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Samsung Life Insurance

Reporting on Equator Principles Implementation

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About the Equator Principles

- Equator Principles (EP): A voluntary framework among global financial institutions setting minimum standards for identifying, assessing, and managing environmental and social (E&S) risks in large-scale development projects.
- The EP are applied as E&S risk management criteria in the review of major financial transactions such as project finance and corporate loans, with key focus areas including ecosystem protection, community impact mitigation, human rights, and climate response.
- As of May 2026, 126 financial institutions globally participate in the EP, with Samsung Life joining in December 2022 and publishing annual implementation reports for transparent stakeholder disclosure.

Scope of the Equator Principles

- Financial transactions subject to the Equator Principles

Financial Product	Application Criteria
Project Finance Advisory Services	Total project capital costs of US$10 million or more
Project Finance	Total project capital costs of US$10 million or more
Project-Related Corporate Loans	Corporate loans meeting all of the criteria below: ① The majority of the loan relates to a project under the client's effective operational control (direct or indirect). ② The total aggregate loan amount and Samsung Life's individual commitment are each at least US$50 million. ③ The loan tenor is at least two years.
Bridge Loans	Bridge loans with a tenor under two years, intended to be refinanced by qualifying project finance or a project-related corporate loan.
Project-Related Refinance and Project-Related Acquisition Finance	Refinance and acquisition finance meeting all of the criteria below: ① The underlying project was financed under the Equator Principles. ② There has been no material change in Project's scale or scope. ③ Project Completion has not yet occurred at the time of the signing of the facility or loan agreement.

The Ten Equator Principles

- The EP consists of ten principles that adopting financial institutions commit to implement and borrowers covenant to comply with, and are applied proportionally to each project's E&S risk level.
- This framework promotes sustainable development by proactively identifying and avoiding adverse impacts on ecosystems, communities, and the climate, and by minimizing and mitigating such impacts where unavoidable.

The 10 Principles

1. Review & Categorization
E&S risk review and categorization (A/B/C) of the project

2. E&S Assessment
E&S impact assessment (including climate and human rights) conducted according to the project category

3. Applicable E&S Standards
Compliance with host country regulations and EP E&S standards

4. E&S Management System and EP Action Plan
E&S management system and action plan to remedy identified gaps

5. Stakeholder Engagement
Information sharing and ongoing consultation with affected communities and stakeholders

6. Grievance Mechanism
Establishment of a transparent grievance mechanism to address E&S impacts

7. Independent Review
EP compliance review by independent external E&S experts

8. Covenants
Explicit inclusion of E&S covenants in loan agreements

9. Independent Monitoring & Reporting
Continuous EP compliance monitoring by independent consultants

10. Reporting & Transparency
EP implementation reporting and E&S impact assessment disclosure

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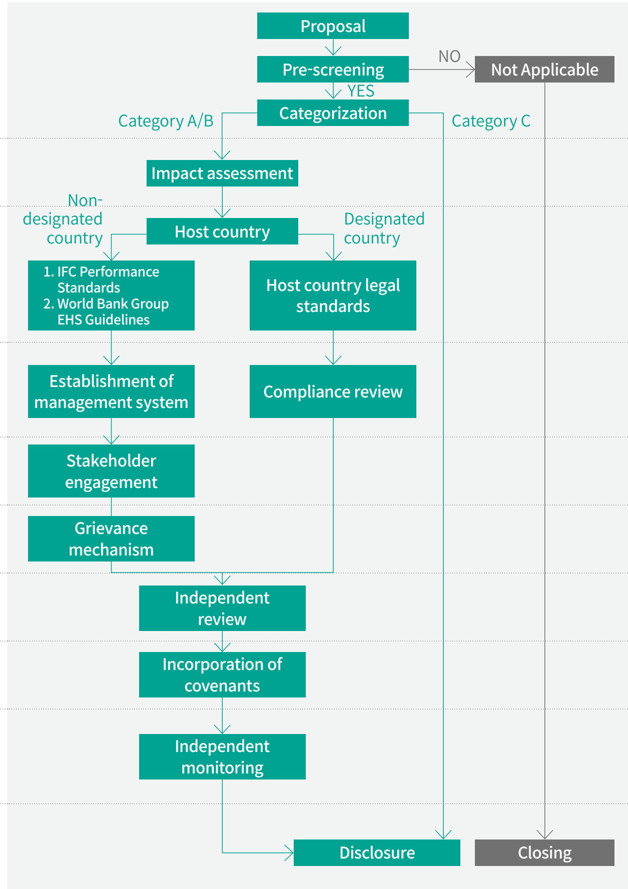
Equator Principles Application Process

- The Ten Equator Principles have been integrated into the credit and investment review process for applicable projects, considering ESG factors comprehensively alongside financial due diligence.

