Samsung Life Insurance
Integrated Report
2021

SAMSUNG
LIFE INSURANCE

ABOUT THIS REPORT

Report Overview

This Sustainability Report represents Samsung Life's determination to create value for and grow together with all stakeholders, including customers, employees, business partners, local communities and shareholders. We publish this report on an annual basis in order to transparently disclose our financial and non-financial performance. In 2021, we plan to focus on sharing our newly established strategic system for ESG (Environmental, Social, Governance), our company's direction, and key areas of our performance.

Reporting Period

This report is for the period from January 1, 2020 to December 31, 2020, though for material issues, it also includes quantitative activities through the first half of 2021. Trend analysis includes data from the most recent three years, where necessary. Where the method of data collection has changed and data have been revised according to the 2020 standard, the change is indicated in footnotes.

Reporting Scope

- Financial data: Reported on a consolidated basis (footnotes where other standards are used)
- Social data: Includes data on Samsung Life headquarters, domestic branch network, and overseas subsidiaries, branches and offices
- Environmental data: In case of physical constraints to data gathering, reporting scope is limited to domestic business sites
- Subsidiary activities are attributed to each subsidiary

Reporting Standards

This report complies with the Sustainability Reporting Guidelines of the GRI (Global Reporting Initiative) in accordance with the 'Core' option.

Reporting Verification

The financial information contained in this report was prepared through an accounting audit by an independent auditor. The non-financial information was verified by the Korea Sustainability Investing Forum, a third-party verification organization

SELECTED RECYCLED FIBRES

This report uses recycled paper.

Customer-centric Management Team
Samsung Life Insurance Co., Ltd.
4 Seocho-daero 74-gil, Seocho-gu, Seoul, Republic of Korea
Tel: +82-2-772-6326

A description of Samsung Life starts after the cover page.

CONTENTS

OVERVIEW
CEO Message 6
Samsung Life at a Glance 8
Vision 2030 & Core Values 10
Samsung Life Value Chain 12
Insurance Industry ESG Trends 14
Samsung Life ESG Implementation Strategy 16
Materiality Assessment 18
Special 1 Responding to the COVID-19 Pandemic ... 20
Special 2 Digital Transformation across the value chain .. 24

ESG HIGHLIGHTS
Customer-Centric Management 30
Social Value Creation 39
Green Investment 46

ESG PERFORMANCE
Environmental Management 54
Talent Management 58
Sharing Management 68
Win-Win Management 72
Sound Corporate Governance 74
Ethical/Compliance Management 80
Risk Management 84
Information Security 88
ESG Data 92

BUSINESS REPORT
Our Business 100
Financial Performance 106

APPENDIX
Key ESG policies 113
SASB Index 115
PSI Index 116
TCFD Index 117
GRI Index 118
Greenhouse Gas Assurance Statement 121
Independent Assurance Statement 122
Global Initiative Memberships 124
Awards 125

Samsung Life Insurance

SAMSUNG
LIFE INSURANCE

A description of Samsung Life starts after the cover page.

CONTENTS

OVERVIEW
- CEO Message 6
- Samsung Life at a Glance 8
- Vision 2030 & Core Values 10
- Samsung Life Value Chain 12
- Insurance Industry ESG Trends 14
- Samsung Life ESG Implementation Strategy 16
- Materiality Assessment 18
- Special 1 Responding to the COVID-19 Pandemic ... 20
- Special 2 Digital Transformation across the value chain .. 24

ESG HIGHLIGHTS
- Customer-Centric Management 30
- Social Value Creation 39
- Green Investment 46

ESG PERFORMANCE
- Environmental Management 54
- Talent Management 58
- Sharing Management 68
- Win-Win Management 72
- Sound Corporate Governance 74
- Ethical/Compliance Management 80
- Risk Management 84
- Information Security 88
- ESG Data 92

BUSINESS REPORT
- Our Business 100
- Financial Performance 106

APPENDIX
- Key ESG policies 113
- SASB Index 115
- PSI Index 116
- TCFD Index 117
- GRI Index 118
- Greenhouse Gas Assurance Statement 121
- Independent Assurance Statement 122
- Global Initiative Memberships 124
- Awards 125

CEO Message

In 1957, amid the ruins of war, Samsung Life took its first steps in the insurance industry with only 10 employees. Astutely managing numerous crises along the way, Samsung Life has today established itself as Korea's leading insurance company with 12 million customers and KRW 340 trillion in assets. I extend my sincere gratitude to our customers and shareholders, whose unwavering love and support has made Samsung Life what it is today, and to our consultants and employees far and wide who have put their heart and soul into this endeavor.

Valued customers, stakeholders, consultants and employees!
The insurance industry today faces an unprecedented and powerful wave of change. We find ourselves in a rapidly changing environment that includes the world's fastest-aging society, a demographic cliff, and a pandemic. The insurance industry's social responsibilities are broadening, as are stakeholder expectations for consumer protection and a proactive response to climate and environmental changes. To turn this situation into a new opportunity for progress, we have initiated Vision 2030 and a mid- to long-term strategy: 'Beyond Insurance, We Secure Your Future' and 'Change & Challenge for Customer by 2030!' Moreover, to sustain our growth as a company trusted by customers and stakeholders, we have designated 'Five Core Values' to concretely guide our strategy implementation as a foundation to realize our mid- to long-term strategies.

First, we will persistently pave a 'path of win-win growth' with our customers.
Customer rights and interests must be protected under all circumstances and customer inconveniences completely improved. We will fulfill our calling as a life financial partner by reviewing all processes from product development to maintenance and insurance payouts once again from the customer's perspective and creating innovative products and services.

Second, we will widen the 'path of communication' that brings us closer to the diverse stakeholders that surround the company.
To respond quickly to the rapidly changing business environment, prompt and accurate communication is paramount. In the belief that solutions are to be found in the field, we will ascertain the opinions and difficulties that matter to our stakeholders, reflect them in our management, and build a dynamic culture.

Third, we will walk the 'path of integrity' by obeying the law.
Companies that fail to live up to the expectations of society can disappear in an instant, not at the hands of laws and institutions, but as the prerogative of customers and the market. Just as insurance is an umbrella for the customer, integrity management is an umbrella for the company and its employees, and thus we will strengthen our compliance capabilities and revamp our internal control systems to promote 'management that cuts no corners.'

Fourth, we will fearlessly pioneer a 'path of new challenges.'
A wave of great change - in this time of maximum uncertainty, the digital contactless era - is approaching ever more rapidly. We will not settle for our existing scope of business centered on the domestic insurance industry, but will strive to secure new growth engines by proactively taking on the challenges of new technologies, new business areas, and new markets.

Finally, we will walk the 'path of value' in the pursuit of long-term growth.
All business endeavors will be based on whether they help to enhance mid- to long-term value. As the first step toward long-term sales growth, we will focus on building a strong sales organization and improving sales efficiency rather than on short-term achievements and short-term improvements in market share. In addition, we will establish a framework for the company's sustainable management and take the lead in ESG management so that future generations can live in a clean environment. We will do our utmost to ensure that environmental responsibility, social responsibility, and transparent management are incorporated across the entire management process.

Valued customers, stakeholders, consultants and employees!
Samsung Life will ensure that the company's core values and ESG are reflected in all of our business activities, and we will proactively fulfill our role as a corporate citizen.
We ask for your warm affection and support.

Thank you.

Samsung Life will ensure that the company's core values and ESG are reflected in all of our business activities, and we will proactively fulfill our role as a corporate citizen.

We ask for your warm affection and support.



Youngmuk Jeon

JEON Young Muk, CEO
June 2021

Samsung Life at a Glance

Beyond Insurance, We Secure Your Future.

Since its establishment in 1957, Samsung Life has written the living history of Korea's insurance industry, passing on the noble value of insurance to our customers and society. Our company was able to take on challenges and pursue innovation ceaselessly thanks to our customers who gave us their unconditional trust. As a Life Financial Partner for our customers, we will put their interests first and foremost and provide the products and services that they need. We will continuously promote the growth and progress of the life insurance industry by delivering to our customers and society the soundness of mind and security insurance provides.

Company Overview

Company name	Samsung Life Insurance Co., Ltd.
Head Office	11 Seocho-daero 74-gil, Seocho-gu, Seoul, Republic of Korea
CEO	JEON, Young Muk
Founded	April 24, 1957
Key Businesses	Insurance, Retirement pensions, Loans, Funds, Trusts
Global Network	Korea, United States, China, Thailand

Major 2020 Performance Indicators

(As of the end of December 2020)

- Consolidated Total Assets: KRW 336.6 trillion
- Income from Premiums: KRW 26.5 trillion
- Claims Paid: KRW 21.8 trillion
- Consolidated Net Income: KRW 1,266 billion
- Insurer Financial Strength Rating: 17 consecutive years, AAA rating, Korea Investors Service
- No. of Customers [1]: 12 million
- National Customer Satisfaction Index (NCSI): No. 1 for 17 consecutive years
- Risk-Based Capital Ratio [2]: 353.2%

1) Policyholders, non-policy holders, insured persons combined (excluding overlapping customers)

2) Risk-Based Capital (RBC) ratio: Calculated based on the 'standard amount of the solvency margin' (Regulation on Supervision of Insurance Business, Article 7-2) effective April 1, 2009

Global Network

As of the end of 2020, Samsung Life is actively pursuing overseas business through seven bases in five countries. We are operating joint ventures in Thailand and China, as well as four local offices and one invested company. We are striving to grow as a global insurance company with solid fundamentals that always puts top priority on the interests of our customers, thus providing them with support and security as a life partner.



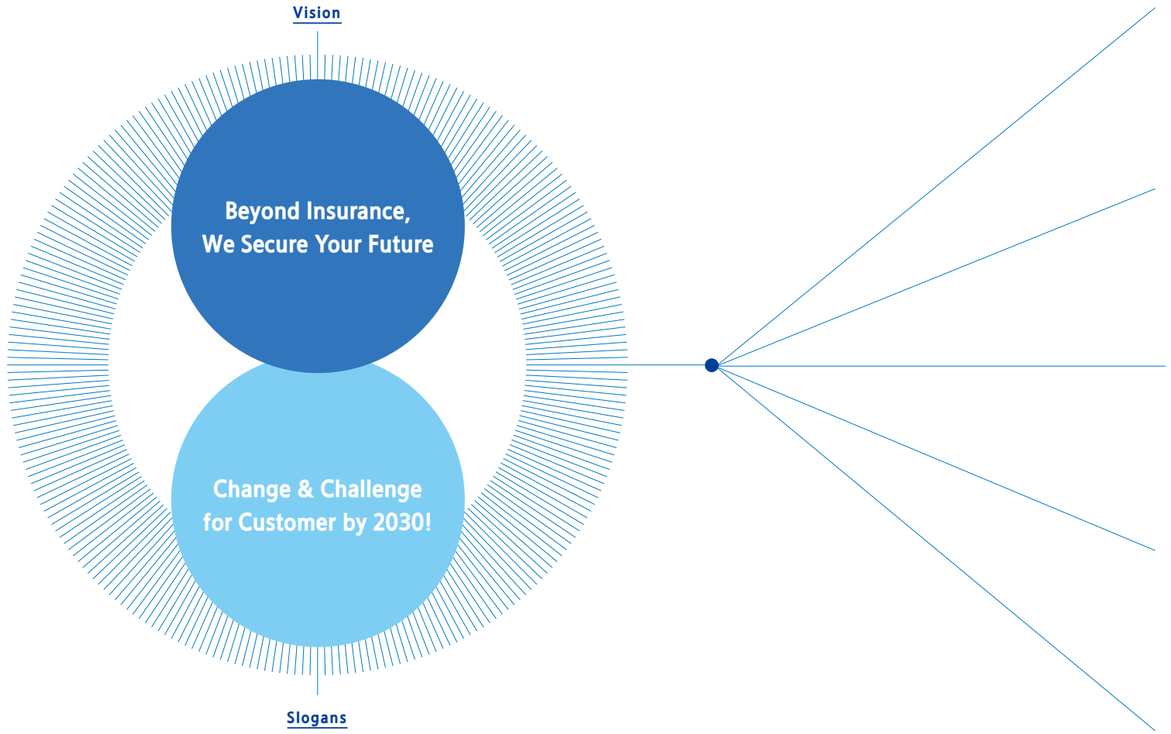
2 Joint Ventures
BOC-Samsung Life Insurance Co., Ltd.
Samsung Life Insurance (Thailand) PCL.

1 Invested Company
Beijing Samsung Real Estate Co.

4 Local Offices
New York, United States, Tokyo, Hanoi

Vision 2030

Under the newly established initiatives Vision 2030 and Eight Core Strategies, Samsung Life seeks to reinvent itself as a company that grows beyond the boundaries of its existing business, with customers at the center. Through change and innovation based on this vision, we shall secure competitiveness in our main insurance business, achieve market leader status, and expand new growth businesses such as asset management among others. Furthermore, by pursuing internal and external connectivity based on a digital and flexible organizational culture, we are setting our sights on 'Beyond Insurance, We Secure Your Future.'



Eight Core Strategies

Change (Main Insurance Business)

1. **Customers** Build customer-focused management systems
2. **Products** Enhance insurance value by bundling products and services
3. **Channels** Innovate into a future-oriented multi-channel structure

Challenge (New Growth Businesses)

1. **Assets** Expand asset management into a core revenue operation
2. **Overseas** Actively expand overseas insurance business
3. **New Business** Establish foundations for healthcare and platform businesses

Connectivity (Enabler)

1. **Digital** Complete the Digital Transformation of the entire value chain
2. **Organization** Build a flexible organizational culture that encourages communication, camaraderie and new challenges

Core Values

Core Values	Definition	Working Way
The path of win-win growth together with our customers	We put our customers at the center of our business activities and decision-making, delivering the best products and services that our customers need, while doing our utmost to protect customer rights.	1. Put customers at the center of business activities and decision-making. 2. Treat customers with respect and deliver more value. 3. Strive to protect customer rights and interests.
The path of communication going to the customer in the field	We first examine whether the work we are doing is entirely field- and customer-centric, and as one, we look towards the market and communicate in a dignified manner.	4. Be considerate of others and communicate constructively and with dignity. 5. First consider whether the work we are doing is entirely field- and customer-centric. 6. Avoid internal competition between departments and employees promote mutual understanding between positions and departments, and look towards the market as one.
The path of value promoting long-term growth	We judge value from a mid- to long-term perspective, preparing for the future in a balanced manner, and working to nurture talent for the future.	7. First determine whether our current decision-making helps to enhance mid- to long-term value. 8. Work towards empowerment and qualitative growth within the organization. 9. Holistically consider financial performance and creation of social value (e.g. ESG).
The path of integrity leading through compliance	We recognize that legal and ethical compliance is like a trusty umbrella that protects customers and the company, and so we work to eradicate corruption and corner-cutting, and compete fairly.	10. Eradicate corruption and corner-cutting, and recognize that ethics is fundamental to dignity. 11. Practice thorough compliance and contribute to the business without cutting corners. 12. Strive to establish a culture of fair competition without rule-breaking.
The path of new challenges without fear	We do not fear failure, but set bold challenges and work innovatively to solve problems.	13. Do not fear challenges, but take them head on and embrace any failures in the process. 14. Set bold goals and strive to come up with innovative ways to accomplish them. 15. Build a culture in which we exchange opinions freely and take on challenges creatively.

As the driving force for achieving Vision 2030, the Five Paths of 'Win-Win, Communication, Value, Integrity and Challenges' have been established and put into practice as our core values. The five core values, as detailed in the 15 items of the Working Way and shared throughout the company, are the driving force that unites employee consciousness and behavior in line with the changing financial environment and our vision. Moreover, we have established a "Working Way" for each department and reformed our company-wide awards system to encourage each employee to actively practice these core values. Going forward, we plan to link the core values with our HR system, expand in-house training, and internalize the core values so they naturally blend into our organizational culture and contribute to a common understanding and purpose.

Samsung Life Value Chain

Samsung Life is customer-centric in all stages of the value chain, from product development and sales to insurance claims payments.
We are growing the value of our customers assets through our professional asset management capabilities.

Value Chain	Product Development	Product Sales	Asset Management	Post-sales Relationship Management
				
Key Issues	Customer-centric management is the basis of our product and service development. We will maximize customer satisfaction by thoroughly analyzing customer needs through an integrated approach to customers, products, and channels (CPC).	We are operating a variety of sales channels so customers can conveniently access products and services. Moreover, we are practicing integrity-based sales to enhance the protection of customer rights and interests.	With management systems specialized for each type of asset such as stocks, bonds, and real estate, we are growing the value of our customers' assets. As a trustee managing assets for our customers, we practice responsible investment.	We are providing a better customer experience by strengthening communication with our customers, serving the customer at each step of the relationship, and paying claims conveniently and promptly.
Affiliates		SAMSUNG LIFE FINANCIAL SERVICE Samsung Life Financial Service, a company specializing in financial product sales, seeks mutual growth for our customers and consultants, and is actively responding to the rapidly changing financial environment.	SAMSUNG ASSET MANAGEMENT Samsung Asset Management is securing its place as Korea's leading asset manager by focusing its efforts on earning profitable returns on a stable and consistent basis. SAMSUNG SRA ASSET MANAGEMENT As a professional real-estate management company that places utmost priority on customer returns, Samsung SRA Asset Management possesses outstanding risk management capacity and extensive know-how in real-estate investment, development, and management.	SAMSUNG LIFE SERVICE Samsung Life Service provides differentiated customer satisfaction services so that customers can feel the true value and benefit of insurance. We promote a sound insurance culture through prompt and accurate claims evaluation.

Insurance Industry ESG Trends

ESG Trends

Financial Consumer Protection Act

The Financial Consumer Protection Act (FCPA) took effect on March 25, 2021. The sales guidelines that insurance companies must comply with when selling products and post-violation disciplinary sanctions have been strengthened, while consumer rights such as the right to withdraw from policies and cancel illegal policies have been broadened. In addition, a variety of redress mechanisms have been newly adopted.

Emerging Social Issues

The life expectancy of Koreans has risen to over 80 years old, and we are now approaching the era of the centenarian. As Korean society ages, there is a growing number of patients with chronic diseases and dementia, while there is likely to be a shortage of retirement funds due to the low birth rate and the resulting decline in the working-age population. As such, the insurance industry will have to play a larger role as a social safety net.

Boosting Investment in ESG

With ESG investment having emerged as a standard in the capital markets, the importance of ESG in raising corporate capital is increasing. Amid threats to the social safety net caused by the pandemic as well as heightened awareness of global environmental crises such as climate change, it is also necessary for financial institutions to fulfill their responsibilities.

Product Development

We are developing products and services based on a philosophy of customer-centric management. We have developed products and services that can help address social issues, and strengthened procedures for consumer protection within the product development process.

Product Sales

We operate a variety of sales channels to enable customers to conveniently access our products and services. To ensure that there is no infringement on consumer rights and interests when selling products, we have established procedures that prevent mis-selling, which we monitor on a regular basis.

Post-sales Relationship Management

We operate a Consumer Rights Protection Committee and a Consumer Protection Committee. Moreover, we are striving to provide prompt and accurate responses to VOC. We collect customer opinions through a variety of communication channels and use them to improve our products and services.

Asset Management

Samsung Life has banned on new investment in industries such as coal mining and coal-fired power station, gambling and tobacco through the establishment of screening standards that take into account ESG. We also plan to expand our eco-friendly and social investments.

Samsung Life's Response

Customer-centric management

- Consumer Rights Protection Committee
- Consumer Protection Committee
- Improving products and services via VOC and customer panel opinions
- Realizing Complete Selling

Creating social value through insurance products and services

- Developing products and services that help address social issues
- Providing products and services for the financially vulnerable

Green Investment

- 'Coal-free Declaration' prohibiting new investment in coal mining and coal power
- Expanding ESG investments, including renewable energy and green bonds
- Implementing Stewardship Code (Samsung Asset Management)

ESG management, which takes into account environmental, social, and corporate governance criteria in corporate management decision-making, is fast-emerging as a core agenda for society as a whole, and there is a growing social demand for it. The National Pension Service, by introducing the Stewardship Code and establishing measures to promote responsible investment, is factoring ESG into its direct and managed asset decisions, and is encouraging companies to improve their ESG performance by exercising shareholder rights. Also, the Korea Exchange, which operates the domestic stock market, has enacted the ESG Information Disclosure Guidance, which encourages companies to voluntarily practice ESG management and to expand their disclosures.

As a life insurer and institutional investor managing customer assets, Samsung Life takes ESG into account throughout the company value chain and is working to build an ESG ecosystem. We analyze ESG trends in the ever-changing insurance industry, identify risks and opportunities, and reflect them in products, services, and asset management activities throughout the value chain.

Samsung Life ESG Implementation Strategy

Our approach to ESG

Sustainable Future

We aim to build a sustainable and brighter future.

- Insurance is essentially a type of social infrastructure that serves as a social safety net, and as such, is a financial business that specializes in risk protection. Samsung Life aims to build a sustainable and brighter future by integrating ESG throughout the insurance value chain, including in our products, services, and asset management.
- We will expand our investment, financial support, and products and services in sectors that contribute to environmental and social sustainability.
- By doing so, we will protect generations present and future from global risks such as climate change and pandemics, and lead the way in proactively addressing social issues including unbalanced growth, financial inequality, aging and health, and human rights.

