009

(In millions of KRW)

**Assets**

|  |         |                   |         |                   |
|--|---------|-------------------|---------|-------------------|
| I. Cash and Due from Banks             |         | 861,284           |         | 429,825           |
| 1. Due from Banks                      |         | 861,284           |         | 429,825           |
| II. Securities                         |         | 27,024,517        |         | 25,035,976        |
| 1. Equity Method Investment Securities |         | 27,024,517        |         | 25,035,976        |
| III. Loans                             |         | 1,447,725         |         | 1,567,125         |
| Allowance for Loan Losses              |         | (7,275)           |         | (7,875)           |
| 1. Loans in Won                        |         | 1,455,000         |         | 1,575,000         |
| IV. Premises and Equipment             |         | 1,488             |         | 1,191             |
| 1. Equipment                           | 2,018   |                   | 1,673   |                   |
| Accumulated Depreciation               | (1,603) | 415               | (1,410) | 263               |
| 2. Others                              | 3,721   |                   | 3,169   |                   |
| Accumulated Depreciation               | (2,648) | 1,073             | (2,241) | 928               |
| V. Other Assets                        |         | 281,656           |         | 86,589            |
| Allowance for Losses                   |         | (1,324)           |         | (375)             |
| 1. Guarantee Deposits                  |         | 12,474            |         | 8,974             |
| 2. Software                            |         | 1,823             |         | 2,493             |
| 3. Accounts Receivable                 |         | 241,651           |         | 51,358            |
| 4. Accrued Income                      |         | 7,822             |         | 8,738             |
| 5. Advance Payments                    |         |                   |         | 10                |
| 6. Prepaid Expenses                    |         | 680               |         | 11,567            |
| 7. Deferred Tax Asset                  |         | 4,080             |         |                   |
| 8. Derivative Assets                   |         | 9,127             |         |                   |
| 9. Sundry Assets                       |         | 5,323             |         | 3,824             |
| <b>Total Assets</b>                    |         | <b>29,616,670</b> |         | <b>27,120,706</b> |

**Liabilities**

|                      |           |           |           |           |
|----------------------|-----------|-----------|-----------|-----------|
| I. Borrowings        |           | 6,586,104 |           | 6,267,318 |
| 1. Borrowings in Won |           | 5,000     |           | 674,000   |
| 2. Debentures in Won | 6,370,000 |           | 5,400,000 |           |

|  |          |                   |         |                   |
|--|----------|-------------------|---------|-------------------|
| Discounts  | (12,223) | 6,357,777         | (8,263) | 5,391,737         |
| 3. Debentures in Foreign Currency                            | 223,533  |                   | 202,051 |                   |
| Discounts  | (206)    | 223,327           | (470)   | 201,581           |
| II. Other Liabilities  |          | 305,813           |         | 125,027           |
| 1. Taxes Withheld  |          | 3,076             |         | 2,516             |
| 2. Dividends Payable   |          | 2,920             |         | 2,631             |
| 3. Accounts Payable  |          | 4,287             |         | 5,056             |
| 4. Accrued Expenses  |          | 128,516           |         | 98,875            |
| 5. Unearned Revenues   |          | 111               |         | 122               |
| 6. Income Taxes Payable                                      |          | 165,871           |         |                   |
| 7. Accrued Severance Benefits                                | 5,163    |                   | 3,741   |                   |
| Deposits with Insurance Company for<br>Severance Benefits    |          |                   | (2,300) |                   |
| 8. Pension for Retirement and Severance<br>Benefits          | (4,131)  | 1,032             |         | 1,441             |
| 9. Derivative Liabilities                                    |          |                   |         | 14,386            |
| Total Liabilities  |          | 6,891,917         |         | 6,392,345         |
| <b>Stockholders Equity</b>                                   |          |                   |         |                   |
| I. Capital Stock   |          | 2,852,473         |         | 2,852,473         |
| 1. Common Stock  |          | 2,370,998         |         | 2,370,998         |
| 2. Preferred Stock   |          | 481,475           |         | 481,475           |
| II. Capital Surplus  |          | 9,924,851         |         | 9,924,852         |
| 1. Paid-in Capital in excess of Par Value                    |          | 9,533,986         |         | 9,533,986         |
| 2. Other Capital Surplus                                     |          | 390,865           |         | 390,866           |
| III. Capital Adjustment                                      |          | (390,916)         |         | (417,142)         |
| 1. Other   |          | (390,916)         |         | (417,142)         |
| IV. Accumulated Other Comprehensive<br>Income                |          | 1,382,007         |         | 1,182,574         |
| 1. Unrealized Gain on Equity Method<br>Accounted Investments |          | 1,387,986         |         | 1,194,265         |
| 2. Unrealized Loss on Equity Method<br>Accounted Investments |          | (4,277)           |         | (7,414)           |
| 3. Valuation Loss on Derivatives                             |          | (1,702)           |         | (4,277)           |
| V. Retained Earnings   |          | 8,956,338         |         | 7,185,604         |
| 1. Legal Reserve   |          | 1,152,507         |         | 1,021,878         |
| 2. Unappropriated Retained Earnings                          |          | 7,803,831         |         | 6,163,726         |
| Total Stockholders Equity                                    |          | 22,724,753        |         | 20,728,361        |
| <b>Total Liabilities and Stockholders<br/>Equity</b>         |          | <b>29,616,670</b> |         | <b>27,120,706</b> |