Samsung Life	Borrower	Principle
●		**Principle 1** Review & Categorization
	●	**Principle 2** E&S Assessment
	●	**Principle 3** Applicable E&S Standards
	●	**Principle 4** E&S Management System and EP Action Plan
	●	**Principle 5** Stakeholder Engagement
	●	**Principle 6** Grievance Mechanism
	●1)	**Principle 7** Independent Review
●	●	**Principle 8** Covenants
	●1)	**Principle 9** Independent Monitoring and Reporting
●	●	**Principle 10** Reporting and Transparency

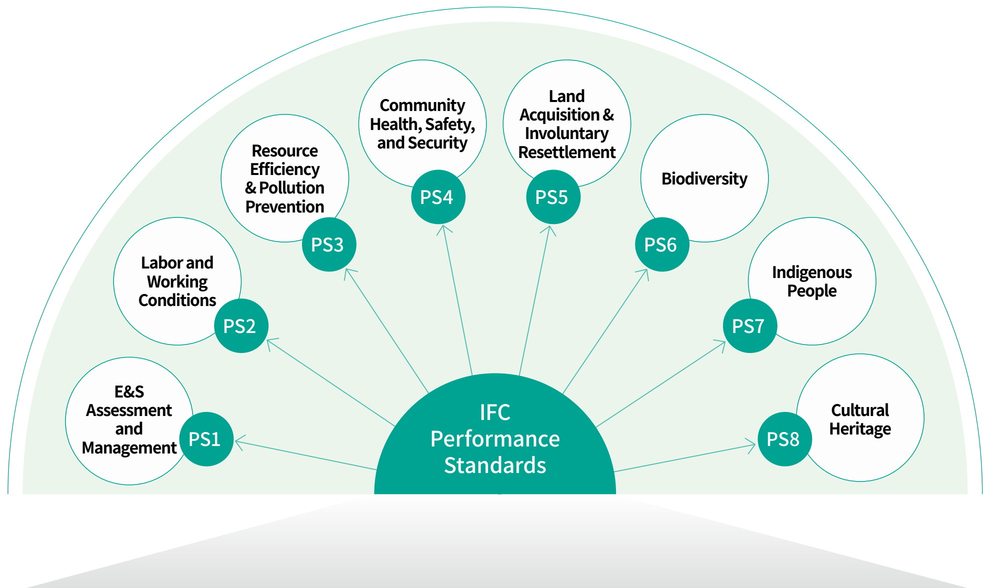
Process



1) Engagement of an independent E&S consultant

Environmental and Social Risk Categorization

- An internal E&S checklist, based on the IFC's eight Performance Standards, has been developed to systematically identify and manage potential E&S risks in EP-applicable projects.
- Reflecting each project's type, location, and scale, key areas including the borrower's E&S management system, labor conditions, involuntary resettlement, biodiversity, and cultural heritage are assessed to assign an E&S risk category (A/B/C)



Category A	Projects with potential significant adverse E&S risks and/or impacts that are diverse, irreversible, or unprecedented
Category B	Projects with potential limited adverse E&S risks and/or impacts that are site-specific, largely reversible, and readily addressed
Category C	Projects with minimal or no adverse E&S risks and/or impacts

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Independent Review of EP Implementation

- Per the Guidance Note on Independent Review of Equator Principles Implementation (rev. Mar. 2026), EP Signatories must conduct an independent review of their EP implementation at least once every three years and disclose a summary in their EP Reporting
- An independent review of the overall EP implementation framework is planned, with the results to be disclosed in its 2027 EP Implementation Report.

Roles and Responsibilities by Department

- A systematic E&S risk management process is operated by the Responsible Investment Secretariat, Investment Department, and Analysis Department to implement the EP.
- Management reviews E&S risk assessments and makes final investment decisions via the Asset Management Committee, chaired by the Head of Asset Management Business Unit.
- Departments operate with clearly defined roles and work closely together to proactively identify and respond to potential risks in financial transactions.