Growing Together

We pursue growth together with all stakeholders

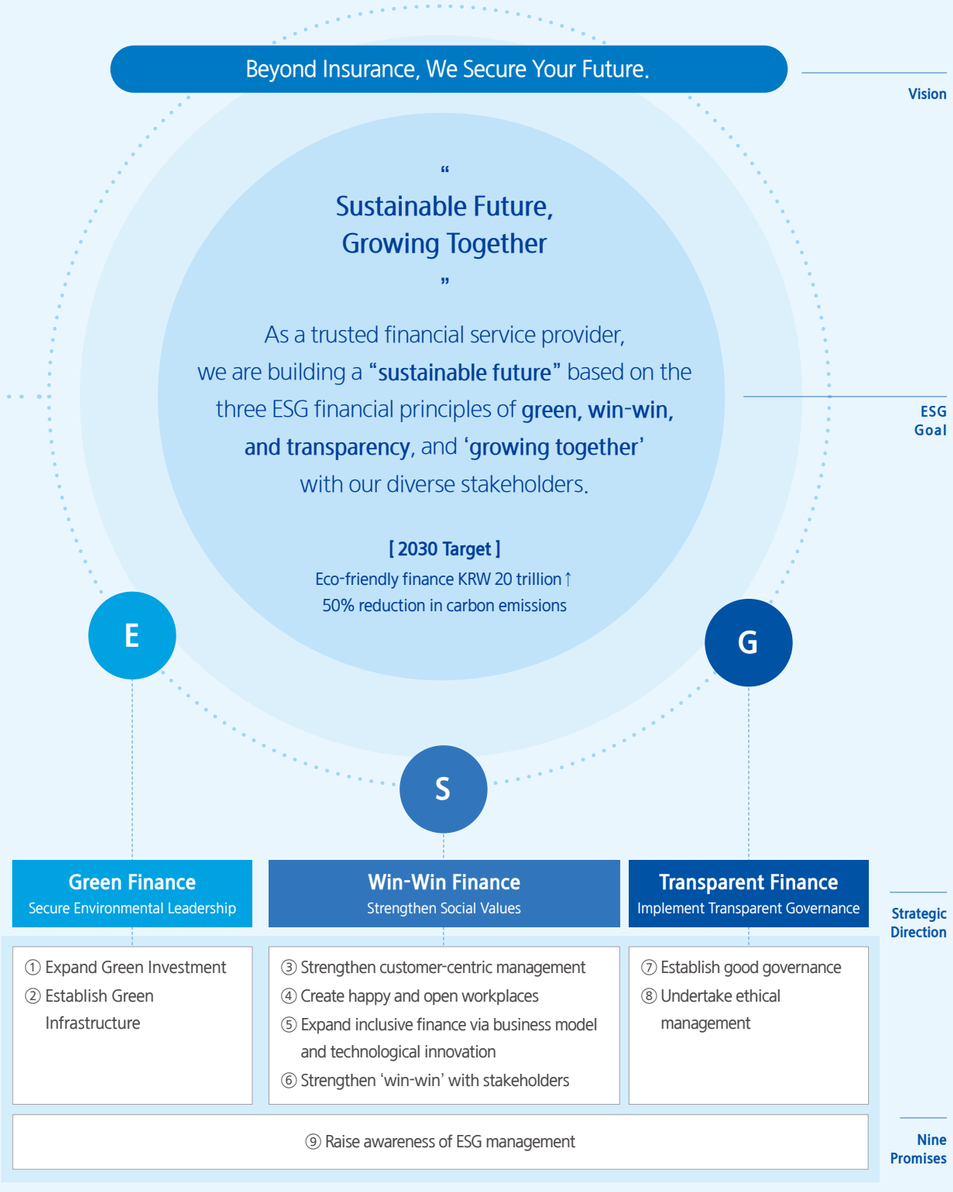
- Samsung Life pursues growth with all stakeholders, including customers, employees, partners, local communities, and shareholders, by implementing ESG management in all aspects of our environmental, social, and corporate governance.
- We promise to inherit and cultivate the spirit of the times, exemplified by coexistence, co-prosperity, companionship, and compliance, and make a complete break from solitary growth focused on immediate profits.
- We will strengthen the protection of consumer rights and interests based on our philosophy of Customer-centric management, and create a happy workplace for our employees. We will practice win-win growth with our partners and local communities and enhance our long-term corporate value.

ESG Governance System

Samsung Life has revamped its ESG governance system to promote full-scale ESG management. In 2021, We have established the ESG Committee as our highest decision-making body on ESG issues. The ESG Committee consists of the CEO and two independent directors, and it performs deliberation, resolution, and supervision of general ESG operations. Moreover, we have established the ESG Secretariat to strengthen practical functions, while the ESG Executive Council serves as the driving force for ESG management. The ESG Executive Council is chaired by the Chief Consumer Officer (CCO) and consists of the heads of 15 departments, including HR, Finance, Support, RM, Products, Asset PF Management, Communications, and Compliance. The ESG Executive Council, held quarterly, shares ESG issues and action plans, and discusses the implementation of detailed tasks.

2030 ESG Strategy

Samsung Life has established a mid- to long-term ESG strategy for the year 2030, centering on the three financial principles of 'green,' 'win-win,' and 'transparency.' By 2030, we plan to invest more than KRW 20 trillion in eco-friendly finance and reduce carbon emissions by 50% from 2017 levels. Furthermore, according to our 'Win-Win' financial strategy, we seek to strengthen our customer-centric management process and establish an organizational culture of employee development and diversity as part of building a happy workplace. With the goal of implementing transparent finance, we will enhance the expertise, diversity, and independence of the Board of Directors, and establish ethical management while promoting ESG management activity internalization into our day-to-day corporate culture.



Materiality Assessment

Samsung Life conducted a materiality assessment to select the contents of this Integrated Report and to identify ESG issues that should be addressed first. The table of contents of this report reflects the materiality assessment results.

Materiality Assessment Process

Step 1

Generate Issue Pool

A pool of 29 issues was generated based on internal and external analyses.

Internal Analysis	External Analysis
• Review of key management strategies and risk issues	• Analysis of international standards (e.g. GRI Standards) and ESG assessment (DJSI, MSCI, KCGS) requirements

Step 2

Materiality Assessment

We conducted a materiality assessment on the issue pool to confirm the degree of external Interest and internal Impact.

Review of Internal Materials	Global Benchmarking
• 2020 CEO Message • Key articles from company webzine Life-in	• Companies with outstanding sustainability management performance, and sustainability issues and trends in our industry

Media Research	Stakeholder Survey
• Media reports released in 2020	• Determines materiality levels of sustainability issues • Sample: internal, external stakeholders, including customers and sustainability reporting task force (743 respondents in total) • Period: February 15-17, 2021

Step 3

Selection of Material Issues

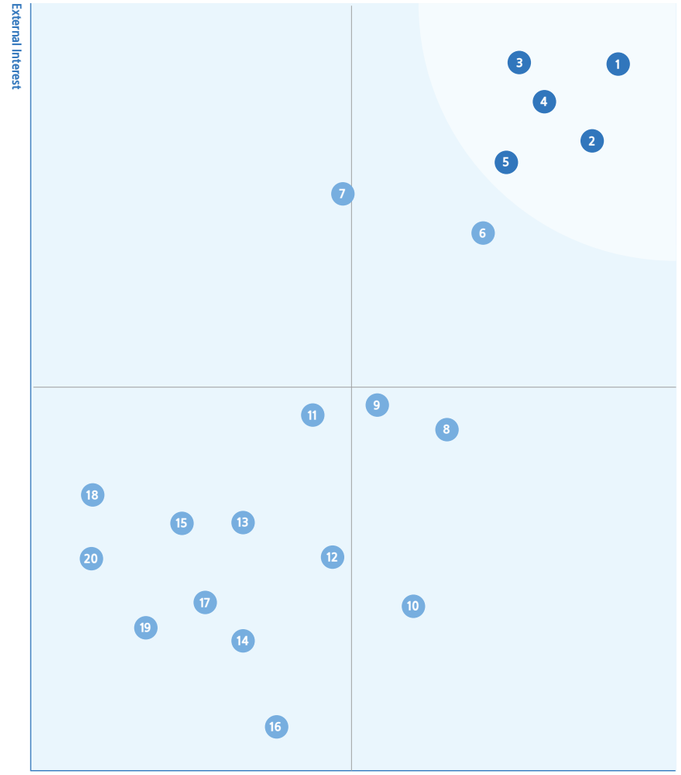
Priority issues were determined through an internal expert review. As key stakeholders, we selected customers, employees and consultants, business partners, governments and local communities, shareholders and investors, and additionally for each, we reflected the level of stakeholder interest.

Key Stakeholder Groups and Communication

Key Stakeholder Groups	Issues of Interest	Key Communication Channels
Customers	• Development of customized products and services • Strengthening consumer protections and enhancing customer communication	• Customer panels • VOC systems • Integrated Report
Employees and Consultants	• Field-oriented management • Work-life balance • Employee competency-building	• Labor-Management Council • Company webzine and broadcasts • Labor-management joint events • Integrated Report
Partners	• Support for capacity-building • Regular communication	• Sharing status of business at least once per quarter • Integrated Report
Government and Local Communities	• Transparent business disclosures • Practicing complete selling • Contributing to local communities	• Employee volunteering • Social contribution programs • Integrated Report
Shareholders and Investors	• Strengthening shareholder-friendly policies • Raising the company's qualitative value • Securing sustainable growth engines	• General Shareholders' Meetings, IR • Business Report and Integrated Report

Materiality Assessment Results

Five material issues were identified based on Samsung Life's sustainability activities and performance in 2020, and therefore current efforts may differ in some respects. We transparently disclose the activities, performance, and future plans pertaining to the identified material issues.



No.	Issue
1	Developing products to respond to emerging risks such as aging, disease, and environmental issues
2	Enhancing customer satisfaction via product and service quality improvements
3	Establishing responsible investment principles and processes that consider ESG factors in investment decisions
4	Communicating with customers, resolving conflicts, and enhancing injury compensation departments
5	Preventing mis-selling and protecting consumer rights and interests
6	Strengthening ethical and compliance management
7	Protecting customer privacy
8	Attracting top talent and strengthening employee competencies
9	Promoting employee health, safety, and welfare
10	Digital technology-based business innovation
11	Respecting employee human rights and guaranteeing diversity and equal opportunity
12	Establishing win-win labor relations and innovating organizational culture
13	Establishing GHG reduction targets and activities
14	Identifying and responding to climate change risks in the insurance business and asset management
15	Promoting social contribution activities pertaining to the insurance industry
16	Reinforcing channel competitiveness
17	Securing independence, expertise, and diversity of the Board of Directors
18	Innovating business operations to reduce our environmental footprint
19	Broadening insurance eligibility, protections, and services
20	Expanding investment in eco-friendly ESG industries that help promote customer health and welfare

Topics Selected for Report

No.	Material Issue	ESG Highlights
1	Developing products to respond to emerging risks such as aging, disease, and environmental issues	Social Value Creation
2	Enhancing customer satisfaction via product and service quality improvements	Customer-centric Management
3	Establishing responsible investment principles and processes that consider ESG factors in investment decisions	Green Investment
4	Communicating with customers, resolving conflicts, and vitalizing redress organizations	Customer-centric Management
5	Practicing complete sales and protecting consumer rights and interests	Customer-centric Management

SPECIAL. 1

Responding to the COVID-19 Pandemic

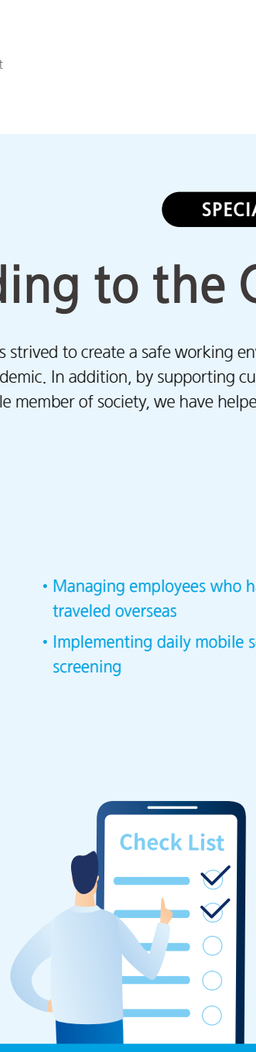
Samsung Life has strived to create a safe working environment for its employees and consultants during the COVID-19 pandemic. In addition, by supporting customers and local communities affected by COVID-19 as a responsible member of society, we have helped minimize damage and bolstered social stability.

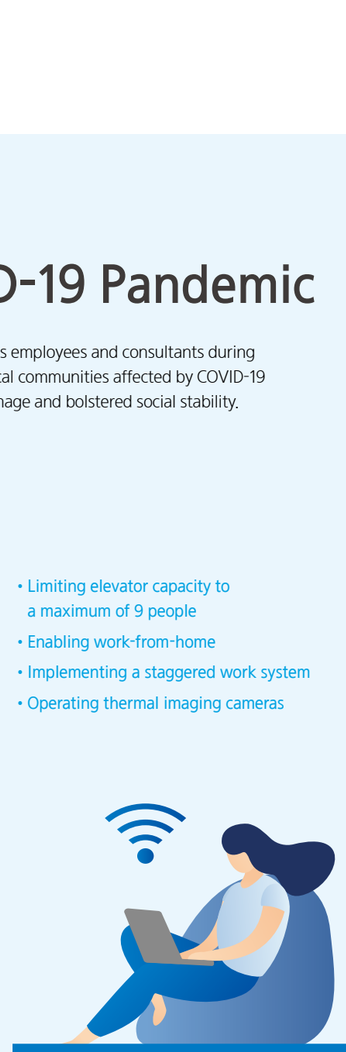
COVID-19 Response Task Force and Work Guidelines

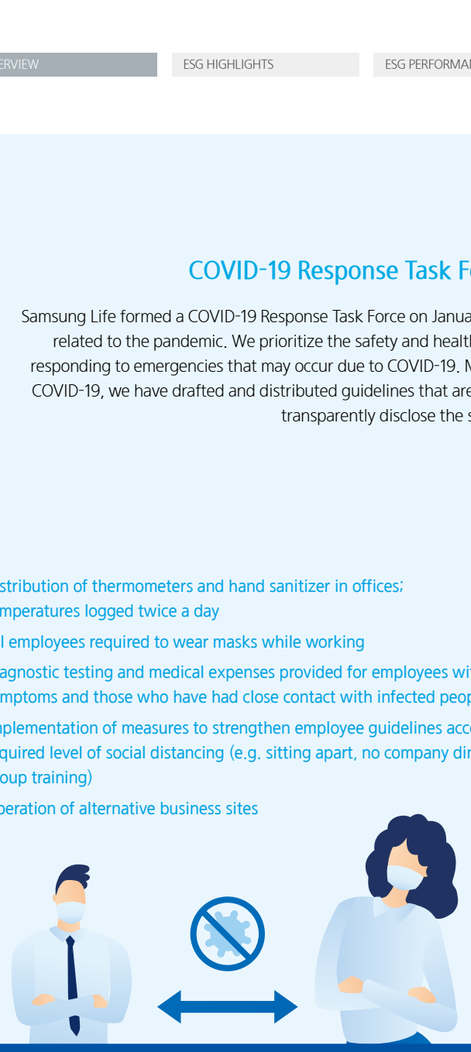
Samsung Life formed a COVID-19 Response Task Force on January 28, 2020, and has since responded rapidly to circumstances related to the pandemic. We prioritize the safety and health of our employees and consultants, and are preemptively responding to emergencies that may occur due to COVID-19. Moreover, in order to create a working environment safe from COVID-19, we have drafted and distributed guidelines that are more stringent than those of the health authorities, and we transparently disclose the status of confirmed cases.

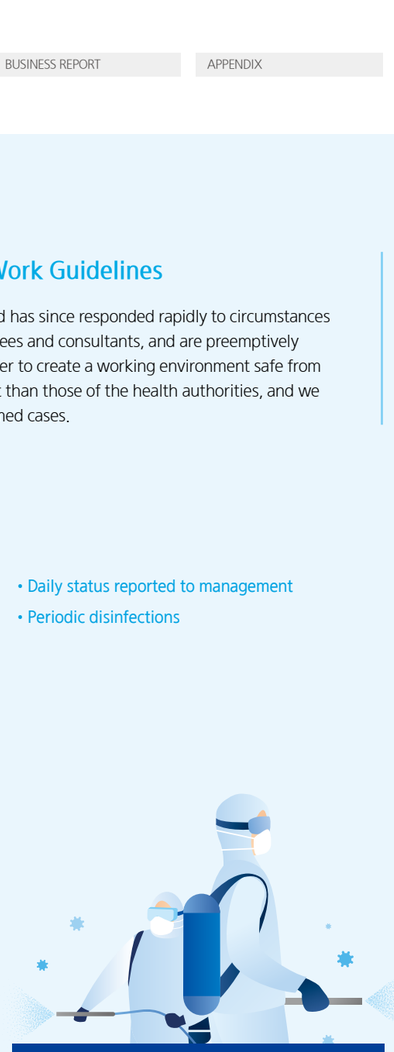
Samsung Life COVID-19 Task Force Guidelines

- Managing employees who have traveled overseas
- Implementing daily mobile self-screening
- Limiting elevator capacity to a maximum of 9 people
- Enabling work-from-home
- Implementing a staggered work system
- Operating thermal imaging cameras
- Distribution of thermometers and hand sanitizer in offices; temperatures logged twice a day
- All employees required to wear masks while working
- Diagnostic testing and medical expenses provided for employees with suspected symptoms and those who have had close contact with infected people
- Implementation of measures to strengthen employee guidelines according to the required level of social distancing (e.g. sitting apart, no company dinners, no group training)
- Operation of alternative business sites
- Daily status reported to management
- Periodic disinfections









Samsung Life's COVID-19 work environment

Before coming to work

Mobile pre-screening via Smart 'SSokSSok' app

Commuting

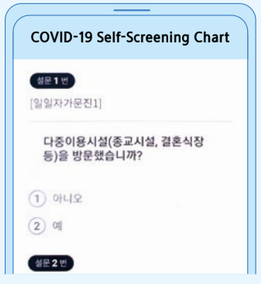
Flexible working hours and work-from-home

During Work

❶ Masks worn at all times; temperatures taken and recorded twice a day
❷ News of confirmed case and closure of regional office A is shared in real time via company bulletin board; relevant work is adjusted due to closure of regional office A
❸ Attendance at contactless meetings and site visits dispersed according to guidelines
❹ All seats facing forward in company cafeteria; otherwise lunch boxes and takeout onl

After Work

Cancel evening engagements, minimize contact with others, and encourage spending time at home safely with family









SPECIAL. 1 Responding to the COVID-19 Pandemic

Work-from-home System

No. of work-from-home employees

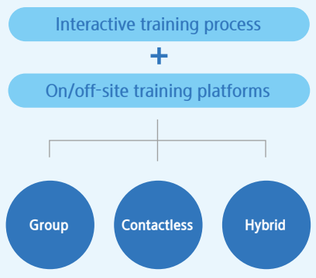
4,437

(As of January 2021)

Preventing the 'Corona Blues'



Samsung Life Contactless Training Process



Work-from-home System

The nature of the financial industry presents difficulties in a work-from-home system because of the requirement that internal and external computer systems be separated. Samsung Life,however, quickly set up the necessary systems in response to the spread of COVID-19, thereby enabling telecommuting from February 2020. According to the guidelines of the Financial Supervisory Service, we have continuously upgraded our telecommuting system to strengthen security, and have worked to raise security awareness by creating guidelines for work-from-home employees. Moreover, in keeping with the level of social distancing set by the government, and with employee safety as the top priority, pregnant women and people with underlying health conditions were reassigned to telecommuting first. During the third wave of the pandemic when the COVID-19 crisis intensified, we implemented work-from-home for all employees on a rotating basis. By actively implementing telecommuting in this way, we were able to prevent the further spread of COVID-19 even when infections occurred, which ensured work continuity.

Contactless Training

Adapting to the contactless environment quickly brought on by COVID-19, Samsung Life has provided employee orientation, promotions, and requisite training - which were previously only offered in a group setting - in a contactless manner while taking into account the number of trainees and the purpose of training. To overcome the limitations of contactless learning, we are working to enhance learning immersion by providing pre-learning kits, applying blended learning, utilizing an interactive learning platform, and conducting contactless team activities. Moving forward, we plan to provide training programs in a variety of settings, such as group, contactless, and hybrid training, depending on the number of trainees and specific course characteristics.

Contactless Counseling Channels

Even under social distancing, the Samsung Life Mental Health Welfare Center continues to create and operate contactless counseling channels to offer psychological assistance to employees and prevent the so-called 'Corona Blues.' We are improving accessibility via contactless channels such as counseling over the phone or online via the KakaoTalk messaging app, and we are expanding a variety of programs not limited to psychological counseling. Moreover, for our employees in Daegu and North Gyeongsang Province, we are offering Mental Health Screening and Covid-19 Mind Care Service as services in connection with Kangbuk Samsung Hospital.

Transition to Contactless On-site Training

To continue on-site training despite COVID-19, existing group training has been converted to online training, which allows contactless and round-the-clock training. For example, we developed the rookie consultant training course to accommodate both contactless and group training and enable round-the-clock training. We enhanced training efficacy through the contactless training program by upgrading functionality for real-time communication and individual coaching via recording file upload. Moreover, we plan to improve on-site sales manager training capabilities to develop on-site sales manager-oriented learning platform-based training and content at the HQ-directed platform-building and content provision level.



1



2

1. Treatment center
2. Prospective consultant exam site Jeonju Training Center (April 25-26, 2020)

Supporting Customers Impacted by COVID-19

Samsung Life, in conjunction with related organizations such as the Korea Life Insurance Association and the General Insurance Association of Korea, has implemented a joint response plan for insurance consumers who were directly or indirectly impacted by the spread of COVID-19. We have been working to provide practical COVID-19 countermeasures for insurance consumers by deploying dedicated counselors to promptly handle deferrals of insurance premiums and policy loan payments, expedited policy loans to affected customers, small business credit guarantees, and COVID-19-related insurance complaints.

Supporting Local Communities

Jeonju Training Center converted to treatment center free of charge

In March 2020, we provided our Jeonju Training Center free of charge as a treatment center for Daegu and North Gyeongsang Province, areas which were suffering from a shortage of hospital beds due to the first wave of COVID-19, and also actively assisted in alleviating medical supply shortage issues.

Support for Medical Personnel and At-risk Groups

To help the underprivileged and medical personnel affected by COVID-19, we donated a total of KRW 1.9 billion, including KRW 1.05 billion in employee donations, for COVID-19 prevention supplies, medical supplies, and daily necessities. Furthermore, employees and their families volunteered to support our neighbors in these difficult times by making 1,300 lip-view masks for the visually impaired and 3,000 mask straps for senior welfare and children's centers. In 2021, we will continue joining in efforts to overcome COVID-19 through a variety of activities.

Supporting medical personnel and vulnerable groups

Employee donations (People, Love Fund)

KRW **1.05** billion in support

- Daily necessities and hygiene supplies for vulnerable children (KRW 550 million, ChildFund Korea)
- PPEs and medical supplies for medical personnel and volunteers (KRW 500 million, Community Chest of Korea)

COVID-19 relief donations
(Korea Disaster Relief Association)

KRW **600** million

Mask straps made and donated to seniors living alone and children's centers

3,000 mask straps

Donated supplies to 150+ volunteer centers nationwide

KRW **150** million

Urgent mask donations to Daegu/North Gyeongsang Province
(Korea Disaster Relief Association)

33,000 masks

Lip-view masks made and donated to the visually impaired

1,300 masks

SPECIAL. 2

Digital Transformation across the value chain

As the Digital Transformation becomes a society-wide trend, financial transactions are quickly shifting from face-to-face/analog to contactless/digital. Accordingly, Samsung Life is enhancing customer convenience by providing digital services at the enrollment, retention, and payment stages through digital value chain innovation. By doing so, we are reinventing ourselves as the partner of customers who will be able to access their own life financial products digitally anytime, anywhere by 2030.



Insurance Purchasing

Digitalization of Insurance Transaction Documents

By eliminating paper forms used in the sign-up process and promoting tablet- and mobile-centered digitization, we are enhancing customer convenience, improving cost efficiency, and contributing to environmental conservation.

Sales via Tablet

Samsung Life is expanding the time available to sign new contracts and the range of tasks that can be handled by upgrading our on-site sales support system. Electronic signatures can be made via tablet 24 hours a day, while the daily cut-off for enrollment and premium payments, which was previously 20:00 on weekdays, has been extended to 23:00 on all days of the week. As a result, 25% of new policies were signed on non-business days and nights, resulting in increased customer convenience. Moreover, by expanding the number of accident claims that can be filed via tablet, we can process cases in which the policyholder and beneficiary are different. By overhauling our tablet loan system, we have improved efficiency in receiving loan applications. We are also constantly upgrading relevant systems, for example, by enabling a greater variety of parties, from individuals to corporations and organizations, to sign contracts via tablet and by enabling insurance policies to be signed with the electronic signature of the CEO. We plan to continuously develop our sales-via-tablet program so that consultants can enhance customer satisfaction by using tablets to expedite all tasks anytime and anywhere.