**1) Income Statements**

**Non-Consolidated Statements of Income**  
Year ended December 31, 2010 and December 31, 2009  
(In millions of KRW)

|  | For the year ended<br>December 31, 2010 | For the year ended<br>December 31, 2009 |
|--|---|---|
| I. Operating Revenues                                | 2,820,008                               | 1,800,354                               |
| (1) Gain from Equity Method Accounted<br>Investments | 2,572,884                               | 1,511,064                               |
| (2) Interest Income                                  | 104,359                                 | 138,472                                 |
| 1. Interest on Due from Banks                        | 12,025                                  | 18,584                                  |
| 2. Interest on Loans                                 | 92,334                                  | 119,888                                 |
| (3) Royalty  | 121,283                                 | 136,025                                 |
| (4) Gain on Foreign Currency Transaction             |   | 10,818                                  |
| (5) Gain on Derivatives Trading                      | 21,482                                  |   |
| (6) Other Operating Revenues                         |   | 3,975                                   |
| 1.Reversal of Allowance for Possible Loan Losses     |   | 3,975                                   |
| II. Operating Expenses                               | 442,487                                 | 504,176                                 |
| (1) Loss from Equity Method Accounted<br>Investments | 345                                     | 244                                     |
| (2) Interest Expenses                                | 341,604                                 | 421,627                                 |
| 1. Interest on Borrowings                            | 12,891                                  | 64,518                                  |
| 2. Interest on Debentures                            | 328,713                                 | 357,109                                 |
| (3) Loss on Foreign Currency Transaction             | 21,482                                  |   |
| (4) Loss on Derivatives Trading                      |   | 10,818                                  |
| (5) Commission Expenses                              | 201                                     | 340                                     |
| (6) Administrative Expenses                          | 78,855                                  | 71,147                                  |
| 1. Salaries  | 28,187                                  | 26,479                                  |
| 2. Retirement Benefits                               | 1,475                                   | 1,425                                   |
| 3. Employee Benefits                                 | 2,848                                   | 1,797                                   |
| 4. Rent  | 1,526                                   | 1,164                                   |
| 5. Entertainment                                     | 1,710                                   | 1,387                                   |
| 6. Depreciation                                      | 650                                     | 460                                     |
| 7. Amortization on Intangible Assets                 | 731                                     | 433                                     |
| 8. Bad Debt Expense                                  | 349                                     |   |

