

Green Investment

Withdrawal From Financing Coal

Samsung Securities was one of the finance companies underwriting loans secured by the coal terminal in Australia, a port facility that exports coal from the world's largest Adani Mine. However, the Australian civic society regarded the large-scale wildfires in Australia in September 2019 as a disaster caused by climate change and urged financial companies to withdraw their investments. Accordingly, Samsung Securities immediately sent a letter to the Australian environmental group, acknowledging our lack of awareness about the environmental problems during our investment approval process, and promised to suspend additional financial support for the transaction. As of the end of 2020, we hold KRW 37.1 billion out of the total investment of KRW 61.4 billion for the Australian coal terminal. In addition to the withdrawal from the investment, our future investment will be thoroughly reviewed from an ESG point of view to closely examine environmental impacts.

Green Bond Issuance

Samsung Securities issued 'ESG-rated bonds' for the first time in the industry in February 2021 to solidify its commitment to eco-friendly investment and provide responsible finance as a leading securities company. In recognition of our investment in eco-friendly business and climate change response, the bonds worth of KRW 100 billion received the highest grade, 'Green1' among green bonds from NICE Credit Rating. The rating goes through a more rigorous screening process than general ESG certification, such as green bond suitability, use of funds, and business evaluation and selection procedures. Going forward, Samsung Securities will capitalize on ESG bonds for investment in overseas renewable energy businesses, such as the US midstream project and the French solar power project, expanding our eco-friendly project portfolio in the future.

Eco-friendly Products

Samsung Securities develops and provides a variety of products that have a positive impact on the environment with a representative example of the Samsung Energy Transition Fund, launched in 2021. This product invests indirectly in a fund managed by the 'Environmental Strategy Group', which is in charge of the environment-related investment of a global manager 'BNP Paribas Management'. 'BNP Paribas' Environmental Strategy Group' is a management department with a highly profound expertise in climate change and eco-environmental issues. The fund is investing in energy infrastructure-related companies such as renewable energy production, eco-friendly buildings, energy technology and efficiency improvement, and alternative transportation means. Now, we develop products that take into account a variety of environmental factors, thereby supplying them to our clients

Green Management

Environmental Protection Campaign

The Samsung Group is planning and executing environmental protection campaigns in various directions to raise awareness of climate change and environmental issues and the importance of environmental protection among employees. As an example, we have set five environmental protection practices, such as using tumblers and refillable office supplies as well as facilitating eco-friendly changes in the daily life of our employees. In addition, we are carrying out an active recycling campaign beyond the simple reduction of disposable products. In 2020, we upcycled plastic containers collected by our employees into educational supplies such as jumping rope and crayons, and donated them to about 20 youth study rooms and local children's centers. In order to encourage more employees to participate and to form a company-wide consensus on environmental protection, we plan to conduct the 'Green Clean Challenge,' in which individual or organizational unit sets challenging goals and shares their achievement process. According to the cumulative number of participants in the campaign, the company will accumulate donations and give certification marks to employees who have achieved their goals to induce active participation. We also provide incentives such as offering gifts to campaign participants. Our efforts also include reducing paper usage by avoiding unnecessary paper reports and report writing utilizing the electronic approval system. Samsung Securities strives to promote an environmental protection culture within the company through effective campaigns, improving the advantages of employees participating in the campaign.