Digital Diagnoses

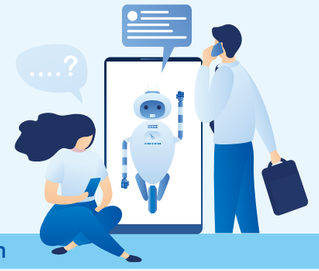
By adopting a new 'digital diagnosis process' in the insurance enrollment process, we have shortened diagnosis time and made insurance enrollment more convenient. When a diagnosis is required, it usually takes approximately five days for a diagnosis from a hospital or consultant visit to be processed. Our digital diagnosis, however, enables the process to be completed in just three minutes without documents or visits by using data stored with the National Health Insurance Service.

Biometric Electronic Signature System

We are the first in the industry to adopt a contactless biometric electronic signature system that replaces the beneficiary's written consent with biometric information. Until now, even if an electronic signature was made via tablet, if the policyholder and the beneficiary were different, the beneficiary had to fill out and sign the consent form on a separate paper document and leave the original with us. However, with the adoption of biometric electronic signatures, electronic signing is completed when the beneficiary's fingerprints are scanned with the consultant's tablet or smartphone, thus simplifying the process of writing and storing consent forms.

Mobile Enrollment

In response to the difficulty of servicing customers face-to-face due to the COVID-19 pandemic, we have set up a mobile enrollment system that enables customers to complete applications themselves via their mobile phone. Through this system, as of May 2021, 17% of new individual policies sold via face-to-face channels were signed through mobile enrollment, while its utilization rate was 44 times higher than that of conventional PC electronic enrollment conducted using official digital certificates. Moreover, we have continued to add mobile enrollment-capable policies that allow for differing policyholders and beneficiaries. For the first time in the industry, corporations and organizations can sign also policies via mobile enrollment.



Retention

Expanding AI-based Customer Service

We aim to consistently provide high-quality services by converting repetitive service tasks previously performed by human beings to services provided by artificial intelligence.

Efficient Customer Response via Chatbot

By using a chatbot, we are automating the face-to-face tasks of employees and consultants. Our chatbots, as a form of interactive AI developed in-house, were deployed on our website (App, Mobile, PC). They personally offer guidance on simple inquiries, and redirect the customer to the appropriate menu for quick and easy service. We aim at reducing VOCs and enhancing customer convenience by deploying chatbots. We are currently working on prioritizing simple and clear answers, while going forward, we will apply chatbots to all customer support systems.

Customer Service Using Voicebots

Voicebots are services that respond to customer inquiries by voice. We plan to gradually roll out voice bots using voice recognition technology, starting with face-to-face customer service tasks that are both low in difficulty and risk. Voicebots are available 24 hours a day, 7 days a week, thus enabling customers to make inquiries anytime, anywhere, and receive a consistent level of service. Within the year, we will begin applying voicebots to service calls to beneficiaries for monitoring complete selling, and for updating customer contact information. In the future, our voicebots and representatives will collaborate to provide the best in professional consultations.



Claims

Efficient Claim Assessment

We are enhancing customer convenience by automating the classification of insurance claim documents and improving the online and mobile accident insurance claim filing process.

Improvement of Claim Assessment Process

We have developed our own deep learning-based OCR technology and applied it to the assessment process to automate document classification for insurance claims and to significantly improve accuracy. Sorting classified claims documents by level of difficulty and distributing claims to the appropriate claim examiners have reduced the number of procedural steps and improve productivity.

Improvement of Online/Mobile Accident Insurance Claims Filing Process

We have improved our processes to make filing online/mobile accident claims easier and faster. Even those who have not signed up for the app or website can easily file an insurance claim by simply verifying their mobile phone number. They can also inquire about the necessary documents and check claim filing procedures without logging in. For easy and convenient filing, we have minimized the number of items to be filled out, while the user interface has been completely reorganized. Moreover, image files can be attached up to 10 times faster, which saves a substantial amount of time. We have also launched a proxy service for customers who experience difficulty with their mobile devices, and we plan to introduce a one-stop service encompassing everything from accident insurance inquiries to claim filing.

SPECIAL. 2 Digital Transformation across the value chain

Digital Channels

Samsung Life is working to strengthen its online insurance channels to accommodate rising preferences for contactless channels due to the spread of COVID-19. We plan to continue expanding our digital services, which include advancing DIY insurance coverage analysis and the launch of children's insurance. This is linked to the giving of insurance as a gift.

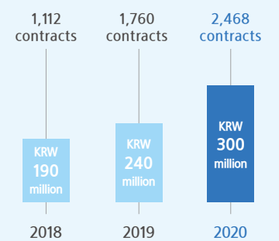
Expanding Digital Products	• Launch easy, convenient lifestyle products suited to direct enrollment channels - Launch of insurance for eye surgery, lifestyle sports injuries, and DIY insurance in 2020 - Planned launch of standalone child insurance and blood type insurance in 2021
Customer-Friendly Service	• Supporting enrollment via adoption of coverage analysis and custom insurance planning • Providing spaces for sharing life/financial information and communicating via the customer community 'Bo-Tong'
Integrated Contactless Digital Channels	• Completed inclusion of Individual Retirement Pensions (IRP) in Samsung Life Direct • Synergy created by organically linking to the Samsung Life website (integrated mobile center) in order to offer enrollment, policy management and content-sharing • Plan to provide linked financial services via an integrated platform for the four Samsung financial companies

Direct Channel Performance

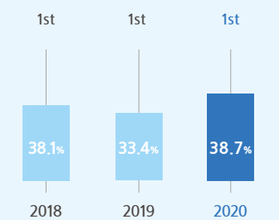
Since 2019, Samsung Life has been working to respond to the continued economic downturn and to insurance market saturation by innovating our online channels. In 2020, we secured 98,000 new customers by continuously expanding our direct sales program, as well as through sales partnerships with fintech companies such as Bank Salad and Kakao. We currently hold the highest market share in the direct channel sector.

Online Insurance New Contracts/Month and Market Share

New Contracts/Month



Market Share Position(Rank)



Direct Channel Products

Children's Insurance as a Gift

Samsung Life has added a gift option on KakaoTalk for its new standalone children's insurance, which is a simplified version of the existing insurance for children. However, in contrast to the existing children's plan, this simplified version consists of just the five key coverage areas - diagnosis, hospitalization, surgery, outpatient, and disaster - which are essential when growing up. Likewise, the insurance premium, which ranges from KRW 20,000 to 30,000, is lower than the existing plan. A gift option has been added so that grandparents or aunts and uncles can give insurance as a gift and pay premiums on the child's behalf. Furthermore, we plan to provide a service that allows not only family, but also third parties such as friends, to gift insurance policies by utilizing existing mini-plans such as those which exist for traffic and sports accidents.

DIY Insurance with Coverage Analysis

Samsung Life Direct provides DIY (Do It Yourself) insurance and coverage analysis services to alleviate any difficulties customers may face with online insurance while navigating all the stages of the process alone. DIY insurance enables customers to select only the coverage they want out of 26 riders in seven major coverage groups, such as death, cancer, and cardiocerebral diseases, and then enroll at a reasonable premium. Moreover, by providing a dedicated coverage analysis for DIY insurance, we are helping customers to analyze their plan enrollment details after a single authentication process and automatically customize.

Website Overhaul



Upgrading customer-centric UX/UI
Shortening the service process
Broadening scope of self-service
Revamping membership system
Adopting simplified authentication methods





Website (App, Mobile, PC)

In April 2020, Samsung Life completely reorganized its online customer contact points centered on the existing mobile app and PC website. We expanded our app, mobile website, and PC website services by implementing a customer-centric digital service usage environment. This includes improving its customer-centric UX/UI (user experience/user interface), shortening the service process, broadening the scope of self-service, reorganizing its membership system, and adopting a variety of simple authentication methods.

Website Upgrades

Even after overhauling the website, Samsung Life has continued to improve performance by regularly using customer panels to gain customer feedback and conduct round-the-clock monitoring of usage habits. Since 2021, we have started to implement our website 2.0 upgrade plans, with the aim of improving the website's functionality as a financial platform.

Website Version 2.0 Developmental Direction

We are developing Version 2.0 of our website by undertaking numerous innovation tasks set for completion by the end of 2021 under the four directional themes of 'easy, fast, convenient, and caring.' The core directions under each directional theme are as follows:

Easy	**Building an easy and intuitive UX/UI and strengthening the link between digital channels** We are focusing on enhancing customer convenience by organizing the main screen and menu by taking into account customer movement routes for easy access to key services. We are also strengthening the connection with digital channels as direct channels, in-house service apps, and integrated financial platforms.
Fast	**Fast and prompt customer service and processing times, and improved performance** We are simplifying the procedures for customers to receive consultation via our website and upgrading the process to enable our FCs to offer prompt customer service. Moreover, we are working on improving performance and reducing screen movement and information retrieval times so our website can be used quickly and conveniently.
Convenient	**Convenient process simplification and expanded self-service** By reducing and merging the steps in our customer registration and authentication procedures, we are creating a simple task-processing environment. We are developing a convenient user environment so customers can take care of key tasks such as filing accident insurance claims, applying for insurance policy loans, and making premium payments.
Caring	**Better service through caring communication and customer care through consumer protection** We are in the process of expanding and revamping our communication channels with customers. This includes establishing and operating a community via which we can listen to customer feedback and regularly host customer panels. Moreover, we are improving our consumer portal to protect customer rights and our customer information security system to prevent phishing.

ESG HIGHLIGHTS

HIGHLIGHT 1

Customer-Centric Management

Customers are our top priority in all processes, from product development to retention and claims payments. We will strengthen customer trust by establishing policies and systems that protect customer rights and interests. We are also reflecting customer opinions in our products and services as we work to enhance customer satisfaction.

HIGHLIGHT 2

Social Value Creation

As a member of society, we strive to address social issues and lay a foundation on which the company and our society can grow together. We will provide the optimal insurance products and services for our customers based on analyses of the rapidly changing social environment such as the emerging super-aged society. We will also continue to contribute to improving the quality of life of each customer and solving social problems.

HIGHLIGHT 3

Green Investment

Together with our coal-free declaration, we have laid out Responsible Investment Guidelines that ban new investments in coal industry. We will expand our ESG investment that contributes to achieving carbon neutrality and the overall low-carbon transformation of the economy.

HIGHLIGHT 1

Customer-Centric Management

100%
adoption of work practices recommended by the Consumer Rights Protection Committee
(Committee met 26 times, reviewed 95 cases)

No.1
Ranked 1st in customer satisfaction surveys in 2020 by three of Korea's top institutions
(Korea Productivity Center, Korea Standards Association, Korea Management Association Consulting))

81.5%
of accident claims in 2020 paid within 24 hours



Materiality

As uncertainty over the global management environment expands and the competition between insurance firms intensifies, securing growth momentum through customer-centric management is becoming more important.
In addition, a social atmosphere calling for the protection of customer rights is being established as a result of the Financial Consumer Protection Act enacted on March 25, 2021.

Risk & Opportunity

Financial accidents incurred from mis-selling and other practices may lead to consumer monetary damages. It may also undermine trust with clients and harm the company reputation. Applying customer opinions to products and services, however, can help enhance customer satisfaction and secure business competitiveness.

Management Approach

Samsung Life prioritizes and endeavors to strengthen trust-based relationships with customers. First, we are establishing policies and systems to protect consumer rights. When developing products, we review them from a consumer protection perspective and are developing practices and operating monitoring systems to prevent mis-selling. Moreover, we quickly respond to customer complaints and reflect consumer opinions when improving our products and services to boost customer satisfaction.

Customer-centric Management

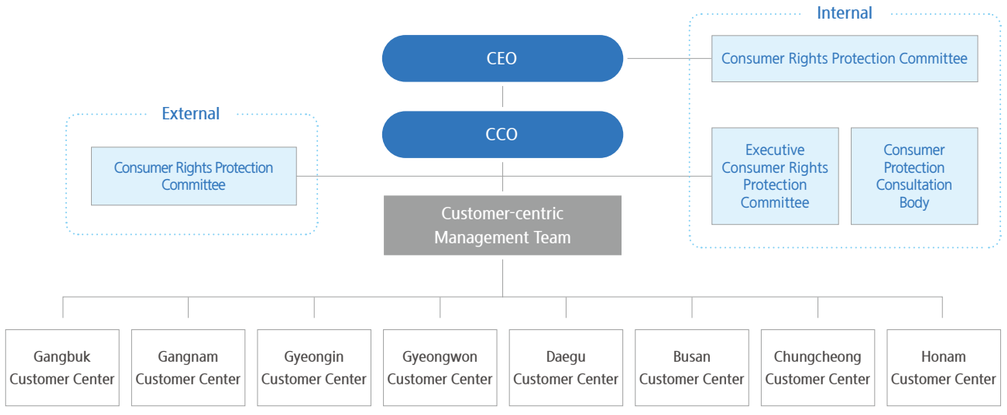
Customer-centric Strategy

As financial consumer-related laws and regulations tighten and corporate, social, and ethical responsibilities increase, Samsung Life hopes to build a customer profit-oriented management system by improving its work and processes from the customer' perspective. In order to move forward toward Customer-centric management, Samsung Life will play a role in preventing customer inconveniences in advance and developing innovative customer services by focusing on the five core values.

Vision	Establish a Customer-centric management system				
Mid- to long-term tasks for 2030	Enhance the customer protection system		Develop customer-centric services and enhance company value		
Core Values	**The path of win-win growth together** with the customer	**The path of communication,** going to the customer in the field	**The path of integrity,** leading through compliance	**The path of new challenges** without fear	**The path of value,** promoting long-term growth
Mission	Listen to the customer and think from the customer's perspective	Communicate with customers and on-site staff to find ways to improve	Address customer inconveniences and types of risk-incurring work	Provide innovative services to enhance customer and market trust	Achieve the 2030 vision 'Beyond Insurance, We Secure Your Future'
Selection and implementation of mid- to long-term detailed implementation tasks by sector					

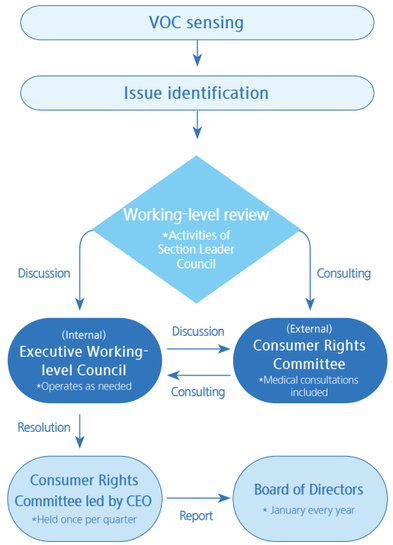
Customer-centric Management Promotion System

Samsung Life is engaged in variety of efforts to protect the consumer. These include reorganizing and upgrading the existing Consumer Protection Team into a Customer Protection Department, adopting and promoting customer-centric management, strengthening our consumer protection internal controls, and operating a Customer-centric Management Team as part of practicing ESG management. Protecting consumer rights is the top priority throughout the entire insurance process of 'Product Development-Product Sales-Contract Retention-Claims Payment.' Furthermore, we are making a variety of efforts to boost customer satisfaction by engaging in active communication with our customers. The Customer Protection Department Office is directly under the CEO, and to lead it we have appointed a Chief Consumer Officer (CCO). The office runs eight customer service centers nationwide that promptly handle and respond to customer complaints and cases of customer injury. Samsung Life will further strengthen measures to protect consumer rights across all of our business activities.



Consumer Protection System

Council Process



Consumer Rights Protection Committee

Samsung Life launched the Consumer Rights Protection Committee in April 2018 in order to directly listen to outside opinions on issues that conflict with customer interests and to reflect these voices in our work. Experts representing various fields, including university professors, lawyers, and doctors, offer solutions from a variety of perspectives by sharing their opinions on issues that the company and consumers disagree on. The Consumer Rights Protection Committee handles an extensive range of cases to resolve issues related to insurance policy purchases and retention, complaints in the claims payment process, and other consumer complaints. In the event of a complaint in which the contract terms or claims payment criteria are ambiguous, the consultant who received the complaint submits it to the Consumer Rights Protection Committee for a resolution. Advisors in each area of expertise review the case for about one week, before attending a committee meeting for an intense discussion and voting on whether the issue should be treated as a complaint or not. The Consumer Rights Protection Committee has reviewed 95 cases across 26 meetings. The committee's recommendations have been adopted at a rate of 100%, which has helped our customer service employees establish objective standards in regard to decision-making.

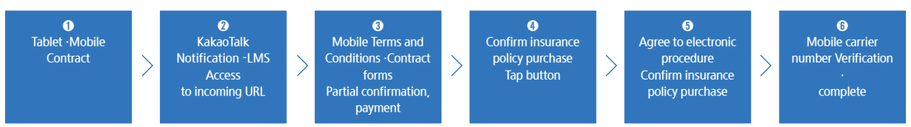
Consumer Protection Council

Samsung Life launched the Consumer Protection Committee in 2013 as a company-wide decision-making body tasked with protecting consumer rights. The Consumer Protection Committee is convened by the CEO once every quarter to set policy directions and initiatives for consumer rights protection and make decisions on material issues that could result in risks. In 2020, the committee found areas for improvement and approved resolutions on seven agendas across five sessions. Going forward, we plan to expand the committee's remit on customer rights protection policies as a mature decision-making body.

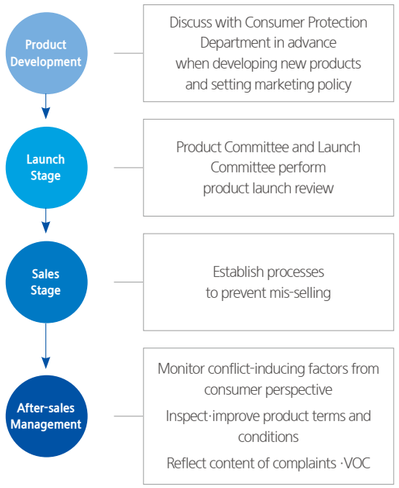
BUSINESS CASE

Improvement Efforts of the Consumer Protection Committee: Policy confirmation via mobile device

When a customer purchases an insurance policy through a tablet or mobile device, a KakaoTalk notification with a URL will be sent for confirmation. However, it was found that purchases can be confirmed by others if the customer forwards the KakaoTalk notification or LMS and provides the carrier's authentication number. The Consumer Protection Council, therefore, discussed measures to improve protections for customer rights. The result was the introduction of a technology that prevents the copying and resending of notifications to ensure that policy purchases cannot be confirmed by other parties.



Consumer Protection System for the Entire surance Contract Process



Consumer Protection System for the Entire Insurance Contract Process

Samsung Life has established a consumer protection system for the entire insurance contract process and holds discussions with the CCO in advance to protect financial consumers when developing new products and marketing policies. If product development and marketing policy are insufficient from a consumer protection standpoint, then improvements and/or a sales suspension can be requested. The CCO can also suggest opinions from the customer's point of view and request revisions. A checklist of items from the consumer perspective is applied to determine the suitability of product development and marketing policies. We also perform a 'preliminary review of customer rights protections' to check whether the guidance materials delivered to customers on insurance products are written in a way that is easy for consumers to understand. If the results of the preliminary review do not conform to the financial consumer protection system, then we reexamine, revise, and reinforce our products and marketing policies.

Preventing Mis-selling

Samsung Life bases its business on integrity and the practice of complete selling. To ensure the complete selling of our insurance products, we operate a compliance management organization at our head office and place compliance managers in all of our eight regions in Korea. In addition, we inspect and reinforce our processes on a regular basis to prevent unethical selling. In addition to on-site inspections, we deploy mystery shoppers. If any issues are found in this process, we take immediate measures and include such cases in our training material to prevent their reoccurrence. Training on complete selling is provided on a regular basis to prevent mis-selling and to increase compliance-consciousness of employees and consultant. In particular, with the Financial Consumer Protection Act taking effect on March 25, 2021, we have responded proactively as an industry leader by reviewing our business processes to ensure compliance with the sales principles of the Act. In addition, in order to prevent violations of customer rights, we have introduced a comprehensive confirmation document to the contract process explaining to the customer that we abide by the law and subsequently receive their confirmation.

Mis-selling Rate by Channel[1] (Unit: %, per year)



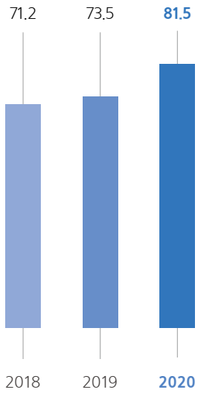
1) Telemarketing (TM) excluded from report due to business termination in 2020

Efforts to Prevent Mis-selling

Category	Activities
Compliance training	• Company-wide compliance training: Compliance training for all employees and consultants • Complete selling guidelines: Guidelines on compliance-related matters published and distributed to ensure the understanding of all consultants
Pledge of Compliance	• Employees and consultants sign a written oath which includes matters such as 'compliance with relevant laws and regulations' and 'protection of financial consumers' (renewed each year)
Sales office self-inspections	• Support systems for constant monitoring to strengthen the autonomous management of sales offices and to prevent compliance risks
Contract monitoring	• Monitoring new contracts through the use of service calls made by professional consultants to confirm that customers were fully informed of the main content of their insurance policies
Sales qualification system	• Granting and managing sales qualifications for consultants who pass qualification tests and complete additional training for each product group
Sales quality analysis	• Analyze the sales quality of sales offices and consultants through monitoring
mprovement programs	• Operate improvement programs in regions with high mis-selling rates

Strengthening Customer Satisfaction

Rate of claim payment within 24 hours
(Unit: %)



Services for Customer Satisfaction on each process

In all aspects of our services, from policy purchases to claim payments, Samsung Life is maximizing customer satisfaction providing competitive services to reduce of customer inconvenience.

Purchase of Insurance Policy

Mobile Contracts
- Policies can be purchased via smartphone after explanation is received from consultant
- Number of customer confirmations and signatures reduced, subscription forms reduced from 43 → 27
- Customers automatically given mandatory information before contract signing, convenience enhanced by auto-checking of claims payment information, etc.

Digital Diagnoses
- Security and customer convenience enhanced by contactless service
- Medical evaluation results conducted within two years can be submitted without submission of hard copies or a hospital visit

Renewal of Insurance Policy

Premium Customer-Love Service
- Consultants visit customers once a year to provide services such as a review of coverage details and disbursement of claim payments
- Increases customer convenience and reinforces customer trust

Claim Payments[1)]

Improved Payment Assessment Process
- Improves fairness in claim payments by diversifying channel for claim assessments
- Improves customer convenience by expanding face-to-face operations
- Increases convenience of mobile payments and expands self-processed functions

Customer-Love Claim Payments Service
- Quick payment of claims by improving claim assessment process
- Expands the scope of notification informing the customer of claim payments details through real-time notifications

1) For claim payment

Comprehensive Customer Service System

Samsung Life seeks to provide differentiated services to enhance customer trust. We aim to provide a customer experience unique to Samsung Life through services that customers can truly feel, and ultimately build a Total Care system based on customer needs. To do this, we plan to develop and introduce systems and services, according to their purpose and in sequential order, by dividing them into Essential Care, Marketing Care and Life Care.