Independent Review Process

1 Review Preparation

Selection of independent reviewer		Definition of review scope and objectives		Selection of representative transaction sample
Internal	External	Internal management framework	Transaction identification process	From transactions reported in the previous calendar year

2 Review Execution

Review of internal documents and procedures	Verification of supporting evidence	Interviews
Internal policies, meeting minutes, training materials, monitoring records, etc.	Contracts, emails, checklists, due diligence reports, etc.	With relevant departments as needed

3 Review Findings

Preparation of written report			
Summary assessment of the EP implementation framework's adequacy	(Case 1) Gaps Identified	Recommendations for process improvement	
	(Case 2) Insufficient Evidence	Structural vs. exceptional issue assessment	Structural, additional sample review and action plan

4 Disclosure of Review Results

Summary disclosure in EP implementation report	Conducted at least once every 3 years
Review status, details of the reviewer, and key findings/recommendations	Required to maintain EPFI Signatory status

Responsible Investment Secretariat (Credit Analysis Part)	• Providing training to each department for the implementation of the EP • Offering analysis opinions for each procedure and providing support • Monitoring the application of and adherence to the EP • Publishing implementation reports and managing operational guidelines • Attending annual meetings and reporting on key issues
Investment Department (Strategic Investment Division etc.)	• Implementing the EP in practice and conducting follow-up management through communication with clients • Communicating requirements from the Analysis Department and the Responsible Investment Secretariat to clients • Conducting ongoing follow-up management through client information disclosure and independent monitoring
Analysis Department (Alternative Asset Analysis Part)	• Assessing environmental, social, and financial risks of projects subject to the EP and examining loan eligibility • Providing analysis opinions and management plans for identified risks • Reviewing the need to establish an Environmental and Social Management System (ESMS) and Environmental and Social Management Plan (ESMP), and reflecting compliance obligations in the agreement

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Capacity Building for Implementation of Equator Principles

- Ongoing EP training is delivered to employees and relevant departments to strengthen practical capabilities for its implementation.

Status of Equator Principles Training

No.	Date	Training	Audience
1st	June 10, 2022	Overview and Application Process of the EP (training before joining the Equator Principles)	Executives
2nd	March 17, 2023	Criteria and methodology for assessing E&S risks under the EP	Investment/Analysis Department
3rd	April 4, 2023	Specific roles and responsibilities under the EP process	Investment/Analysis Department
4th	May 19~24, 2024	Attended Equator Principles Training and Technical Workshop in Thailand	Credit Analysis Part
5th	December 17, 2024	Regular training on EP updates for field departments	Investment/Analysis Department
6th	December 23, 2025	Distribution of front office training materials	Investment/Analysis Department
7th	January 22, 2026	Regular updates for EP operating departments	Investment/Analysis Department

Engagement with the Equator Principles Association

- Since joining the Equator Principles in 2022, we have actively engaged in Association activities and faithfully fulfilled our role as a member.
- The EP Association runs various Working Groups (WGs) to enhance consistency and capacity among members, and Samsung Life participates in the Training & Capacity Building WG under the Consistency WGs.
- Samsung Life will continue its role as an EP member by joining international workshops and seminars hosted by the Association and sharing information with domestic and global financial institutions.

Reporting on the Implementation of the Equator Principles

- In 2025, no cases were subject to the Equator Principles across project finance, project-related corporate loans, project finance advisory services, bridge loans, project-related refinance, and project-related acquisition finance.
- However, one PF transaction from 2024 was found to be omitted from the previous report and is included herein as a corrective disclosure to ensure transparency and completeness.
- The transaction reached financial close in 2024 and was classified as Category C, with minimal or no adverse E&S risks and/or impacts.
- A systematic review and risk management process based on the Equator Principles will continue to be implemented going forward.

Projects Subject to the Equator Principles Process (FY2024)

Breakdown	Number of Projects (Cases)		
	Category A	Category B	Category C
Sector			
Mining			
Infrastructure			
Oil & Gas			
Power			
Others			1
Region			
Americas			
Europe, Middle East and Africa (EMEA)			
Asia Pacific			1
Country			
Designated Country			1
Non-Designated Country			
Independent Review			
Yes			
No			1

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