|  | For the year ended<br>December 31, 2010 |           | For the year ended<br>December 31, 2009 |           |
|--|---|-----------|---|-----------|
| 9. Taxes and Dues  | 630                                     |           | 609                                     |           |
| 10. Advertising  | 26,186                                  |           | 18,788                                  |           |
| 11. Commissions  | 10,754                                  |           | 15,570                                  |           |
| 12. Other expenses   | 3,809                                   |           | 3,035                                   |           |
| III. Operating Income  |   | 2,377,521 |   | 1,296,178 |
| IV. Non-Operating Income   |   | 937       |   | 11,131    |
| (1) Gain on Disposition of Equity Method<br>Accounted Investments  |   |           | 10,509                                  |           |
| (2) Gain on Sale of Premises and Equipment                         | 1                                       |           | 40                                      |           |
| (3) Miscellaneous  | 936                                     |           | 582                                     |           |
| V. Non-Operating Expenses  |   | 811       |   | 1,030     |
| (1) Loss on Deposition of Equity Method of<br>Accounted Investment |   |           |   |           |
| (2) Loss on Sale of Premises and Equipment                         | 1                                       |           | 2                                       |           |
| (3) Contribution   | 799                                     |           | 631                                     |           |
| (4) Miscellaneous  | 11                                      |           | 397                                     |           |
| VI. Income Before Income Tax Expenses                              |   | 2,377,647 |   | 1,306,279 |
| VII. Income Tax Benefits   |   | 3,537     |   | 13        |
| VIII. Net Income for Year  |   | 2,381,184 |   | 1,306,292 |
| IX. Earnings per Share   |   |           |   |           |
| (1) Basic Earnings per Share                                       |   | KRW 4,525 |   | KRW 2,305 |
| (2) Diluted Earnings per Share                                     |   | KRW 4,445 |   | KRW 2,292 |

**3) Statements of Appropriations of Retained Earnings****Non-Consolidated Statements of Appropriations of Retained Earnings (Draft)**

Year ended December 31, 2010 and December 31, 2009

(In millions of KRW)

|   | Year ended<br>December 31, 2010 | Year ended<br>December 31, 2009 |
|---|---------------------------------|---------------------------------|
| I. Unappropriated Retained Earnings                                   | 7,803,831                       | 6,163,727                       |
| 1. Unappropriated Retained Earnings carried over from prior years     | 5,422,444                       | 4,861,736                       |
| 2. Change in Retained Earnings of subsidiaries                        | 203                             | (4,301)                         |
| 3. Redemption of Preferred Stock                                      | 2,381,184                       | 1,306,292                       |
| 4. Net Income for Period  | 5,422,444                       | 4,861,736                       |
| II. Appropriation of Retained Earnings                                | 824,354                         | 741,283                         |
| 1. Legal Reserve  | 238,118                         | 130,629                         |
| 2. Voluntary Reserve  |                                 | 182,794                         |
| 3. Dividends  | 586,236                         | 427,860                         |
| 1) Cash Dividends on Common Stock                                     | 355,650                         | 189,680                         |
| Dividend per share: KRW 750 for 2010<br>KRW 400 for 2009              |                                 |                                 |
| 2) Cash Dividends on Preferred Stock                                  | 230,586                         | 238,180                         |
| Dividend per share  |                                 |                                 |
| Series 5 :  |                                 |                                 |
| KRW 730.674 (14.6135%) for 2009                                       |                                 |                                 |
| Series 8 :  |                                 |                                 |
| KRW 11,790 (235.8%) for 2009  |                                 |                                 |
| Series 10 :   |                                 |                                 |
| KRW 7,000 (140%) for 2010   |                                 |                                 |
| KRW 7,000 (140%) for 2009   |                                 |                                 |
| Series 11 :   |                                 |                                 |
| KRW 1,878.695 (37.5739%) for 2010                                     |                                 |                                 |
| KRW 1,878,695 (37.5739%) for 2009                                     |                                 |                                 |
| III. Unappropriated Retained Earnings carried over to subsequent year | 6,979,477                       | 5,422,444                       |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SHINHAN FINANCIAL GROUP CO., LTD.

By /s/ Buhmsoo Choi

Name: Buhmsoo Choi

Title: Chief Financial Officer

Date: February 21, 2011