Step 1

Essential Care
- Address customer inconveniences and enhance convenience in the transaction phase
- Reinforce the basic rights and interests of the customer (comply with the principles of the Financial Consumer Protection Act)

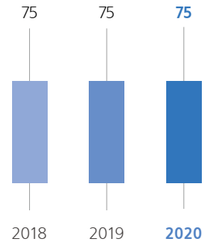
Marketing Care
- Propose customized products and services based on the customer's insurance needs

Life Care
- Differentiated health asset management
- Act as 'Beyond Insurance, We Secure Your Future'

Step 2

Customer Total Care
- Address customer complaints and inconveniences in the transaction phase
- Reinforce customer rights and interests through needs-based guidance
- Strengthen customer relationships, develop and provide communication content
- Provide personalized health asset management for each stage of the life cycle

Independent Customer Satisfaction Index (CSI) (Unit: Points)



Customer Satisfaction Survey

Through customer satisfaction (CSI) surveys, we measure levels of satisfaction in the service experience stage and analyze quality factors in order to improve our management systems according to the attributes of the customer. In addition, we are improving customer satisfaction by verifying the quality of our services in each stage according to customer type and then identifying ways in which our customer satisfaction competitiveness can be increased. Through the 2020 CSI survey, we measured levels of customer satisfaction and inconvenience in the customer value chain and identified four tasks and 22 specific measures for improvement by analyzing inconveniences in our services at each stage.

Results of External Customer Satisfaction Survey

Samsung Life was ranked No. 1 by Korea's top three institutions in 2020 in recognition of its efforts to practice Customer-centric management.

Awards

Korea Productivity Center

NCSI

National Customer Satisfaction Index (NCSI) Life Insurance Category
Ranked No. 1 for 17 consecutive years

Korea Standards Association

KS-SQI

Korea Standard-Service Quality Index (KS-SQI) Life Insurance Category
Ranked No. 1 for 18 consecutive years

Korea Management Association Consulting

Korean Customer Satisfaction Index KCSI

Korean Customer Satisfaction Index (KCSI) Life Insurance Category
Ranked No. 1 for 16 consecutive years

BUSINESS CASE

Improvements Based on Customer Satisfaction Survey Results

Improvements to mobile-based claims application and payment process

We have improved the claims process by reflecting customer opinions in updates to our website (app, mobile). We simplified the required documents and procedures for insurance claims to give customers access without having to log in. In addition, we have revised the wording of content to make it easier for customers to understand, created process diagrams, and minimized input information to enhance customer understanding and improve the convenience of claim payments.

Health management support and notification services linked to healthcare services

We launched the 'Nutrition Analysis Service,' which recommends essential nutrients to customers through a health survey that takes into account individual lifestyles. We plan to provide a variety of healthcare services aimed at preventing dementia and managing sleep patterns, as well as by recommending nutrients to customers and supporting them with lifestyle guides.

Enhancing Customer Communication

Customer Monitoring System 'Customer Panel'

In 2004, Samsung Life introduced 'Customer Panel,' the financial industry's first customer monitoring system, to improve products and services from the customer's perspective. Customer Panel serves as a communication channel between customers and the company in contributing to the improvement of our business, and it supports consumer rights protection and customer-perspective suggestions through experience reports, interviews, and surveys among others. In 2020, Samsung Life actively collected customer opinions through 11 mobile surveys regarding our products and services, including via the consultant matching platform, Individual Retirement Pensions (IRP), and our chatbot. Furthermore, through a usability review of our website, mobile app, and other platforms relaunched in April 2020, we were able to propose 38 items for improvement. We then made efforts to improve the screen/menu layout, service instructions, and processing speed, and simplify the user registration process. Through a variety of Customer Panel activities, we will continue to communicate with our customers and actively practice Customer-centric management.

Customer Value Enhancement Campaign

Samsung Life conducts its 'Customer Touch' campaign throughout the year. In 2020, our consultants delivered warm greetings and offered services to 1.26 million customers, including those whose consultant had changed, those scheduled to start receiving pensions, and those able to apply for a designated proxy. In 2020, face-to-face meetings were limited due to COVID-19. As a result, Samsung Life first conducted the 'Touch' campaign in a contactless manner through text messages, phone calls, e-mails, and post. For customers who wanted additional consultations, we were able to continue such arrangements by meeting them directly. 'Customer Touch' will continue as part of our efforts to achieve true customer management so that we can be with our customers whenever they need us.





1. Customer Monitoring
2. Customer Value Enhancement Campaign 'Wise Living - Customer Management

BUSINESS CASE

Revision of Customer Terms and Conditions

Samsung Life conducts an annual 'Insurance Terms Understandability Assessment' through the Customer Panel to improve the understandability of our insurance products and terms and conditions, the results of which we reflect through revisions. The Customer Panel read our insurance terms and conditions, and screened them for complex terms or incomprehensible expressions and then evaluated the structure and design from the customer's point of view. In 2020, the results of an assessment of the terms and conditions of policies for customers with pre-existing conditions yielded 25 suggestions that were subsequently reflected through revisions, including adding product name descriptions, improving reference charts, adding QR codes and revising terms.

Customer Panel Suggestions

Insurance Terms and Conditions	Homepage, Mobile App
25	38
Added product descriptions, enhanced reference charts, added QR codes, used simpler and clearer words/expressions, etc.	Enhanced screen/menu, service instructions and processing speed; simplified user registration process, etc.

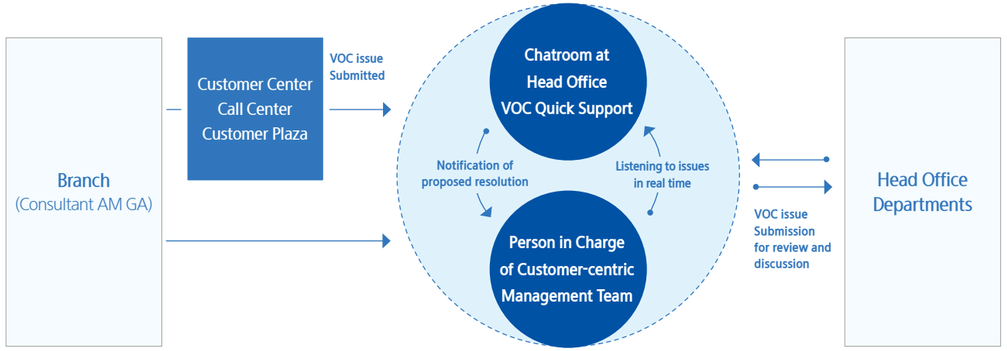
Voice of Customer (VOC)

Samsung Life is focused on listening to customer opinions and addressing related problems as part of its customer-centric management. Furthermore, improvements to the VOC system have enabled us to respond more accurately and quickly to such issues. We have automated the VOC classification system, which had previously relied on the judgment of the person who received the complaint. If a customer complaint is entered into the VOC system, it recommends five appropriate options, one of which is selected and then implemented. Using this method, we have improved the accuracy of our ability to classify complaints and find the right experts to provide appropriate assistance for each customer complaint directly. Additionally, we operate a system that analyzes opinions received through VOC and then manages matters to be reflected in the development of products and services and further improvements to the system.

'Quick Support Chatroom' for Resolving Complaints

The 'Quick Support Chatroom' provides an extra layer of review in a timely manner from the perspective of customer rights protection in order to handle unresolved customer complaints according to company rules. The Quick Support Chatroom has resolved a total of 199 cases since its launch in 2019.

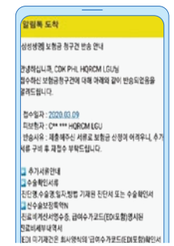
Quick Response System



BUSINESS CASE

VOC-based System Improvement-Document Return Notification Service

A customer who made a payment claim was inconvenienced when documents were returned due to the need for additional paperwork. Upon receiving the complaint, we implemented a document return notification service to improve the process from the customer's perspective. We were able to address this inconvenience for customers making payment claims by sending text messages explaining why their documents were returned.



Boosting the Security of Customers' Personal Information

Strengthening the Information Leakage Prevention System

Samsung Life endeavors to prevent the leakage of our customers' personal information by strictly prohibiting unauthorized users from accessing our customer information processing system and by conducting authorization reviews on a regular basis. Furthermore, we undertake regular inspections of the companies to which we outsource customer information in order to examine the status of their data management. In 2020, we completed security inspections at a total of 294 companies. In total, there were 70 controlled items, an increase of 15 from the previous year. Based on these efforts, we have strengthened the security level of the companies handling our customers' personal information. Consequently, we experienced no privacy violations or information leaks in 2020.

Managing Customers' Personal Information

We are able to ensure tighter information security by strengthening awareness of personal information security among our employees, consultants, and partner companies, and by conducting security inspections. In 2020, we carried out two company-wide security inspections, four special security inspections of document storage across the company, two security inspections of partner companies, and two inspections of companies handling personal information. In particular, we addressed the vulnerabilities detected from the four inspections conducted on a total of 152 document storage facilities and strengthened security in the management of important documents such as contracts and consent forms. In addition, we are safely protecting customer information by checking and addressing vulnerabilities on our website. We have also established a comprehensive information leakage response mechanism in the form of a security monitoring system that is active 24 hours a day and by establishing additional scenarios for the auto-detection of unusual activities. For the year, we reviewed 946 cases in order to prevent the mis-handling of personal information supplied through our new and updated electronic financial services.

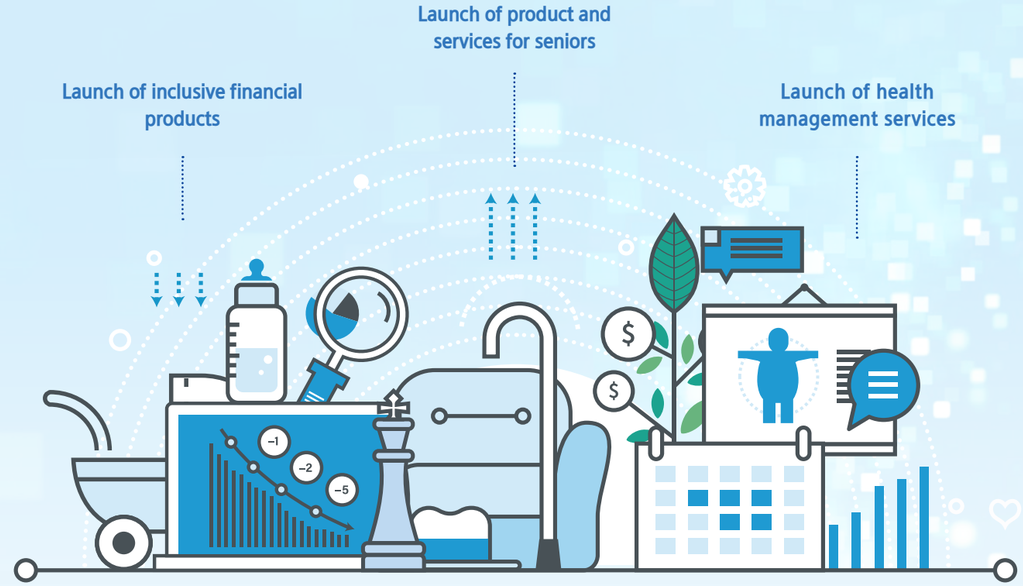
Security Inspections				Customer Information Management
152 facilities Company-wide inspections of document storage	Company-wide security inspections	Partner company security inspections	Inspections of companies handling personal information	Review of personal information handling processes
4 times	**2** times	**2** times	**2** times	**946** cases
• Addressed vulnerabilities • Strengthened security in managing important documents such as contracts, consent forms				• Prevented mishandling of personal information in all new and updated electronic financial services

Enhancing Customer Data Utilization

With the amendment of Korea's three major data privacy laws, data can be utilized without customer consent if it meets regulatory requirements regarding pseudonymous and anonymous processing. In 2020, Samsung Life analyzed the impact of the Data Act revision and the current status of customer data utilization areas and information. In addition, to ensure that data is used safely, we established technical and administrative protection procedures such as job separation, access control, and re-identification of risk assessments. We also installed a system that can safely anonymize and monitor large amounts of customer data. For the periodic use of customer data in the future, we will verify compliance with regulations, establish additional monitoring systems for the safe operation of customer information utilization systems, and build an environment for safe and seamless data utilization.

HIGHLIGHT 2

Social Value Creation



Materiality

As South Korea becomes a super-aged society, it faces serious demographic challenges due to the increase in one- and two-person households, as well as the declining birth rate. Moreover, the risk of developing various adult diseases such as diabetes is rising every year along with the number of people who are overweight. Consequently, insurance is taking on growing importance as part of the social safety net.

Risk & Opportunity

With the rise in the elderly population, the problems of obesity-linked adult diseases and cancer, and a growing proportion of customers with diseases, there will likely be an increase in disease-related claims. On the other hand, with the rapid growth of the elderly population, older customers are emerging as a customer base that is important to insurance companies seeking to maintain their markets..

Management Approach

Samsung Life is monitoring the rapidly changing social environment and providing insurance products and services to help address social problems. We are also lowering the thresholds for purchasing our products and expanding convenience services to enhance accessibility for financially vulnerable groups such as persons with disabilities and senior citizens.

Products and Services that Create Social Value

Samsung Life analyzes the rapidly-changing social environment on an ongoing basis, striving to address social issues as a member of society, and to create a foundation for businesses and society to grow together. We are working to fulfill the essential social function of insurance as part of the social safety net by improving individual customers' quality of life and by addressing social issues with optimal insurance products and services.

Social Issue	Context	Our approach	Products	Services
Super-aged society	South Korea is rapidly becoming a super-aged society. According to Statistics Korea, the number of senior citizens aged 65 or older in the country stood at 7.746 million in 2019, or 15.5% of the total population. This is double the number recorded in 2000.	Amid the rapid transition to a super-aged society, senior citizens are emerging as key insurance consumers. In the future, it is expected that demand will increase for retirement products and that insurance needs will increase for diseases that frequently occur among older people. Therefore, Samsung Life plans to develop and offer products and services for this age group.	**Senior Seven Coverage Rider** Samsung Life offers the 'Senior Seven Coverage Rider' through the 'Samsung Life Wonderful Comprehensive Coverage Insurance' launched in 2020. The Senior Seven Coverage Rider covers needs common among older age groups, such as pneumonia, diabetes complications, shingles, and the three major types of artificial joint and arthritis surgeries. **Samsung Comprehensive Long-term Care Policy 4.0 (Non-dividend, No cash surrender value) 'Happy Companion Long-term Care Policy'** We have launched nursing care insurance for customers who may need dementia care or other long-term hospital care. It covers diagnosis and medical care for those with severe dementia or long-term acute care (LTC), paying an acute care annuity for up to ten years.	**Services for Senior Customers** • Customer-Love Senior Service: Provides customers aged 65 and older with step-by-step convenience in insurance transactions with no need for an additional application • Designated Proxy Service: Pre-designates a proxy who can apply for and claim insurance benefits in the event that the insured cannot apply for his/her own insurance benefits due to dementia, etc. • Home Consulting Service: A home-visiting service for customers with mobility restrictions ☞ Click for more
Demographic change and lifestyle diversification	Longer life expectancies have made it important for individuals to invest, while the postponement of adult life milestones has resulted in a higher proportion of people marrying later in life or living alone compared to the past. According to the Ministry of Interior and Safety, single individuals accounted for 61.18% of all households in 2020. In addition, South Korea's birthrate in 2020 was the lowest among the OECD member countries at 0.84. If the birthrate remains low, overall economic and social dynamism and productivity are likely to decline.	Insurance needs are also expected to diversify along with household demographics. Samsung Life is conducting in-depth analyses of the needs of various customer groups and is developing products suitable to all lifestyles. We also seek to offer child insurance and a variety of other services to our customers to reduce the burden of childrearing.	**'Dream Tree' Insurance for Children** We have launched 'Dream Tree' insurance for children to reduce the financial burden of raising children. When purchased for children from pre-natal to the age of 15, this product provides comprehensive coverage for three major diseases (cancer, cerebrovascular disease, and ischemic heart disease), as well as hospitalization, surgery, and doctor visits until the age of 30. In fact, it is the first-ever insurance product for children that covers an antiviral flu shot once a year in case of flu diagnosis. Moreover, part of the insurance proceeds are donated to support victims of school violence.	**Growth Care Service** Subscribers to our insurance for children also receive 'Growth Care Service,' which supports the development of young people and addresses essential health, learning, and emotional needs until the age of 18. • Pregnancy/childbirth Care (Limited to pre-natal contracts): Customized information related to pregnancy and childbirth • Developmental Disorder Care: Growth plate exams, sleep disorder testing, etc. • Learning Disability Care: Provision of speech assessments, etc. • Emotional Health/Safety Care: Art therapy, etc. • Basic Health Care: Immune cell storage, Nurse Companion Service, etc. ☞ Click for more
Increasing obesity-linked health problems	According to OECD health statistics, 34.3% of people in South Korea were either overweight or obese in 2020. The obesity rate is growing every year, resulting in a higher risk of developing various adult diseases, diabetes, and musculoskeletal diseases. Furthermore, according to the the 2019 cause of death report by Statistics Korea, cancer was the leading cause of death and still remains the highest-risk disease for Koreans.	Higher rates of obesity-induced adult diseases and cancer have resulted in a proportion of customers with pre-existing conditions that is greater than those who are healthy. This is expected to limit the range of products that customers can purchase, and to increase disease-related claims. In preparation for an era of long life expectancy, even with the onset of disease, Samsung Life is engaging in R&D to provide customers with programs such as health management services to prevent diseases in advance.	**Health Products Based on Biological Age** We plan to promote the health of our customers by developing health products based on biological age, meaning the customer's overall physiological functionality, rather than their official numerical age. We also plan to upgrade our health services using an array of exercise tracking tools and medical information.	**Service for Healthy Lifestyles** • Walking Service: Prizes for achieving three million steps/year (CI insurance) • Medical Exam Bonus: 0.1% bonus for submitting medical exam results, extra 0.1% for meeting health criteria (GI, CI insurance) **Health Care Services for Disease Diagnoses** • Nurse Companion Service provided for customers diagnosed with severe diseases such as cancer, stroke, heart disease, diabetes. and dementia; and health care support including disease management services (for those who have purchased related products) ☞ Click for more

Health Management Services

☞ Click for more

We provide a variety of health management services to encourage healthy customers to maintain an even healthier lifestyle, and we provide support to relieve the burden on those already diagnosed with disease.

Services to Support Healthy Lifestyles

Walking Service	To help create daily walking routines, we provide bonuses to those who achieve their target number of steps. Based on the date a customer starts the Walking Service, they receive a mobile gift certificate worth 30,000 KRW when their total number of steps as measured by the Samsung Life S-Walking application reaches 3 million (maximum 15,000 steps/day).
Medical Exam Bonus	Customers who submit medical exam results receive a bonus worth 0.1% of the policy price, and an extra 0.1% is provided to those who meet the health criteria.

Health Care Services for Customers with Acute Diseases

Diabetes Care Service

For customers who have purchased a diabetes rider, our Diabetes Care Service is provided to those who apply for it after receiving payment of claims covered by the rider. Customers receive general health care services such as diabetes self-management services, musculoskeletal self-management services, health counseling, hospital appointments, and our healthy walking service. In this way, we are promoting the maintenance of healthy living for customers already diagnosed with diabetes.

Cancer Care Service/Cancer Care Service II

These services are provided from the date of policy to customers who apply to use them after receiving a cancer diagnosis that qualifies for coverage under state insurance. Beneficiaries receive the Nurse Companion Service for up to three visits to top-tier general hospitals and disease management services such as health management programs and nurse monitoring. Also provided are general health management services such as health consultations, hospital appointments, appointments for medical exams and consultations on the results, and other health information. With Cancer Care Service II, chemotherapy patients are provided with wigs, and female patients diagnosed with breast cancer receive the additional service of two in-person psychological counseling sessions.

Diagnosis and Care Service for Cancer, Stroke, and Heart Disease

Starting from the date of policy, we provide this service to customers who have received payment of claims related to cancer, stroke and heart disease. They receive the Nurse Companion Service for up to three visits to top-tier general hospitals and disease management services such as health management programs and nurse monitoring. Also provided are general health management services such as health consultations, hospital appointments, appointments for medical exams and consultations on the results, and other health information.

Nursing Care Services

These services can be provided 30 days after the date of policy. Along with the regular services we offer, we provide additional services depending on whether symptoms are mild or severe. Regular services include a walking program, medication reminders, and other health content through the Samsung Life health management app, as well as monthly check-in calls and regular dementia screenings. Those with mild to more serious symptoms are provided with a nurse companion and a mental care service for their guardians. For severe cases, we provide vehicle transportation, guidance and reservation assistance for nursing facilities/hospice, and facility admission kits.

Convenience Services for Senior Customers

Customer-Love Senior Service

We provide step-by-step convenience services to help senior customers easily understand our insurance products and to make insurance transactions more convenient. To enable customers aged 65 and older to receive their benefits easily, the 'Customer-Love Senior Service' is available for purchase with no need for a separate application.

Contract Agreement	Retention	Annuity Payments
Customized Re-verification More thoroughly verifies complete selling as part of Customer-centric Service	**Convenient Contract Management** A redesigned contract management environment for customer convenience	**Prompt Annuity Payments** Proactively fulfills the value of insurance
Senior Happy Call Service • Repeats explanations of key policy content (e.g., coverage) for new customers aged 65+ • Uses a custom script and adjusts speed and/or volume based on the customer's level of understanding	**Senior Notification Service** • Provides contract-related documents to seniors • New document layouts using bigger fonts and margins for better readability **Senior Consultation Service** • Directly connects calls from customers aged 65+ by recognizing registered phone numbers, thus eliminating the need for ARS • Calls answered by professionally-trained consultants in charge of senior customers	**Senior Annuity Service** • For whole life annuity (pension-type) customers who have entered the payout phase and need to apply to receive payments • Provides guidance for the annuity payout process and handles applications for automatic annuity payouts

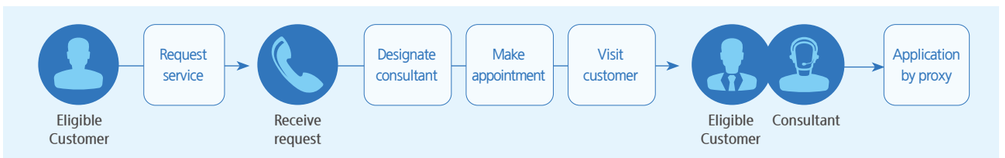
Designated Proxy Service

The 'Designated Proxy Service' enables customers to pre-designate someone to claim their insurance benefits on their behalf in case the insured cannot claim their own benefits. The insured can designate a proxy at the time of policy purchase, or may designate or change their proxy at any time before an accident has occurred. As Korea's elderly population grows and the number of dementia patients continues to increase, we have simplified application documents and improved related procedures so that more customers can make use of designated proxies. As a result, more than 40,000 proxies have been designated for dementia insurance policies.

Eligible Applicants	Policyholder = Primary Insured Person = Beneficiary (excluding death beneficiaries)
Eligible Designees	A spouse, as indicated by the policyholder's family register or residential registration; or a lineal relative not more distant than a sibling of the policyholder's parents
How to Apply	Register at a Customer Plaza, branch store or through a designated consultant
Required Documents (for in-person applications)	• Designated proxy application (company form) • ID cards of policyholder and designated proxy • Consent form for personal (credit) information signed by the designated proxy (company form) • Document to verify the relationship of the policyholder with the designated proxy (copy of family registry or resident registration)

'Home Consulting Service' for Financially Vulnerable Individuals

Samsung Life provides a 'Home Consulting Service' for financially vulnerable customers who have mobility restrictions. When a customer applies for services through the Call Center or at a Plaza, a consultant visits the customer and helps submit the documents necessary to receive payment for their claim, thereby helping the financially vulnerable receive their insurance benefits safely and quickly. Samsung Life will continue to improve its systems and processes to make insurance transactions more convenient for the financially vulnerable.



Financial Inclusion

Financial Inclusion Products

Samsung Life is expanding access to insurance so that more customers can purchase and enjoy the benefits of insurance by opening the door to insurance for those with pre-existing conditions and providing micro insurance to the financially underprivileged.

Supporting Financially Vulnerable Individuals

People with Disabilities	To protect individuals with disabilities from various kinds of accidents, damages/loss and disease, and to ensure a stable livelihood, we offer Gomduri Total Coverage Insurance at a lower-than-average premium.
Businesses with Fewer than Five Employees	We are the first company in the industry to enable businesses with five or fewer employees to sign up for company benefit insurance and company health insurance without the need to submit basic documentation beforehand.

Expanding Policies for People with Pre-existing Conditions

The launch of our 'Simplified Care' and 'Simplified and Reliable' insurance has lowered the threshold for customers with pre-existing conditions. We have also launched 'Samsung Simple Comprehensive Insurance 1.0' based on simplified underwriting with a minimized list of disclosures. Customers up to 80 years old can easily sign up with three disclaimers and add the Senior Seven Coverage Rider.

Expanding Insurance Accessibility

Samsung Life is launching a mini-insurance that enables young adults and low-income earners to select the particular types of coverage they need even with a small amount of money. Samsung Life's Mini-Cancer Insurance, available as an online product, provides cancer coverage to 30-year-old male customers at an annual cost of KRW 7,255, which is a monthly payment of around KRW 605. We will continue to provide our customers with easy access to insurance at low costs through mini-insurance.

Services for Customers with Visual or Hearing Impairments

Samsung Life provides various services for the convenience of our customers with disabilities. We have introduced braille security cards for customers with visual impairments and bar codes that convert written e-mail notifications into audio. When our Call Center is contacted by a customer with previous claims related to visual impairment, they are connected directly to a Call Center representative with no need to use the keypad. In addition, to make our Call Center easy to use for customers with hearing impairments, we have provided visual ARS (automated response system) since 2017, and we offer sign language/text consultations through facilitators at the Relay Call Center. Furthermore, we operate the 'Exclusive Call Center for People with Disabilities (Tel. +82-1899-3311)' and a dedicated e-mail address (help1004@samsung.com).

CASE STUDY

Institute of Insurance Research

The Samsung Life Institute of Insurance Research conducts a wide range of R&D utilizing the aspects of the insurance industry that relate to our lives. As part of our efforts to practice Customer-centric management, we have recently strengthened our in-depth research analyzing the needs of our diverse customer groups and seeking effective strategies to meet them. Based on our research, we are also focusing on producing insurance information content for our customers and engaging in media promotions and educational activities. The Institute of Insurance Research will continue working to sense and analyze rapidly changing trends among our customers and society, while developing Customer-centric products, services and sales practices, and addressing social issues.

Research Areas

Aging population / Changing lifestyles

'Retirement Preparation Index' and 'Retirement White Paper'
- Assesses the financial/non-financial aspects of retirement preparation in Korea
- Suggests ways to raise awareness of retirement preparation and address shortfalls

Insurance consumer research (Millennial women, unmarried customers in their 30s and 40s, married customers in their 40s)
- Researches 'Life Design' solutions tailored to our customers' diverse needs and life contexts, such as gender, age, and marital status

Environmental changes in the annuity market and response measures
- Analyzes customer retirement needs, annuity products, and channel-related status
- Recommends annuity sales methods based on customer needs

Insurance consumer value chain
- Identifies causes of customer satisfaction and dissatisfaction when purchasing insurance
- Explores ways to increase customer value for each stage of the insurance purchasing process

Promoting health in an era of longer life expectancy

Research on cancer patients to develop cancer insurance
- Studies the financial and mental challenges faced by cancer patients and their families
- Explores ways to enhance the competitiveness of cancer insurance products and services

Study of anxiety among middle-aged and older adults with chronic disease
- Identifies the causes and status of anxiety among middle-aged and elderly patients with chronic disease
- Analyzes the need for insurance among people with chronic disease and the positive functions of insurance for people with pre-existing conditions

Health management services
- Surveys the need for health management services according to customer characteristics such as gender, age, etc.
- Explores ways to provide tailored health management services

Informative Content and Life Design Education

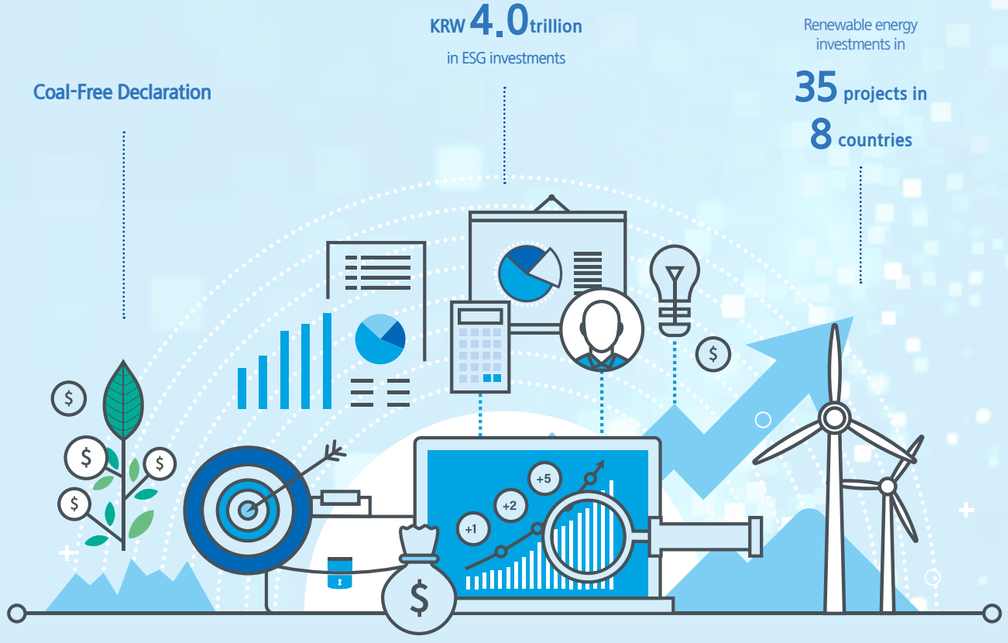
The Institute of Insurance Research provides Life Design education and relevant news to help people in Korea establish suitable financial portfolios and prepare for retirement. 'Card Talk' is a mobile news brief published by Samsung Life every Monday, covering topics ranging from disease and health information to insurance and finance. We also provide training on lifelong financial planning to our employees in their twenties and thirties as well as those in their forties and fifties to give them the insurance and financial knowledge they need to plan a healthy retirement. We plan to continuously working to discover quality content that will point our customers in the right direction amid a changing financial environment.





HIGHLIGHT 3

Green Investment



Materiality

Amid the destruction of ecosystems and a rise in abnormal climate events due to climate change, there is corresponding growth in domestic and overseas regulations and policies. Korean financial authorities have announced the '2021 Green Finance Promotion Plan' as part of building a green finance ecosystem. The introduction of the Korea Stewardship Code by the National Pension Service has made it more important to integrate ESG factors into corporate decision-making, while ESG integration is also emerging as a very important agenda in the asset management process.

Risk & Opportunity

There are growing calls both in Korea and abroad to move away from carbon, and to this end, financial institutions are prohibiting new investment in carbon-emitting companies such as the coal industry. At the same time, there is growth in ESG-related investment. The transition to ESG investment will help maintain our company's positive reputation and open up new business opportunities.

Management Approach

In tandem with the Coal-Free Declaration, Samsung Life has established investment guidelines that prohibit new investments in three industries: coal mining/coal power, gambling, and tobacco. We also plan to consider environmental and social factors when making investment decisions, and expand our investments in those areas.

Responsible Investment Principle

Declaration of Coal-Free Finance

Samsung Life has issued a 'Coal-Free Declaration' banning new financial support for coal mining and coal-fired power station as part of our proactive response to climate crises such as global warming and in our ESG management activities. Samsung Life has not made any new investments in coal-fired power plants since June 2018, and has decided not to invest either directly in coal plants or in corporate bonds for the purpose of building them. Going forward, instead of investing in coal, we plan to continuously expand our investments in eco-friendly assets such as renewable energy and electric vehicles. Beyond coal, we plan to restrict investment in other ESG 'problem assets,' and reflect this when planning new investments and loans.

Negative screening on ESG Stranded Assets

1. It is banned to invest in or provide loans for coal-related projects such as coal mines, terminals, and power plants, while existing investments are subject to exit upon refinancing.
2. It is banned to invest in or provide loans for domestic and foreign companies engaged in coal mining, coal-fired power station, tobacco or gambling-related businesses.
3. New investment and financing could be banned on companies engaged in a variety of businesses if coal mining, coal-fired power station, tobacco or gambling account for more than 30% of their revenue.

BUSINESS CASE

Signatory to the Carbon Disclosure Project

Samsung Life has joined as a signatory to the Carbon Disclosure Project (CDP), a global initiative led by financial institutions that encourages companies around the world to disclose information on their climate change response strategies. As a signatory, we plan to participate in the efforts of the global financial industry to transition to a low-carbon economy. By taking part in the CDP platform, we will contribute to enhancing transparency in climate disclosures.

Declaration of Support for Climate Finance to Achieve Carbon Neutrality

Samsung Life joined the 'Declaration of Support for Climate Finance to Achieve Carbon Neutrality by 2050,' thus declaring the company's intent to practice 'climate finance' by suspending investment in coal and disclosing climate-related financial information with the goal of achieving carbon neutrality by 2050.

'Six Pledges' of Climate Finance (Source: Korea Sustainability Investing Forum)

Support for Carbon Neutrality 2050	Integration of ESG factors, including climate risk, into all financial business operations, including investments, loans, and insurance	Support for information disclosures based on international climate-related standards, and efforts to secure disclosure of financial information	Requests for disclosure of ESG information, including climate change, from companies in which we invest	Efforts to attract capital into carbon-free industries through investment and shareholder activities	Launch of financial products related to climate change response

Responsible Investment

ESG Investment

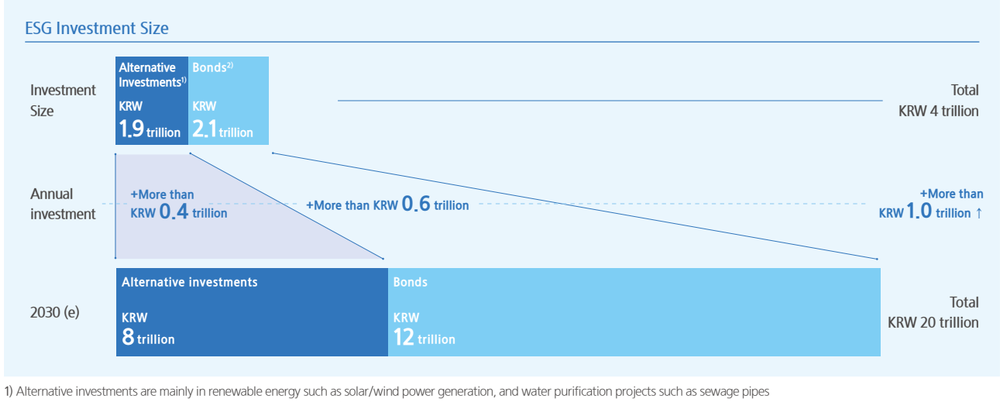
When making investment decisions, Samsung Life considers environmental and social factors as part of efforts to solidify its status as a leading ESG management company and to fulfill its role in society.

Major ESG Investments (Unit: KRW 100 million)

Specific Category	Investment Name	Explanation	Amount (commitment)
Eco-friendly investment	Saemangeum Solar Project	Loan for project to build and operate a solar PV plant (99MW) in sector 1 of the Saemangeum land-based solar complex	472
	Seosan Solar Project	Loan for project to build and operate a solar PV plant (65MW) and energy storage system (140MWh) in Seosan, South Chungcheong Province	860
	ShinhanBNPP Japan Solar Bond: CLO Private Equity Investment Trust Nos. 5, 6, 7	Loan for project to build and operate solar PV plans in Japan (Chubu, Tohoko, etc.)	2,862
	Chile Small-scale Solar Power Project (SPV P4)	Loan for project to build and operate solar PV plants in Chile totaling 100MW	400
	Chile Renewable Portfolio (Condor Energia)	Loan for project to build and operate wind power (429MW) and solar PV (145MW) plants in Chile	570
	KIAMCO Solar Power Private Equity Investment Trust Nos. 4	Loans for project to build and operate small-scale solar PV plants in Korea	600
	KIAMCO Saudi SEPCOII Private Equity Investment Trust	Senior loan for desalinization plant in Saudi Arabia	726
	Other green bonds	To build renewable energy plants, improve energy efficiency, reduce air pollutants, etc.	3,032
Social Investments	Mortgage-backed Securities (MBS)	Mortgage securities issued by the Korea Housing-Finance Corporation backed by Didimdol Loans and Bogeumjari Loans (preferential mortgages for low-income buyers, newlyweds, etc.)	14,255
	Other bonds for social purposes	Various types of policy loans to fund SMEs and venture companies, support for SMEs, job creation, and support for vulnerable groups	595

ESG Investment Plan

Samsung Life plans to expand its ESG investments to KRW 20 trillion in 2030 by incorporating the ESG integration in decision making process of asset management.



1) Alternative investments are mainly in renewable energy such as solar/wind power generation, and water purification projects such as sewage pipes
2) Bonds issued by the Korea Housing-Finance Corporation: MBS (Social) bonds, green bonds, sustainable bonds, etc.

BUSINESS CASE

Status of New and Renewable Energy Investment

As of the end of 2020, the balance of our investments in new and renewable energy projects is approximately KRW 1.3 trillion.
Samsung Life plans to continue expanding its investment in renewable energy, including solar and wind power.

2020 Status of New and Renewable Investment (No. of projects)



10 domestic, 25 overseas

35 projects in 8 countries



Investing in Solar Power Plants in Chile

By investing in solar power plants in Chile, Samsung Life is not only generating new profits, we are also investing based on considerations of environmental and social values. In 2020, we signed an investment agreement for the construction and operation of small-scale solar power plants across Chile which will generate a total of 100 MW. When all the plants are completed, we expect that they will reduce GHG emissions by about 100,000 tCO_2eq/y compared to fossil fuel power generation and provide enough clean energy for use by approximately 60,000 local households.

Responsible Investment Process

Samsung Life is implementing responsible investment strategies to respond proactively to the climate change crisis while also fulfilling our corporate social responsibilities. As of 2020, ESG factors are being reflected in our investment review process. Along with the Coal-Free Declaration, we have enhanced our negative screening process by banning new investment in three industries: coal mining/coal power, gambling, and tobacco. In addition, we are adopting the principle of responsible investment, and we aim to make our investments part of building a more sustainable environment and society.

	Current	Stage 1	Stage 2 (2025 ~)
Investment Process	**Preparing integrated ESG review process** Implement review process for ESG companies ↓ Evaluate ESG standards of investment target firms	**Implementing ESG Integration** Usage of external ESG data, verifications, etc	**Preparing for 2050 Carbon Neutrality** Aligned to 'Carbon Net-Zero by 2050' green finance goals of the Financial Services Commission
Investment Strategy	**Coal-free Declaration and Negative screening** Ban on new investment in "Coal mining/coal-fired power station, gambling, and tobacco"	**Strengthening internal capabilities correspond to the ESG regulations** • Climate/environmental risk-management guidelines, Response to K-Taxonomy framework • Strengthen scoring in ESG evaluations when selecting Investment Management Firm	**Incorporating ESG-centric Investment philosophy** In compliance with investment guidelines in accordance with membership in various international initiatives and agreements

Organizational Chart | Investment Decision-making Process

We conduct credit and investment deliberations by undertaking a comprehensive evaluation of the counterparty's risk and/or size, profitability, timing, and appropriateness of the management institution.

Asset Management Committee
Head of Asset Management Business Unit (Chairman) and 7 other members

Review and Negative Screening

- **Alternative Investments Analysis**: Assess credit risk, including social overhead capital (SOC), of alternative investments and assign limit
- **Financial Analysis**: Assess credit risk of domestic and overseas financial industries and assign limit
- **Company Analysis**: Assess credit risk of companies in each industry and assign limits
- **RM Planning Part**: Manage asset risk (market, credit, etc.) across the company

Asset Management Department

- **Project Finance Section**: Department responsible for SOC project financing/investment
- **OS Operating Section**: Department responsible for ordinary account securities (bonds, beneficiary certificates) investment
- **Pension Investment Section**: Department responsible for retirement account securities (bonds, beneficiary certificates) investment

VALUE CHAIN STORY

Responsible Investment by Samsung Asset Management

Implementation of Stewardship Code

Samsung Asset Management, Korea's leading asset management company and a subsidiary in the Samsung Life value chain, is committed to upholding its duty of good faith as a trustee of customer assets and will do its best for the benefit of customers and beneficiaries. In June 2018, the Korea Stewardship Code was introduced, establishing a policy on trustee responsibility, guidelines for the exercise of voting rights, and a policy for preventing conflicts of interest. Samsung Asset Management is exercising its voting rights in consideration not only of financial factors but also of various non-financial factors that impact the environment and society. We do so in the belief that from a long-term investment perspective, the mid- and long-term growth of our investment target companies aligns with the interests of our customers and beneficiaries. We have significantly expanded the exercise of our voting rights as an active shareholder, and in 2020, we exercised our voting rights on 1,986 items decided by 273 domestic companies. Furthermore, under the supervision of the Trustee Responsibility Committee, we take part in shareholder engagement activities in companies in which we hold a stake of 1% or more or have invested at least KRW 100 billion. We use these shareholder activities as a way to acquire a basis on which to judge mid- to long-term corporate value, and we also communicate with investment target companies about ESG issues.

Trustee Responsibility Policy

Company Philosophy	Investment Philosophy	Stewardship Code	Core Activities of the Code	Basic Principles of Activities
Pursue stable returns on customer assets	Team approach Value investing Differentiated management Risk management	Put customer and beneficiary interests first	Exercise voting rights Shareholder engagement	Transparency Fairness

Strengthening ESG Investment Capabilities

Samsung Asset Management provides a variety of products to meet customers' ESG investment needs, such as 'KODEX Carbon Efficiency Green New Deal,' 'Samsung Energy Transition,' and the 'Samsung ESG Value Bond Fund.' We invest not only in infrastructure such as ESG funds and eco-friendly sectors, we are also revamping our organization and processes in order to integrate ESG strategies into our overall management of stocks and bonds. The ESG Committee was established within the BoD as the highest decision-making body for ESG investment strategies, and we have strengthened its organization and functions to give it the necessary competencies and expertise to engage in ESG investment and to implement stewardship. The ESG Team is in charge of the exercising of shareholder rights such as voting rights, as well as research tasks such as daily monitoring and the publication of monthly ESG reports. We are developing a 'Hybrid Grading Model' that combines the ESG ratings of a number of external ratings agencies with our own research results, while we plan to further refine our ESG integration in the future.

Organization & Accountability



Learn more Samsung Asset Management Website https://www.samsungfund.com/content/stewardshipCode.action#tab-btn-theme

ESG PERFORMANCE

E S G Performance

Environmental Management

As part of building a more sustainable future, Samsung Life has established an environmental management strategy we refer to as 'Green Investment, Green Infra,' and we are expanding our eco-friendly investments and reducing carbon emissions. We are also promoting the efficient use of resources and energy across the company through an environmental management system.

Response to Climate Change

Green Finance Strategy

As a life insurance company and institutional investor managing customer assets, Samsung Life recognizes that climate change is a significant issue affecting our customers' lives, health, and property. By expanding eco-friendly investment and reducing carbon emissions, we plan to participate in the national effort to achieve carbon neutrality by 2050 and contribute to a low-carbon transition in the overall economy..

		2030 Target
Green Investment	• Ban new investment in coal mining/coal power • Expand eco-friendly investment in renewable energy, green bonds, etc. • Introduce carbon emissions management system for investment portfolio	Eco-friendly investments of KRW 20 trillion
Green Infra	• Manage environmental performance based on ISO 14001 environmental management system • Save energy and enhance the 'paperless insurance environment' • Establish a climate risk integrated management system	Reduce carbon emissions by 50%

Efforts to Implement TCFD Recommendations

In March 2021, Samsung Life joined the Task Force on Climate-related Financial Disclosures (TCFD) as a supporting organization. TCFD is a global initiative created in 2015 under the G20 Financial Stability Board, and it recommends that companies disclose 'Four Pillars': climate-related governance, strategy, risk management, and metrics/targets. Samsung Life plans to establish a climate change response system in accordance with the TCFD recommendations and transparently disclose the status of its implementation to stakeholders.

Implementation Status of TCFD Recommendations

Governance	Strategy
• Established ESG Committee within the Board of Directors (includes CEO) • Operate ESG Executive Council and ESG Secretariat	• Establish in-principle ban on new investment/ lending for carbon businesses • Establish 2030 mid- to long-term plan for ESG investment
Risk Management	**Metrics/Targets**
• Planning to research business impact of climate risk • Planning to establish a climate risk integrated management system	• Reduce carbon emissions by 50% by 2030 (compared to 2017) • Planning to establish a carbon neutrality roadmap

☞ TCFD index

Carbon Emission Reduction Targets

Samsung Life aims to reduce carbon emissions by 50% (compared to 2017) by 2030 as part of our 2030 mid- to long-term ESG strategy. As a company participating in the GHG & Energy Target Management System (TMS), we report our GHG emissions as verified by a third party, and we set and manage our own annual reduction targets. In 2020, our GHG emissions amounted to 66,993, tCO_2eq, which means we exceeded the annual reduction target.

Carbon Emission Reduction Activities

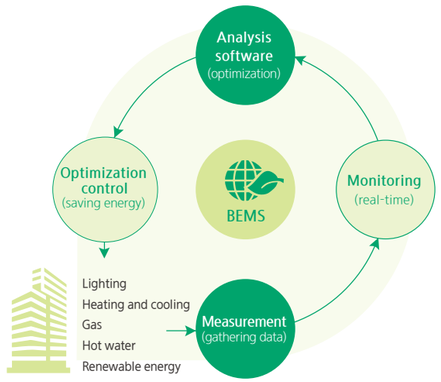
GHG Management

The main sources of GHG emissions at Samsung Life are the electricity and gas used for thermal control and illumination within our buildings. Accordingly, we operate the GEMS (Greenhouse Gas & Energy Management System) and the BEMS to monitor and manage our energy use and emissions.

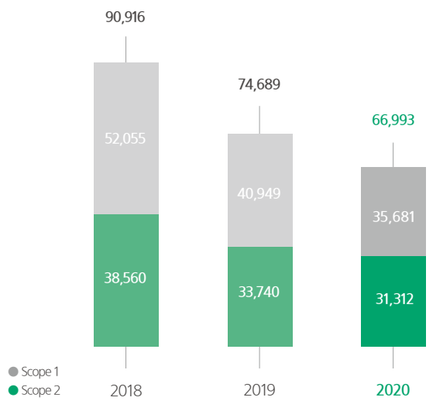
Energy Management

To save energy, the Samsung Seocho Office and Samsung Group Headquarters are operating the Building Energy Management System(BEMS), and are managing indoor temperatures flexibly in accordance with government policy. Moreover, energy efficiency within our buildings is being enhanced through the installation of LED light fixtures and the replacement of outdated, energy-consuming equipment.

BEMS (Building Energy Management System)



GHG Emissions (Unit: tCO_2eq)



BUSINESS CASE

Award from the Minister of Environment for 'Greenhouse Gas Reduction'

Samsung Life received a commendation from the Minister of Environment in recognition of its efforts to reduce GHG emissions. Since 2017, to improve energy efficiency, we have been operating the Building Energy Management System (BEMS), an integrated operational system that manages the energy consumption of our buildings. To further reduce carbon emissions, we have replaced outdated machinery and equipment. For example, we replaced the burners of old boilers and refrigerators with low-NOx burners that can reduce fuel costs by up to 10%, and we replaced low-efficiency fluorescent lamps with high-efficiency LEDs. In these ways, Samsung Life will continue working to reduce carbon emissions.

Operational Efficiency

Environmental Performance Management

Samsung Life has introduced an environmental management system that conforms to the international standard ISO14001 in order to systematically manage environmental indicators and increase operational efficiency. By setting GHG emissions as key indicators for evaluating environmental performance, we are responding to regulations on GHG and energy target management as we work to achieve the 2030 mid- to long-term reduction targets. We are continuously improving our environmental efficiency by establishing and implementing annual reduction targets and action plans for waste treatment and water consumption.

Waste Management

Because the insurance industry consumes an especially large amount of paper, we are expanding our use of electronic documents. We have introduced digital signage at our sales sites, which reduces the quantity of paper used for promotional materials, while for sales, we are utilizing tablet PCs and mobile devices. We are also leading the way in protecting the environment by increasing the proportion of documents sent to customers via 'Smart Notification' to mobile devices, which has also increased customer convenience.

Eco-friendly Purchasing

We take part in environmental protection through the practice of green purchasing. In doing so, we give preference to environmentally certified products when accepting bids from equipment suppliers and by waiving bidding deposits for green companies designated by the government. We also give preference to products with high energy efficiency and minimal environmental impact. In new construction, we work to save energy from the design stage by using high-efficiency, eco-friendly equipment.

Paperless Insurance Environment

Through 'Smart Notification' and other initiatives, Samsung Life is leading the way in environmental protection by establishing a paperless insurance environment. In 2019, we launched the 'Smart Notification' service, which converted a large proportion of the documents we had sent by mail to smartphone notifications. There had been 179 types of notices sent by post, which totaled a delivery volume of 30 million pieces, or the equivalent of 90 million sheets of A4 paper. There were also the issues of mail going uncollected due to address changes and the risk of personal information leakage.

As of 2020, Samsung Life had used 'Smart Notification' to deliver a total of 18.6 million notifications of 147 types. In this way, we not only enhanced convenience for our customers but also minimized the risk of personal information leaks by requiring identification to open the notifications using simple passwords. This has also helped protect the environment by reducing paper usage by around 59.5 million sheets of A4 paper, which protected 5,950 30-year-old trees and reduced carbon emissions by roughly 172 tons. Moreover, we have connected the notifications to the Samsung Life mobile app to provide a digital platform that customers can easily access.

Going forward, we plan to expand these services so that each notification is connected to a website where the task can be handled, and we will add webpages that provide more information along with video links. In addition, when notifications are sent, we plan to enable our customers to get detailed contract management assistance from their consultant.

Environmental Protection via 'Smart Notification'

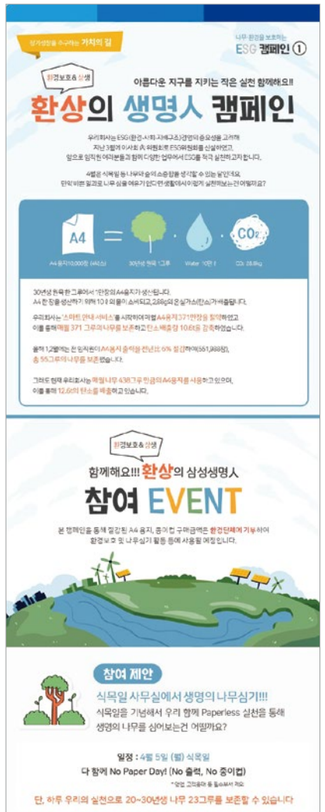
59.5 million
sheets of A4 paper saved
=
Saved **5,950**
30-year-old trees

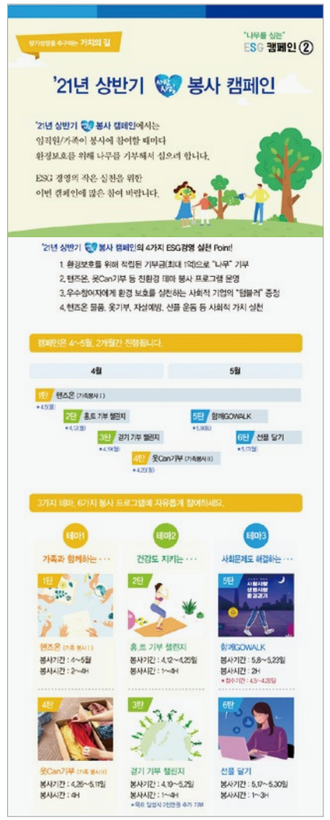
Carbon emissions reduced by
Approx. **172 tons**

Environmental Education and Campaigns

Samsung Life conducts a variety of education programs and campaigns as part of practicing environmental management. To the employees of our suppliers in charge of office building management, we have provided environmental safety education once a quarter on topics including waste management and substance/material-related health and safety. We produce in-house broadcasts on the theme of paperless culture, provide training to employees, and hold eco-friendly campaigns such as a challenge for all departments to minimize their waste output. Furthermore, in connection with our social contribution programs, we held a volunteer campaign in which the donations were used for tree-planting on a scale matching the rate of employee participation.

Environmental Campaigns







'People, Love' Green Global Project

Since 2010, Samsung Life has been planting mangroves with our Thai joint venture as part of the Green Global Project. This is a volunteer activity aimed at preventing tsunami damage and protecting the environment in Phetchaburi, Thailand. We will continue to engage in social contributions such as this to protect the environment as a member of the global community.

E S G Performance

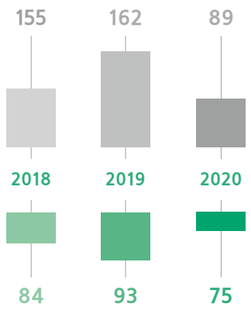
Talent Management

For companies to stay competitive and continue to grow in a rapidly changing business environment, it is important to raise employee satisfaction by maintaining a healthy organizational culture. To achieve this, we maintain a fair system of performance evaluations and a reasonable compensation scheme. As part of building a healthy corporate culture, we protect the human rights of our employees in a variety of ways, such as strengthening the employee health and safety management system to prevent accidents and stress-related issues that may occur in the workplace.

Talent Development

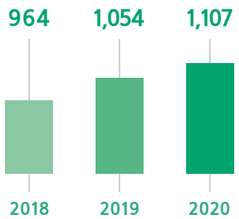
Talent Development Performance

Educational Expenses per Person
(Unit: KRW 10,000)



Training Hours per Person (Unit: Hours)

Core Certification Holders in the Past 3 Years
(Unit: Persons)



1) Figures revised for 2018 and 2019 due to increase in certifications, and finer distinctions of certification levels

Talent Development Strategy

Samsung Life is working to strengthen the competitiveness of its employees in future core business areas by providing global training and fostering a digital workforce in order to implement the 2030 mid-to long-term strategy. We are also working to create a learning culture that encourages self-directed growth. As part of these efforts, we are building in-house content creators, selecting 'Learning Crew' curators to develop learning materials, and establishing a job competency development application system. Amid the COVID-19 pandemic, we have provided constant, continued learning for our employees in a variety of forms such as live-streamed training. As of the end of 2020, education expenses per person amounted to KRW 890,000 and training hours per person stood at 75 hours.

Industry-Academia Programs

Samsung Life operates a variety of industry-academia programs to foster talented individuals with financial expertise and leadership capabilities. The main programs we offer are the Samsung-Sungkyunkwan University Insurance & Finance MBA (for top sales managers), the Samsung-Sungkyunkwan University Finance MBA (for head office staff), and the Ewha Womans University-Samsung W Leadership Course (for top administrative staff). Going forward, we plan to initiate the Yonsei University-Samsung Financial Market Leader Course called 'The Premium' (for branch managers) to strengthen the VVIP marketing capabilities of our sales managers.

Expanding Certifications

To strengthen the expertise of our employees, Samsung Life recognizes professional certifications in four core areas. Employees receive points toward promotions when they acquire certifications, which are reflected in performance assessments. We also provide expenses for acquiring certifications, and prioritize certifications in hiring. In particular, by expanding the scope of recognized certifications from 40 to 80 in 2021, we improved our ability to respond swiftly to a rapidly changing financial and insurance environment, enhanced the momentum driving our corporate strategy and accelerated our acquisition of business capabilities.

Recognized Certifications

- Insurance Industry: **21 certifications** — Products, CRM, customer policy planning, channel planning, corporate marketing planning
- Assets/Investments: **18 certifications** — Alternative investment, securities investment, new growth business
- Digital: **21 certifications** — Digital development/ operations, process innovation
- Management support: **20 certifications** — Human resources, accounting, general, etc.

→ Core certifications as of the end of December 2020: **1,107 persons**

171 actuaries
(Korean: 148 persons, U.S.: 23 persons)
CFPs: 486 persons, CFAs: 64 persons

Cultivating Digital Talent

At the end of 2020, we have expanded and reorganized our digital-related departments. We are providing systematic training to nurture experts in the field of insurance and finance as we work to accelerate the 'Digital Transformation' of insurance. We have also established an in-house digital professional certification called Samsung Finance Data Scientist (SFDS) along with a course that awards this certification at different levels. In particular, the newly established RPA Academy and AI Academy serve as internal programs to strengthen the digital literacy of our employees.

Training System for HQ/Administrative Jobs

In 2021, as part of our 2030 mid-to long-term strategy, we established a system for nurturing professionals at our headquarters and in administrative positions to enhance their competitiveness of in each business area. We provide systematic support to our employees by matching a total of 46 job groups with 355 job competency-building courses (Specialized: 161 courses, Practical: 194 courses). In particular, we are doing our utmost to strategically nurture talents by designing Career Development Plans (CDPs) based on the roadmap for fostering specialists in each division and department.

Leadership Training

We offer a range of leadership training at each level of the company to foster leaders who can respond to change and achieve sustainable results even in an uncertain environment.

Leadership Programs

Participants	Program	Goals
Executives	SLP(Samsung Business Leader Program) The Top Executive Course	Strategically promote next generation of CEOs - comprehensive management competencies, leadership, global skills.
	SLP(Samsung Business Leader Program) The Senior Executive Course	Strengthen capabilities of next generation management - leadership, global skills, management strategy, etc.
	SLP(Samsung Business Leader Program) The New Senior Vice President Course	Establish roles of new executives
Executive candidates	SLP(Samsung Business Leader Program) The Next leader development course	Cultivate practical management comptency and problem-solving capabilities (For executive candidates)
Department heads	The Department Leader Seminar	Raise awareness of HR issues that must be understood as department heads
	The Leadership Reinforcement Program for Department Leaders	Gain advanced leadership knowledge and behavioral skills (For department heads in their 2nd year)
	The New Department Leader Program	Recognition of roles and acquisition of essential knowledge as new department heads
Department head candidates	The Department Leader Cultivation Program	Obtain skills in leadership, business and knowledge of current trends (For department head candidates)
Administrative staff	The Ewha Womans University-Samsung W Leadership Course	Instill pride in administrative staff leaders and provide a vision for work and growth

Establishment of Self-directed Learning Culture

Samsung Life is operating a variety of self-directed learning support systems to nurture 'Agile talent' who can respond quickly to rapidly changing business environments.

Self-directed Learning Programs

Program	Details
Learning Challengers	• Provides a learning management tool (mobile app) that enables employees to establish and achieve their own two-week learning challenge goals
Application System for Job Competency Development Training	• For employees preparing for CDP - together with job training, a system to enable employees to take part in a wide range of job competency training at external professional institutes
Learning Crew (In-house learning curator system)	• In-house learning support system to help employees discover a variety of external training courses that will enhance their job capabilities and work skills
Book Purchase Support Program	• Funding for book purchases to encourage growth and internal communication through reading •100% support for one book recommended by the CEO every month + 50% support for one book requested by the individual

Innovation in the Organizational Culture

Strategies for Organizational Culture

Samsung Life is striving to innovate its organizational culture based on the three innovation strategies of 'exciting organizational culture,' 'flexible and horizontal culture,' and 'communication culture of coexistence and harmony.' In addition, we are using five key indices of organizational culture and the Samsung Culture Index (SCI) to continuously internalize and innovate organizational culture.

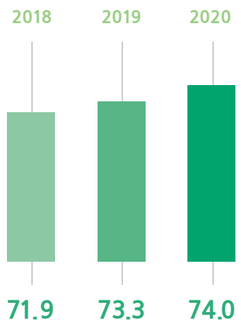
Efforts to Innovate Organizational Culture

Five Indices of Organizational Culture

Working Hours · Vacation · Security · Mutual Respect · Work Efficiency

Exciting organizational culture	Flexible and horizontal culture	Communication culture of coexistence and harmony
Creating a fun and energetic workplace	Improving mutual respect among colleagues	Promoting a healthy organizational culture
Enhancing employee self-esteem Boosting energy in work and enhancing organizational vitality	Establishing a work-oriented communication system Establishing a flexible work culture	Strengthening two-way communication between the company and employees Expanding of communication between ranks to promote mutual understanding

SCI Result (Unit: Points)



Employee Satisfaction Survey

Every year, we conduct a job satisfaction survey (SCI: Samsung Culture Index) for all employees. The survey evaluates five areas: work enjoyment, colleague congeniality, pride in the company, manager roles, and the roles of executive management and HR. In 2020, the total score of the SCI stood at 74.0 points, an increase in all areas, with significant improvements from the previous year in terms of work energy, trust in the company and manager roles. We will continue to create an environment in which employees are satisfied and immersed in their work.

Casual Day

We designated every Friday as 'Casual Day' to promote a creative organizational culture and enhance work efficiency in a 45 hour work week. If a Friday is a public holiday, the previous working day is flexibly implemented as an 'Alternative Casual Day.' On casual days, all employees can choose to wear hoodies and jeans, enabling the creation of an environment where people respect individuality and diversity.

Building an Interactive Culture

In order to build a more horizontal culture of mutual respect, Samsung Life promotes two-way communication between company-management-employees that are sustainable and authentic. One example of our initiative is the 'C-real Time,' a forum for dynamic, 'real' talk about 'Change' between the CEO, key members of management and employees. Even during the pandemic, we have been able to discuss business issues with the CEO through a combination of in-person gatherings, live streaming and in-house recorded broadcasts.

We also continue to hold in reading/discussion sessions with executives to share business insights and knowledge. To build a horizontal organizational culture and facilitate intergenerational communication, we have continued to engage in a reverse mentoring program with executives since 2020. Moreover, we are providing a venue for active communication between employees through events such as Knowledge Fair, an annual knowledge-sharing event; Challenge Fair, a place for new hires to celebrate their first anniversary of joining the company; C-Board, a group of junior and senior opinion leaders who meet to improve communication, vitality and work efficiency; Welcome Office, a course to help returning employees quickly adapt to the company; Leaders' Club (for branch managers), a forum for communication between on-site employees of different levels; M Seminar (for sales managers), and Minerva Meetings (for administrative employees).

Employee Communication Programs

Participants	Program[1]	No. of Sessions/year, No. of Participants
All employees	C-real Time	4 sessions, 120 participants *broadcast live for all employees
Management	Executive Reading	12 sessions, all executives
	Discussion Sessions Executive Reverse Mentoring	12 sessions, all executives
Leaders in training	Knowledge Fair	1 sessions, 250 participants
Junior and senior employees	C-Board	15 participants *as of 2020
New employees	Challenge Fair	1 sessions, 100 participants
Branch managers	Leaders' Club	1 sessions, 28 participants
On-site employees	M Seminar	1 sessions, 150 participants
Minerva	Minerva Meeting	3 sessions, 24 participants
	Minerva Seminar	1 sessions, 230 participants
Returning employees	Welcome Office	6 sessions, 90 participants

1) C-real Time, Executive Reading/Discussion Session, Executive Reverse Mentoring, C-Board, Leaders' Club, M Seminar (established in 2020)

Work-Life Balance

Establishing an Efficient Work Culture

Samsung Life is making efforts to establish a flexible working system to achieve work-life balance through programs such as the 45-hour work week and a flextime system. With the introduction of the flextime system, aside from mandatory hours, employees can freely choose the times when they start and end their work day. In 2020, mandatory working hours were reduced by approximately one hour compared to the previous year from 10:00 AM to 3:10 PM to enable employees to use their time more flexibly.

Flexible Working System



Family-friendly Programs

Samsung Life offers a variety of family-friendly programs with the joint backing of the labor union and management to support employees in caring for their families and to instill pride in the company. In 2020, these were converted to contactless formats due to the COVID-19 pandemic.

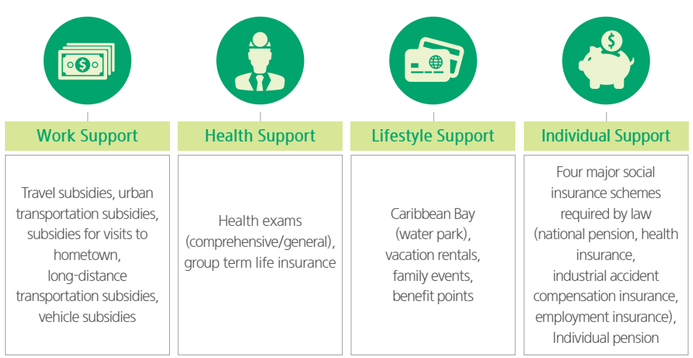
Family-friendly Program Results

Category	Participants (Period)	Size	Description
Home Meditation	Employees (October-November)	45 persons	Yeongdeok Training Center Home Meditation Program
Contactless Family-friendly	Employees and their families (October-November)	200 persons	Making household items via ZOOM
Classes for Moms-to-Be	Expecting mothers (October)	50 persons	Making baby clothes Special lecture for expecting parents
Our Family	Employees and their families (November)	100 persons	Family MBTI test and special lecture on communication

Employee Benefit Systems

For all employees, Samsung Life offers a range of benefit programs that inspire passion for work.

Benefit Systems



Maternity Protection

Since 2011, Samsung Life has maintained an in-house Maternity Protection Center in an effort to create a good workplace for women. Key examples of maternal protection programs that help provide a comfortable work life for expecting mothers include counseling, rental services for childcare supplies and books, desk ornaments for expecting mothers, protection supplies, a resting room and breastfeeding facilities, and a one-hour extension of lunch breaks. In celebration of Expecting Mothers' Day on October 10, 2020, we held a 'Happiness Plus Special Lecture for Expecting Parents.'

Maternity Protection Systems

In-house Daycare Center	• In-house care for the children of employees provided by 'Life Daycare Center' since March 2020 • Seocho 1 Daycare Center, Seocho 2 Daycare Center, Seosomun Daycare Center Three locations in total
Childcare Leave	• Leaves of absence (one year) for employees with children who will start elementary school in the current year • Only the children of employees who have exhausted their one year of legal parental leave can apply
Fertility Leave	• Leaves of absence for addressing infertility (At least six months, and up to two years)
Pre-childbirth Leave	• Newly established in 2019. Leave that can be used before the start of maternity leave • Available for applicants with at least 200 days but fewer than 215 days remaining until due date from the time of application (must be used for 180 consecutive days)
Parental Leave	• Legally prescribed leave for employees with children under the age of eight or in 2nd year of elementary school or below (Available up to one year; can be divided into two installments)
Expansion of Parental Leave (Private childcare leave)	• In addition to the legally prescribed parental leave, female employees with children under the age of eight or in 2nd grade of elementary school or below can use an additional year (Available for up to two years)
Reduction of Working Hours for Childcare	• Employees with children under the age of eight or in 2nd grade of elementary school or below can apply to reduce their working hours (Minimum of three months; work reduced to 25 hours per week)

Fair Performance Evaluations

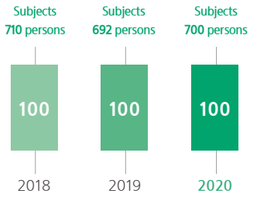
Performance Evaluation Systems

We conduct a range of evaluations for all employees in order to objectively evaluate employee performance and support competency development. First, we conduct biannually performance evaluations based on pre-established individual goals and annual competency evaluations to evaluate the level of core competencies (fundamentals, leadership, and job competency) in each job group and position.
In addition, to facilitate feedback and coaching, three-stage interviews (goalsetting, interim, results) are conducted for sales force. Staff can share key performance results with department heads in real time through a round-the-clock feedback system. We also introduced peer review and conduct separate multi-faceted evaluations for heads of departments (and candidates) to verify their qualifications and support their self-development.

Performance Evaluation	Competency Evaluation	Leadership Evaluation
All employees (once every six months)	All employees [1] (once a year) 1) Excluding administrative staff	Heads of departments, senior employees (once every six months)
Regular Evaluation	**Peer Evaluation**	**360-degree Feedback**
Staff at Head Office (Throughout the year)	Staff at Head Office (once a year)	Heads of departments, senior employees in the 1st, 3rd and 5th year (once a year)

360-degree Feedback Implementation Rate

(Unit %, heads of departments, senior employees 1st, 3rd, 5th years)



Introduction of Peer Review

In the second half of 2019, we introduced peer review to the staff of the head office. These '360-degree Feedback' evaluations, which had been conducted every year for department heads and department head candidates since 2011, were expanded to employees. Employees select colleagues in their department who either have outstanding competencies or need improvement and write descriptive comments on these competencies.
The reviews allow department members to improve their capabilities by learning about their strengths and weaknesses, while providing references for the heads of the departments to utilize to encourage employee growth. Through these measures, we expect to encourage improvements in practical performance and create work synergy within departments through active collaboration.

BUSINESS CASE

Introduction of Absolute Evaluations

Samsung Life re-introduced the 'absolute evaluation system' in the second half of 2020 in order to provide fair opportunities and motivate employees to achieve continuous outcomes. The absolute evaluation system maintains the method of awarding high performance to sales managers based on their relative ranking. It also sets an absolute index, and when a certain level is achieved, adjusts it to the next highest level. Through this, we have addressed problems such as intensifying internal competition that can result from relative evaluations. The system helps create an environment in which employees aspire to limitless goals. We plan to continue to improve the standards of the absolute evaluation indicators and achievement standards on a semi-annual basis as part of our sales strategy and sales performance analysis.

Health and Safety

Health and Safety System

To create a safe working environment, Samsung Life is establishing a safety management system under the Board of Directors, consisting of the Industrial Safety and Health Committee and the Safety Management Center.

Health and Safety Management Governance

Board of Directors

Major Agenda of the Industrial Safety and Health Committee[1]

- CEO establishes health and safety plan to be discussed and approved by Board of Directors
  * Mandatory under the amended Article 14 of the Occupational Safety and Health Act
- Safety inspections of sales sites focusing on vulnerable branches

1) All matters discussed and decided by the Committee apply to all employees.

Industrial Safety and Health Committee

- Composition: Four representatives each from management and labor
- Role: Deliberation and decision-making body in the area of health and safety management, discusses how to address risk factors

Safety Management Center

- Role: Oversees company-wide health and safety management, conducts a range of safety inspections, drills and training based on health and safety management regulations

Mental Health Management

Samsung Life operates an in-house Mental Health Welfare Center for the well-being of our employees. The center consists of a resident psychological counselor and clinical psychologist for professional counseling. We also established a range of programs to prevent depression caused by the COVID-19 pandemic.

Mental Health Care Program

Contactless					In-person
Weekend Special Program for Healing	**Family Mind-Recharge Program**	**Meditation Courses 'TAP Myself'**	**Heart Care Service**	**Insomnia Psychotherapy Program**	**Wellness check-up for Branch Offices**
Special lectures on weekends to prevent depression that may arise from the COVID-19 pandemic (Mental health of children and couples)	Family MBTI personality tests and special lectures on communication	At-home training on platform meditation (3 days 2 nights)	Mental health services in the Daegu/ Gyeongsangbuk-do area	Program to address insomnia	On-site stress diagnosis
3 sessions 1,005 persons	3 sessions 307 persons	3 sessions 45 persons	342 persons	16 persons	14 sessions 169 persons

Respect for Human Rights

Principles of Human Rights Management

Samsung Life strives to prevent any direct or indirect violations of human rights by adhering to local regulations and standards on working conditions in all countries and regions in which we do business, and by respecting the freedom of association of our employees. Our human rights management policy applies not only to our employees but equally to all stakeholders in the value chain, including consultants, subsidiaries and local communities. We will faithfully engage in efforts to protect the human rights of all stakeholders and fulfill our responsibility and role as a corporate citizen.

Human Rights Management Evaluation (Due Diligence)

Through our human rights management evaluation, we proactively identify human rights violations that could occur in all aspects of our business activities and seek areas for improvement in order to address them.

Step 1 | Human Rights Management Evaluation

Samsung Life has identified through our human rights management evaluations that customer service employees are at high risk of human rights violations. Employees who manage customers directly as sales/on-site managers, customer service representatives and insurance claim reviewers are highly likely to be exposed to verbal abuse, sexual harassment and insults from customers while performing their duties.

Step 2 | Improvement Programs

We engage in a range of improvement programs to alleviate the human rights issues we identify.

Programs to strengthen the labor rights of customer service employees

Create regulations and manuals for responding to problematic customer behavior

- Distribute 'Guidelines for the Protection of Customer Service Employees'
- Prepare 'Manual for Responding to Consumers with Malicious Complaints' and distribute on-site and across the company

Meditation and healing programs for customer service employees

Counseling Services	Counseling services through in-house Mental Health Welfare Center and external employee support program (EAP)
Mental Health Healing Camp	A two-day, overnight healing camp and mental health program for high-risk emotional labor workers
Voluntary Healing Program	Offers a variety of optional mental health and happiness classes
Department-level Group Program	Healing Together program at the department level for customer service employees
Online Mental Health Training	Online training and mental health self-diagnoses for customer service employees
Visiting 'Mind Care' Healing Program	Meditation, posture correction, and preference analysis programs for customer service employees
Psychological exams	Regular events offering psychological testing for mental health
On-site signage to protect customer service employees	To protect customer-facing employees, protective phrases are produced on an acrylic plate and distributed on-site

'Culture of Mutual Respect' Online Training

5,510 persons

(2020)

Human Rights Training

Samsung Life has provided an online training program called 'Culture of Mutual Respect' as part of building an organizational culture in which employees show respect and considers each other. The training was provided to all employees, including executives and dispatched contract workers. We conducted training on sexual harassment, disability awareness as well as the definition of workplace harassment and how to prevent and address incidents. In 2020, the course was completed by a total of 5,510 people.

Employee Grievance Handling

As part of handling employee grievances, we operate the Grievance Procedures 'Open Your Mind' We listen to and provide consultations on employee grievances, then deliberate and take action on the reported cases while keeping the details of the consultations private.

Category	How to Report	Handling Process
Violations of Mutual Respect	**Violations of Mutual Respect** Five main types of abuse (sexual harassment, assault under the influence of alcohol, verbal abuse, physical assault, insults) Workplace bullying ① Bulletin board | Grievance Procedures 'Open Your Mind' ② Phone | 02-751-8092 ③ Search for 'mutual respect' on Knox portal mail hr_respect_me@partner.samsung.com	**Report/File** Interview with victim and check facts within five days **Review** Review situation and decide on measures *Zero tolerance for five main types of abuse/ inappropriate instructions/workplace bullying *Disciplinary action for false reports made out of malice or self-interest **Response** Punishment of perpetrator and others involved, protection for the victim
Abuse/Sexual Harassment of Customer Service Employees	① Bulletin board | Grievance Procedures 'Open Your Mind' ② Phone | 02-751-8092	**Report/File** Interview with victim and check facts within five days **Review** Review situation and decide on measures **Response** Action decided upon review
Personal Grievances		Processed within three days in consultation with the relevant department (s)

E S G Performance

Sharing Management

Samsung Life has taken a new step forward in social contribution under the key themes of 'Education for Youth' and 'Respect for Life'. We have expanded the Respect-for-Life Education for Youth program that was introduced in 2015. We have newly launched the 'People, Love - Love Life Campaign' with the aim of fostering a determination to prevent suicide and spread a culture of respect for life. In addition, to finance medical expenses of sick children, we have launched the 'People, Love - Medical Expense Support for Children' project. Through the company, employees and consultants, this project aims to raise KRW 10 billion over the next 10 years to support 1,000 children. Samsung Life will fulfill its responsibilities as a corporate citizen by faithfully carrying out youth education and the Respect-for-Life project. In doing so, we will continue to lead the creation of a sustainable society.

Social Contribution Strategy

The social contribution vision of Samsung Life is "Together for Tomorrow! Enabling People," and under this vision we have established the brand 'People, Love.' We are engaging in social contribution activities based on the themes of education for youth and respect for life.

Vision

Together for Tomorrow! Enabling People

Brand

People, Love

Themes

Education for Youth
Samsung's shared theme linked to Samsung's Talent First philosophy

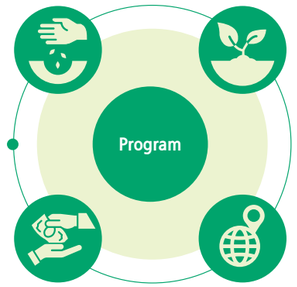
Respect for Life
Samsung Life's distinct theme that places the concept of life insurance into practice

Education for Youth

- Financial and Personality Education
- Respect-for-Life Program

Respect for Life

- **Love Life Campaign**
  Together GOWALK
  LIFELINE Walking CrewPeople
  People, Love - Love Life Night Walking Campaign
- **Medical Expense Support for Children**
  Medical expense support | Dodamter
  Wish Event



Support for Consultants

- Supporting Retired Consultants/Employees
- Consultant Social Contribution Awards

Community Collaboration

- Volunteer Corps

Education for Youth

2,292 students
participating in 'People, Love' Financial and Personality Education

14,025 students
participating in 'People, Love' Respect-for-Life program

'People, Love' Financial and Personality Education

'People, Love' Respect-for-Life Program

Financial and Personality Education

Since2016~

'People, Love' Financial and Personality Education helps middle school students form healthy economic values and sound financial habits. College instructors who have completed systematic training use board games to provide young people with a lifelong financial planning experience. Due to the COVID-19 situation, in 2020, we conducted this program in a contactless format for some schools, with 2,292 students participating across 97 sessions. In addition, we are developing new content to make the contactless version more effective, and we plan to apply this new program from the second half of 2021.

Respect-for-Life Program

Since2015~

We provide education for young people on the importance of life and suicide prevention. Samsung Life consultants and instructors who have completed professional training help middle school students going through big emotional changes to recognize the importance of life and to nurture their self-esteem. Due to the spread of COVID-19, the course was conducted in a contactless format in 2020 for 14,025 students across 97 middle schools nationwide. We have also developed content for elementary school students in consideration their increasingly rapid emotional development, and in 2021, we plan to expand the program to elementary school students.



1



2

1. Launch ceremony for 'Financial and Personality Education' University Student Volunteer Group
2. 'People, Love' Respect-for-Life Program

Respect for Life

'People, Love' Medical Expense Support for Sick Children

'People, Love' Love Life Campaign

Love Life Campaign

Since2019~

Samsung Life operates the Love Life Campaign to inform society about the seriousness of the suicide issue and to raise awareness about respect for life. We held a variety of campaigns online and offline to promote the importance of life, and on 'World Suicide Prevention Day' in September, we held the 'People, Love - Love Life Night Walking Campaign', a large-scale walking event. In 2020, due to the COVID-19 pandemic, these events were held in a contactless manner, with around 10,000 people taking part in 'People, Love - Love Life Night Walking' and 'Together GOWALK.' In 2021, we will expand the campaign to further spread the culture of respecting life in our society.

Medical Expense Support for Children

Since2019~

As a Life Financial Partner protecting the future of our customers, Samsung Life is engaged in a project called 'People, Love - Medical Expense Support for Children,' which relieves the financial burden of medical expenses for sick children. This project is even more meaningful because it is financed by the 'People, Love - Fund,' in which Samsung Life consultants, employees, and the company make contributions each time an insurance contract is signed.
Since its establishment in January 2019, with the child welfare organization 'ChildFund Korea,' we have suppported around KRW 2.2 billion in medical expenses - and hope - to 229 sick children through December 2020. We plan to support 1,000 children with funds of KRW 10 billion over the next 10 years.

229 children
supported since 2019

KRW 2.2 billion
in Medical Expense Support for Sick Children (2019~)

KRW 10 billion
to be funded in the next 10 years

Support for Consultants

KRW 103.5 million
in living expense support (annually)

12 winners
of Awards extended to Consultants for their Social Contributions

Supporting Retired Consultants/Employees

Since 2018, we have been operating a program to support retired consultants and employees who are experiencing financial hardship. Through a fund created with voluntary donations from our executives, we provided a total of 16 retired consultants and employees with funds of up to KRW 8.4 million per person for their living expenses in 2020. We will continue to serve as a 'company for life' for our consultants and employees.

Consultant Social Contribution Awards

Samsung Life strives to promote a culture of sharing and encourage consultants to make social contributions. Every year, we recognize consultants who have devoted themselves to social contribution through donations and volunteer work. In 2020, awards extended to 12 consultants, including Ms. Jeong Ok-hee, a consultant at the Yeonghwa branch of the Gyeongbuk Northern Regional Office, who set an example of dedication through a range of volunteer activities. Since 2005, she has been committed to taking care of people with mental disabilities and teaching classes on ecology for elementary school students in rural areas.

Community Collaboration

Contactless Volunteer Campaigns
7,500 participants

Fund for Social Contribution Activities (2020)
KRW 10.3 billion

Volunteer Activities by Employees and Consultants (2020)
10,129 participants
20,852 hours

Volunteer Corps

The People, Love - Volunteer Corps is comprised of consultants and employees in 280 volunteer groups nationwide who practice the culture of sharing through volunteer activities with their local communities. Although in-person volunteering could not be conducted due to social distancing measures amid the COVID-19 pandemic from March 2020, each volunteer group has been providing contactless support by purchasing and donating COVID-19 prevention supplies and daily necessities to prevent shortages among welfare facilities and vulnerable groups. A total of 7,500 employees participated in the contactless volunteer campaign to practice the value of sharing. In 2020, a total of 10,129 employees and consultants contributed 20,852 hours of volunteer work. We will continue to fulfill our responsibilities as a member of society by practicing sharing through volunteering.

Social Contribution Funds

In 2020, Samsung Life spent KRW 10.3 billion on social contribution activities, which is the highest amount in the life insurance industry. We practice sharing in many different areas such as local community/public interest, culture/arts/sports, and academic/education. Samsung Life operates the 'People, Love Fund' based on voluntary donations from our employees and consultants from their salaries, and we offer the 'Matching Grant Fund' for which every donation is matched by the company. The entire 'People, Love Fund' is used to finance the 'Respect For Life' project while the matching funds are used as financial assistance for sick children and to pay the volunteering expenses of employees and consultants. In 2021, we will continue to practice the value of 'People, Love' and lead the way in promoting the importance of life.

Community Collaboration

In carrying out social contribution projects, Samsung Life maintains partnerships with expert organizations. We work with ChildFund Korea (support for sick hildren), LifeLine Korea (Respect-for-Life Education, Respect for Life Campaign), the Korea Legal Aid Center for Family Relations (legal counseling for the underprivileged), We Start (Financial and Personality Education), and the Social Solidarity Bank (support for welfare facilities). In addition, about 280 volunteer teams across the country communicate with local volunteer facilities at least once a quarter to gather opinions from local communities while regional volunteer coordinators plan/operate volunteer activities tailored to local needs in consultation with local governments and organizations.

BUSINESS CASE

Win-Win Marketing: Samsung Life Mineral Water

In collaboration with E-Mart and Lotte Chilsung, Samsung Life launched 'Samsung Life Mineral Water,' a product designed to reach customers with a more friendly and fresh brand image in line with the 'fun-sumer' (fun+consumer) trend. The name of product refers to an essential need of the human body, like the essence of the life insurance business, which seeks to protect the life and health of customers. A portion of the proceeds from the sale of Samsung Life Mineral Water will be used to support medical expenses for sick children, one of Samsung Life's major social contribution activities. E-Mart and Lotte Chilsung also agreed with our goals and actively participated in the project by lowering their sales commissions. As a result, the launch of Samsung Life Mineral Water enabled support for 'good consumption' at a price lower than conventional bottled water. In addition, we carried out the 'Good Habit Campaign,' in which the consumer removes plastic labels to enable more effective waste sorting and help the environment. In this campaign, when the label of the Samsung Life Mineral Water bottle is removed, a hidden QR code is revealed, inviting the consumer to participate in an event. With the launch of Samsung Life Mineral Water, we plan to create a customer-friendly brand image, and help build a foundation for ESG management by giving back to society.



Samsung Life Mineral Water

E S G Performance



Win-Win Management

Recently, not only has the government's stance on social responsibility management strengthened, there is also a growing social consensus regarding its necessity. We recognize the importance of suppliers and SMEs as partners for mutual growth. Therefore, we engage in a wide range of win-win activities to enhance our business competitiveness and value as well as to build a culture of fair trade.

Establishing a Culture of Fair Trade

Fair Partnership Selection

Samsung Life selects competitive partners through a fair and transparent process. In accordance with our Contract Administration Guidelines, we restrict the participation of partners with potential risks and grant e-bidding authorization. In addition, to improve fairness in contract administration, we authorize all employees to accept electronic bidding so that everyone can use the e-procurement system. When entering into a contract for major purchases or services, we adhere to strict internal control procedures such as legal and compliance reviews to proactively address unfair contract-related practices and risks of legal violations. In 2020, we handled 733 such cases.

Fair Trade and Integrity Management with Partners

Samsung Life adheres to the principles of fair trade and integrity management when conducting transactions with partners. In the employee guidelines, the standard for ethical behavior, stipulate compliance and prohibition by item such as bribery, accepting entertainment, preferential treatment for businesses and other unethical practices. Sanctions are imposed for violation. Furthermore, by providing guidelines on integrity management through the e-procurement system and maintaining a regular reporting channel with our partners, we aim to prevent employees from using their positions to make unreasonable demands, and we seek to build win-win trade relationships. Also, in line with the Contract Administration Guidelines, we provide partners with 'Business Guidelines' at the time of contract signing, which outlines our anti-corruption measures. We require all business partners to sign the Pledge of Compliance. We provide annual guidance to our partners on our anti-corruption policies and send notifications to prevent violations to enable them to adhere to ethical management practices. In addition, we restrict bidding by companies where we have identified corruption.

Fair Trade Principles and Guidelines

Employee Guidelines	E-Procurement System	Business Guidelines
Specifies terms of compliance, itemizes prohibitions on bribery, accepting entertainment, preferential treatment for businesses and other unethical practices; specifies sanctions in case of violations.	Informs partners of Integrity Management Guidelines and provides a round-the-clock reporting channel, Helps maintain win-win business relationships by preventing unreasonable demands	Provides partners with guidelines stipulating matters related to anti-corruption, Prevents corruption among partners by informing them of anti-corruption policies

Win-Win Cooperation

Improving the Competencies of SMEs and Partners

Samsung Life provides annual security training to all partners across the country as well as ad hoc training as needed. In 2020, to strengthen awareness of information protection, we provided training on financial security laws/regulations and compliance to 679 employees of our data system maintenance partners.

Communication Channels with Partners

Samsung Life has activated a communication channel with partners to identify and address inconveniences that they may encounter. We set aside time for communication with partners to discuss work-related matters at least once a quarter, and we plan to continue strengthening our mutual cooperation.

Supporting Mutual Growth with SMEs via Direct Purchasing

Samsung Life makes purchases directly from its production partners rather than through MROs from large enterprises to support SMEs in securing stable sales channels without intermediary commissions. To ensure that vendors are selected fairly, we conduct a competitive bidding process and carry out all tasks directly, starting with partner selection.
In 2020, direct purchases of printed materials, office supplies and electronic products from SMEs amounted to approximately KRW 8.62 billion.

Win-Win Market for Small Businesses - 'Sobok Sobok'

Samsung Life operates a program called 'Sobok Sobok,' a win-win market to support the growth of small businesses and help them secure sales channels. Sobok Sobok is an online market created in partnership with online retailer 11Street, where small businesses can advertise and sell their products to Samsung Life's sales departments. Any small business that meets certain criteria, such as having sales less than KRW 5 billion with less than 10 full-time employees, can participate as sellers. We provide benefits to participating small business owners such as opportunities to advertise and promote themselves to Samsung Life sales departments, and we provide discounts on online sales commissions. Also, in cooperation with 11Street, we are helping small businesses strengthen their capabilities by providing support to enter online markets overseas, along with 1:1 consultations and a training program on marketing.

Support for Small Businesses through 'Sobok Sobok'



E S G Performance

Sound Corporate Governance

Corporate governance is the foundation of a company. Samsung Life is pursuing long-term growth by establishing a sound governance structure that includes a Board of Directors with expertise and independence. Also, by transparently disclosing governance-related information, we are protecting shareholder rights and interests.

Composition of the Board of Directors (BoD)

The Board of Directors, the highest decision-making body of Samsung Life, is comprised of 7 members, 3 inside and 4 outside directors. The BoD deliberates and decides on matters stipulated by laws or the articles of incorporation, matters delegated by the General Shareholders' Meeting (GSM), and important matters related to the company's basic management policies and business management. Furthermore, the BoD works to efficiently address various tasks and challenges the company faces by holding meetings both on a regular and ad hoc basis.

BoD Composition (As of March 2021 GSM)

Category	Name	Gender	Position	Major Career Experience	Tenure
Internal Directors	JEON, Young Muk	Male	President & CEO	-Current President & CEO, Samsung Life -Former President & CEO, Samsung Asset Management	2020.3 ~2023.3
	YU, Ho Seok	Male	Internal Director	-Current Executive Vice President & Head of Management Support Department, Samsung Life -Former Executive Vice President & Head of Asset Management Business Unit, Samsung Life	2020.3 ~2023.3
	JANG, Deok Hee	Male	Internal Director	-Current Executive Vice President & Head of Insurance Sales Unit, Samsung Life -Former Executive Vice President & Head of Individual Sales Unit, Samsung Fire & Marine	2021.3 ~2024.3
Independent Directors	KANG, Yoon Koo	Male	Independent Director	-Former Executive Director of the Health Insurance Review & Assessment Service -Former Presidential Senior Secretary for Social Policy and Civil Affairs -Former Deputy Minister for Social Welfare	2018.3 ~2024.3
	HUR, Kyung Wook	Male	Independent Director	-Former Ambassador Extraordinary and Plenipotentiary of Korea to the OECD -Former Secretary to the President for National Agenda -Former Deputy Vice Minister of Strategy and Finance	2016.3 ~2022.3
	LEE, Keun Chang	Male	Independent Director	-Former Chairman of Korean Insurance Academic Society -Former President of Korea Risk Management Society -Former Researcher at the Korea Insurance Development Institute	2019.3 ~2022.3
	CHO, Bae Sook	Female	Independent Director	-Former Member of the National Assembly ('16~18, 20) -Former Judge (Seoul Central District Court, Seoul High Court, etc.) -Former Prosecutor (Seoul Central District, etc.)	2021.3 ~2024.3

BoD Composition

Internal Directors **3** + Independent Directors **4**

BoD Decision Items

Matters stipulated by law or the Articles of Incorporation
·
Matters delegated by the General Shareholders' Meeting (GSM)
·
Important matters and basic policies related to the company's operation

Independence and Transparency of the BoD

Samsung Life maintains independence in its governance structure by separating the positions of BoD Chairman and CEO to ensure mutual checks and balances and objective decision-making by the internal management and the independent directors. The appointment of directors is carried out in accordance with the 'Act on Corporate Governance of Financial Institutions.' To ensure transparency, independent directors and the CEO are recommended by the Candidate Recommendation Committee, and internal directors are appointed by resolution of the General Shareholders' Meeting after recommendation by the Board of Directors.The Candidate Recommendation Committee recommends candidates for independent director through various channels, including shareholders and employees, and recommends final candidates after thoroughly examining their qualifications such as expertise, ethics and potentially disqualifying factors. Samsung Life also strives to select candidates who can share the company's vision and its internal standards, and those who have a mindset of leadership and innovation. In the event that a CEO must be selected, the final candidate is recommended after a re-verification of his/her qualifications including expertise, ethical awareness, and potential disqualifying factors.

Diversity and Expertise of the BoD

When appointing directors, there is no discrimination based on age, gender, race, ethnicity, country or place of origin, and in 2021, a female outside director was newly appointed. In addition, we strive to secure the expertise and diversity of perspectives of the Board of Directors to enable rational decision-making in a rapidly changing social environment. To this end, in accordance with the Act on Corporate Governance of Financial Institutions, we select candidates with extensive expertise and practical experience in related fields such as finance, economy, management, and accounting.



JANG, Deok Hee Internal Director | YU, Ho Seok Internal Director | CEO JEON Young Muk | LEE, Keun Chang Independent Director | Chairman of the Board of Directors KANG Yoon Koo
HUR, Kyung Wook Independent Director | CHO, Bae Sook Independent Director

Operation of the BoD

In principle, BoD meetings are held on a regular basis once a quarter, while extraordinary board meetings are convened as necessary. In accordance with the Commercial Act, decisions regarding transactions between a director and the company are made by a resolution of at least two-thirds of the Board. In accordance with the Insurance Business Act, credit exposure of at least KRW 1 billion with major shareholders or acquisition of shares or bonds requires a unanimous decision by all directors. In 2020, the BoD held 16 meetings, and decided on 85 reported items and resolutions following extensive deliberation and discussion. BoD attendance in 2020 was 96.6%.

BoD Reports and Resolutions
85cases

BoD Meetings
16

BoD Attendance Rate
96.6%

Newly established in 2021
ESGCommittee

Supporting Independent Directors' Participation in Management

Samsung Life provides support for rational decision-making by independent directors and encourages their participation through various forms of support. We provide regular reports on important managerial matters in a prompt manner, organize workshops to share information on strategies, products and management performance, and provide briefings on the insurance and financial industry.

Major Resolutions of the Board in 2020

January 2020	Establishment of the Samsung Compliance Monitoring Committee and approval of its operation	Approval of the 64th financial statement and sales report
February 2020	Decision to convene the 64th GSM	Review of relief support for COVID-19-related damages
March 2020	Appointment of the chairman of the BoD	Appointment of members of subcommittees under the BoD
April 2020	Application for approval from FSC for change of services by Samsung Securities	
May 2020	Revision of regulations on Financial Group internal control standards	
June 2020	Appointment of Samsung Compliance Monitoring Committee members	
July 2020	Application for approval from FSC for addition of services by Samsung Card/Samsung Securities	Revision of Sustainability Committee regulations
September 2020	Measures related to delayed repayment of 'Gold Trade Finance DLS'	Construction contract with Samsung C&T for remodeling of Samsung Medical Center
October 2020	Contract with Samwoo Architects & Engineers for change of permit	Review of CEO succession plans and report on status of candidate management
November 2020	Measures related to delayed repayment of 'Gold Trade Finance DLS'	Support for Community Chest of Korea
December 2020	Appointment of members of subcommittees under BoD	Progress report on ESG Management

Operation of Subcommittees under the BoD

Subcommittees under the BoD help ensure decision-making with expertise and efficiency, and some authoritities of the BoD are delegated to the subcommittees. In 2021, the ESG Committee was established to actively pursue ESG management across the company. Major activities and the status of subcommittee affairs are disclosed through our website on a regular basis.

Subcommittees under the BoD (As of the March 2021 GSM)

Category	Role	Composition: Chairman	Composition: Internal Director	Composition: Independent Director	No. of meetings held	No. of Agenda Items	Major Agenda
ESG Committee (newly estasblished in 2021)	Manages/supervises various aspects of the company's sustainability (ESG) management	HUR, Kyung Wook	CEO	KANG, Yoon Koo	-	-	Establishing ESG strategy and policy, non-financial disclosures
Management Committee	Manages/supervises various aspects of the company, including items delegated by the BoD, management-related items, discussions/decisions on ordinary business matters	CEO	YU, Ho Seok JANG, Deok Hee	-	3	3	Changes to HR system, revision of HR regulations, revision of asset management regulations
Audit Committee	Assesses the suitability of the company-wide internal control system and suggest improvements; requests reports on company information required for audits	HUR, Kyung Wook	-	LEE, Keun Chang CHO, Bae Sook	7	29	Audit plans and results, communication with external auditors
Internal Transactions Committee	Manages and checks important internal transactions between affiliates in order to improve transparency of corporate management by establishing a compliance system for fair trade	CHO, Bae Sook	-	KANG, Yoon Koo LEE, Keun Chang	9	28	Real estate sales, lease contracts, product and service transactions
Risk Management Committee	Establishes risk management guidelines in line with business strategies, decides key management strategies based on risk, and develops mid- to long-term management plans for establishing a risk management system	LEE, Keun Chang	YU, Ho Seok	HUR Kyung Wook	6	28	Risk limit management, estimated interest rate management, operational strategies for derivatives
Compensation Committee	Evaluates the compensation system each year independently from management, designs the performance-based compensation system for key officers, assesses and deliberates on the suitability of the way the system is operated, and decides assessment criteria for independent directors	KANG, Yoon Koo	YU, Ho Seok	CHO, Bae Sook	5	9	Confirmation of work assessments, deliberation on director compensation limits
Candidate Recommendation Committee	Manages candidates for independent director, auditor and the CEO according to their roles, characteristics and expertise ahead of their appointment by the GSM or BoD	KANG, Yoon Koo	CEO	HUR Kyung Wook	2	3	Review of the CEO succession plan and management of candidates

Compensation System

Director Compensation

The compensation received by BoD members comprises of an annual base salary, performance-based pay and retirement income compensation, which are paid within the limits approved at the annual GSM. At the 2020 meeting, the limit was adjusted to KRW 12 billion, of which KRW 10.4 billion was actually paid to BoD members. Since 2013, we have publicly disclosed the compensation of registered directors earning an annual salary exceeding KRW 500 million, calculated in accordance with our executive compensation regulations. More specifically, base salary is determined by the Compensation Committee under the BoD through a comprehensive consideration of the previous year's performance, promotions that may have occurred, and the standard salary for each position. Incentives, meanwhile, are paid according to other business performance. Going forward, we are implementing a system of long-term performance incentives based on the Act on Corporate Governance of Financial Companies to strengthen alignment between management compensation and management performance. The long-term performance incentive system is a stock price-linked incentive that evaluates earnings per share, stock return, and pre-tax profit for the past three years. It pays 40% of the performance-based compensation in cash, while the remainder is linked to the stock price according to a pre-determined method. After recalculation, deferred payments are made three times over the course of three years.

Provisions for Recovery of Performance Compensation

If a director violates the company's regulations, interferes with the company's business activities, acts against the company's interests, or causes damage to the company, the provisionally determined variable compensation amount can be canceled or reduced.

Director Compensation (As of the end of December 2020)

Category	No. of Persons[1)]	Total Compensation (KRW million)	Average Compensation per Person (KRW million)[2)]
Internal Director[3)]	3	10,057	3,550
Independent Director[4)]	1	84	84
Audit Committee Member	3	251	84

1) The number of employees is based on the average number of employees in 2020
2) Average compensation per person is calculated by dividing total compensation by the average number of persons during the period
3) Excluding outside directors and members of the Audit Committee
4) Excluding members of the Audit Committee

Protection of Shareholder Rights

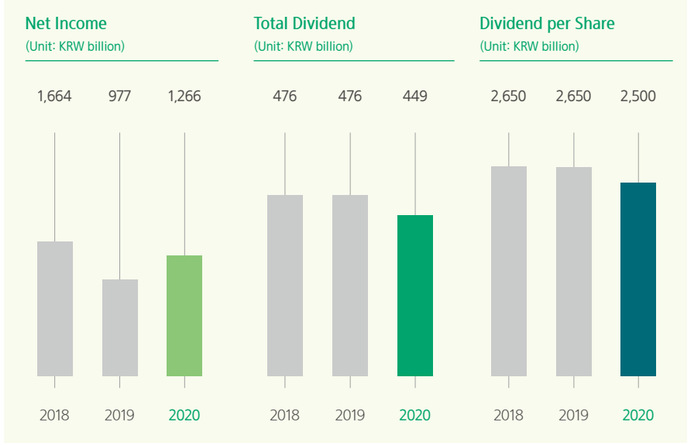
Shareholder Return Policy

Samsung Life pays dividends every year as part of its shareholder return policy. When the risk-based capital ratio at the end of a given fiscal year is 100% or more, the Articles of Incorporation stipulate the payment of a dividend. The total dividend amount is calculated by applying the dividend payout ratio to ordinary earnings in the consolidated financial statements for the current period. Dividends are primarily paid as cash. We will work to enhance shareholder value by gradually raising the dividend payout ratio to the range of 50% before the introduction of the New Insurance Accounting Standard (IFRS17) in 2023.

Dividend Performance (Unit: KRW billion)

Category	2018	2019	2020
Net income (A)	1,664	977	1,266
Dividend per share (KRW)	2,650[1)]	2,650[1)]	2,500
Total dividend (B)	476	476	449
Dividend payout = (B)/(A)	28.6%[2)]	48.7%[2)]	35.5%
Payout ratio	3.2%	3.5%	3.1%

1) Remaining dividend from the 2018 sale of shares in Samsung Electronics is KRW 660
2) Dividend payout ratio excluding gains from the sale of Samsung Electronics: 29.5% (2018), 36.6% (2019)
3) Payout ratio = dividend per share/stock price at end of term





Electronic voting from March 2021

Introduction of Electronic Voting

Samsung Life introduced electronic voting as part of strengthening shareholder-friendly management and minimizing barriers to general shareholders taking part in the GSM during the pandemic. The electronic voting system was implemented in March 2021 following a resolution of the BoD, the signing of a contract with the Korea Securities Depository, and after sending shareholders notice of a meeting with instructions for using the system. Going forward, we plan to use electronic voting every year by resolution of the BoD.

E S G Performance

Ethical/Compliance Management

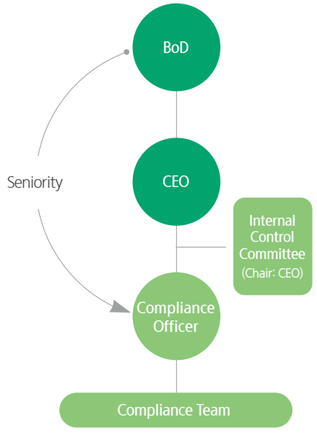
There is growing social demand for companies to practice ethical/compliance management. Samsung Life strives to build a transparent corporate culture that upholds ethical and compliance management as the standard for good decision-making and behavior.

Practicing Integrity Management

Ethics and Compliance Management System

Samsung Life is working to establish a transparent corporate culture that upholds Integrity Management as the standard for good decision-making and behavior. We consistently communicate and share our culture of Integrity Management with our external stakeholders such as customers, shareholders, and business partners. Our firm determination to practice Integrity Management is reflected in the management principles and key implementation items posted on our ethics and compliance management webpage. Samsung Life provides a range of Integrity Management training programs to enhance our employees' ability to practice ethics in their jobs. The company's top management provides direct training to all employees at least once a year on the direction, importance, and specific practices of Integrity Management. Furthermore, Integrity Management is reflected as essential topic in the training curriculum for each position/rank and job function. For sales managers in particular, we provide specialized training that reflects the latest incidents related to work ethics violations to prevent similar cases from recurring. To prevent misconduct, the 'Employee Guidelines,' which are behavioral guidelines that all employees should observe, on the ethical management intranet site to help employees independently practice Integrity Management. Also, every year, employees sign a pledge to adhere to the core practices of Integrity Management.

Ethical/Compliance Management Governance



Internal Control Standards

As we work to establish customer trust and corporate ethics, Samsung Life maintains internal control standards that stipulate procedures and norms that employees must adhere to when performing their duties. The internal control standards include the roles and responsibilities of internal controls, the Compliance Officer system, anti-corruption measures, the Employee Guidelines, the whistleblowing system, and the prevention of unfair practices against business partners and customers. The internal control organization consists of the Board of Directors, the CEO, the Internal Control Committee, and the Compliance Officer. The BoD determines the basic policies of the internal control system as well as final responsibility for internal control. As an independent team under the CEO, the Compliance Team oversees company-wide internal control planning, inspections and training, and reports the operational status of the internal control system and inspection results on a regular basis to the Internal Control Committee and the BoD. By agreement, Samsung Life is also participating in the activities of the Samsung Compliance Monitoring Committee1), now in its second year, and we intend to firmly establish a compliance system that does not compromise its principles.

1) Samsung Compliance Monitoring Committee: Consists of a total of seven members including six external experts and one internal member. It monitors the internal control systems and compliance management of seven major affiliates, including Samsung Life (Samsung Electronics, Samsung C&T, Samsung Life Insurance, Samsung SDI, Samsung Electro-Mechanics, Samsung SDS, Samsung Fire & Marine).

Compliance Management

Promoting a Culture of Compliance

Samsung Life maintains a compliance management system on site by designating at least one person as compliance manager in each team and business unit. In addition, we are working to promote a culture of compliance management through efforts such as communicating on current issues via regular training on compliance management, and organizing compliance manager workshops (once each half-year) to develop the competencies of the personnel in charge. Other efforts to spread compliance management across the company include a quarterly letter from the CEO distributed to all employees and a newly launched letter from the Compliance Officer to executives.

Company-wide Compliance Training (Mandatory)

Training on compliance-related laws, including the Fair Trade Act, Improper Solicitation and Graft Act, AML System, Financial Consumer Protection Act, etc.

1 session/year,
completed by 5,167 persons

Integrity Management Letter

CEO Letter
(to all employees),

Compliance Manager Letter
(to executives)

Rewards for Departments and Individuals

Exemplary cases shared with compliance managers and used in compliance training

Rewards given twice/year,
Total rewards of
KRW 12.4 million

Conference for Compliance Managers

Training and sharing best practices for compliance managers of each team/business unit

2 session/year,

Reinforcement of Compliance Training

Developing timely content for Life-TV, Smart 'SSokSSok' app, TrainingON, and

sharing through a variety of platforms

Compliance Pledge

Compliance Pledge signed by all employees to promote compliance culture

Signed by 5,184 persons

Compliance Management Monitoring

Compliance management is monitored through the Cyber Ombudsman, the Compliance Manager system, and the pre-deliberation system, which monitors compliance in everyday work.

Compliance Management Monitoring

Cyber Ombudsman
- Real-time reporting channel for stakeholders for proactive management/ prevention of illegal, unethical acts that violate Integrity Management

+

Compliance Manager System
- Compliance managers assigned to each business area to carry out inspections, training, monitoring, etc. to strengthen sales compliance

+

Pre-Deliberation in Everyday Work
- Pre-deliberation by the Compliance Manager in everyday work, checking for compliance violations from a legal or company perspective

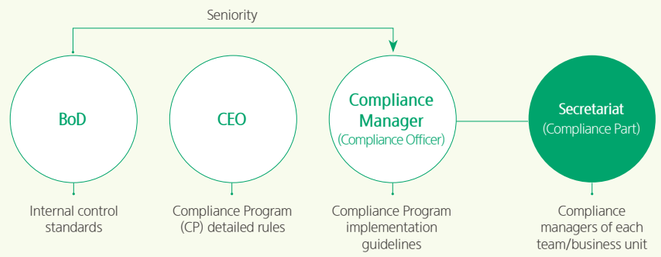


☞ Fair Trade Compliance Handbook

Fair Trade Compliance Program

The 'Fair Trade Compliance Program (CP)' enables Samsung Life to prevent unfair trade practices by employees when signing contracts, such as abuse of market position, and unfair competition that harms the fair market order. The BoD has appointed a Compliance Officer as the Compliance Manager. The Compliance Officer reports evaluation results of the CP to the Board of Directors twice a year. We also provide employees with a Compliance Manual to support them in complying with fair trade laws when performing their duties. In addition, we conduct on-site compliance inspections according to an annual inspection plan. When signing a contract with a partner company, we engage a preliminary consultation system that requires the Compliance Department to review the contract in advance. Furthermore, to raise awareness of fair trade compliance, we include it in the company-wide compliance training for all employees. In 2020, the Fair Trade Compliance Manual was revised to reflect new regulations, such as the revision of the Fair Transactions in Franchise Business Act and the Guidelines for Reviewing Unfair Advantage Given to Specially Related Persons. We have also updated the question-and-answer section on precedents and court decisions with the latest content.

CP Organization and Regulatory System



Anti-money Laundering System

Samsung Life maintains an anti-money laundering (AML) policy1) that includes a risk assessment system for identifying, analyzing and evaluating the risks of money laundering inherent in financial transactions, and differentiates the level of management needed according to the degree of risk.
Our AML system utilizes Currency Transaction Reports (CTR) to manage risks from cash transactions; Suspicious Transaction Reports (STR), which report suspected money laundering through on-site monitoring; and Know Your Customer (KYC), a system that identifies money laundering risks by verifying the identity of the transacting party and the information of the actual owner. These measures are part of Samsung Life's advanced AML system, and we provide a range of training at all levels to prevent our employees and consultants from being vulnerable to or used for money laundering. Furthermore, at the head office and field sites, we check whether the customer verification system is being implemented properly in order to block illegal money laundering and enhance our external credibility as an advanced financial company.
In addition, by providing company-wide AML education, we are informing employees about the AML systems of Korea and other advanced countries, and we encouraging the use of important systems such as KYC. In 2020, this training was completed by a total of 5,018 people.
Samsung Life has been conducting on-site and written inspections of the anti-money laundering systems of overseas subsidiaries, Samsung Life Insurance (Thailand) PCL., every year. In 2020, due to the COVID-19 pandemic, we used a written format to verify that the recommendations of previous inspections are being implemented and proposed additional improvements. Going forward, we will continue to strengthen internal controls across the entire value chain, including at our overseas subsidiaries.

Company-wide AML Training
5,018 graduates

1) Detailed operational rules for anti-money laundering, operational guidelines for money laundering risk assessment system, AML work guidelines

Ethical Management

Whistleblower System

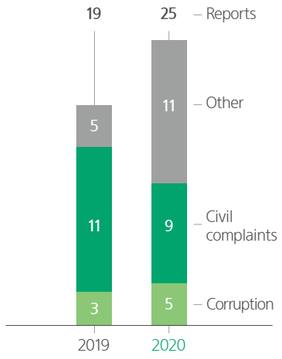
Cyber Ombudsman

Samsung Life maintains a whistleblower system ('Cyber Ombudsman') in accordance with the Act on Corporate Governance of Financial Companies, related regulations, and our internal control standards. We guarantee strict confidentiality by prohibiting the disclosure of the whistleblower's personal information or its divulgence to a third party. Whistleblowers are not subject to any personal disadvantages, and should they do face disadvantages, the company must take measures to compensate for the impact and apply appropriate sanctions against the person responsible. In addition, we also require that measures can be taken if employees fail to report illegal or unfair acts that could have a significant impact on the company.

Reporting Violations

Samsung Life employees and consultants can use a variety of channels (web, email, phone, post) available through the Ethical Management intranet site to report violations of the Ethical Management Guidelines, such as illegal or dishonest acts. The whistleblower can be assured that their identity and the content of the report are kept strictly confidential. Investigations are conducted privately, and then actions are taken based on internal and external regulations depending on the severity of the case.

Status of Internal Reporting and Handling
(Unit: Cases)



How to Report to Cyber Ombudsman

Homepage > Information to report > Ethics/compliance whistleblowing > Samsung Life ethical/compliance management > Cyber Ombudsman

- Fax: 02-3709-5577
- E-mail: ombudsman.sli@partner.samsung.com

Channels for Reporting Corruption

Homepage > Information to report > Ethics/compliance whistleblowing > Samsung Life ethical/compliance management > Corruption reporting

- Tel : 02-751-8114
- E-mail: jebo@Samsung.com

Audits and Diagnosis

Samsung Life takes steps to verify the implementation of anti-corruption and ethical management as part of our efforts to increase company value and enhance trust from customers and shareholders. Our measures includes verification of whether the company and its employees are complying with laws and regulations, as well as identifying and addressing management risks, diagnosing and improving business processes from the customer's point of view, and verifying employee compliance with guidelines related to ethical management. The findings are reported on a regular basis to the Audit Committee (total of seven times in 2020). Through audits and diagnosis, we analyze the root causes of the main types of risks we find, which include bribery, solicitation, and embezzlement of public funds, and identify areas for improvement. We then consult with the relevant internal departments to establish solutions and future action plans, continuously monitor the status of their implementation, and provide support for follow-up improvement processes. In 2020, Samsung Life addressed 108 out of a total of 111 risk-related areas for improvement.

Integrity Management System

Early Prevention	Communication	Audit and Diagnosis	Monitoring and Follow-up
• Employee training (at least once/year) • Employee guidelines provided through company intranet	• Building solidarity among external stakeholders in practicing Integrity Management (homepage, e-procurement system) • Hotline for reporting violations and feedback on outcomes	• Inspections (verification) and diagnoses of operational processes, including financial, compliance, work, management, IT, etc.	• Identifying root causes of risk and ways to address them • Establishing action plans and constant monitoring of follow-up status

E S G Performance

Risk Management

Unlike other financial products, life insurance is a long-term contract affected by many uncertain risk factors such as longer life expectancies and fluctuations in interest rates. Samsung Life is working to increase its mid- to long-term value by practicing systematic risk management.

Risk Management System

Risk Management Organization

The Samsung Life Board of Directors is responsible for overseeing the company-wide risk management system according to basic risk management principles. Final decisions on matters such as risk management standards and the Own Risk and Solvency Assessment (ORSA)[1] system are made by the Board of Directors, and for efficient management, we have established a Risk Management Committee within the Board. The Risk Management Committee is in charge of enacting risk management regulations, establishing risk management procedures, setting permissible limits and guidelines for each risk type, and monitoring and managing risk levels. In addition, to ensure efficient management, there are separate committees under the Risk Management Committee for different types of risk. The risk management organization is divided into a company-wide oversight department and a department for sector-specific management. The RM Team under the CFO is in charge of company-wide risk management and is independent of the asset management departments. Since 2018, the RM Support Part of the Financial Group has served to establish a group-level risk management governance system and to manage the integrated capital adequacy ratio.

1) ORSA: Own Risk and Solvency Assessment

Main Functions of the Risk Management Committee by Sector

Risk Management Committee

Insurance Risk Management Committee	Makes decisions on operational standards concerning underwriting and claims payment assessment
Product Committee	Makes decisions on new product development, revision, and applicable rates
Variable Insurance Guarantees Risk Management Committee	Makes decisions on variable warranty options, hedging and operational strategies
Scenario Management Committee	Sets out various scenarios for determining profitability and risk
Asset Risk Management Committee	Establishes risk management policies and makes decisions on operational guidelines for assets
Asset Management Committee	Makes decisions on investment/loans related to shares, bonds, real estate, derivative products, etc.
Crisis Management Committee	Establishes and operates a Business Continuity Plan (BCP) for emergencies
Accident Management Committee	Responds to major financial accidents that require a company-wide responses

Implementing Risk Management

Business Continuity Plan (BCP) Management

For the safe management of our customers' assets and their financial information, Samsung Life maintains a Business Continuity Plan. We also have a backup system to ensure that information remains intact in the event of unforeseen disaster or catastrophe. By implementing annual mock training, the stable operation of the backup system can be tested and verified. Since 2008 we have completed the international certification process to verify the suitability of our BCP. Amid a constantly changing business environment, our management system not only covers core business activities, but also areas relating to our subsidiaries such as data centers and call centers.

Business Continuity Planning (BCP) Main Tasks

❶ Conducting risk assessments and managing incidents	❺ Conducting mock training
❷ Analyzing business impact	❻ Conducting internal/external monitoring of BCP management activities and reporting to executives/ Board of Directors
❸ Establishing work resumption strategies	❼ Assigning and fostering personnel exclusively in charge of BCP
❹ Setting up alternative business sites	❽ Maintaining and managing all of the above

Risk Management Considering Economic Capital

Samsung Life continuously operates an Enterprise Risk Management (ERM)[1] system that calculates the RBC (risk-based capital) ratio by measuring company valuation and company-wide risk. Economic Capital[2], which measures total corporate risk, classifies risks into five major types: insurance, interest rate, credit, market, and operational. Samsung Life uses an EC-based ERM system to enable the consideration of risk in a variety of business activities including product development and asset management. We use it to achieve a balanced view of risk and profitability when deciding on the launch of new products or investments. In addition, by applying our calculation method for valuation and risk, which aligns with Solvency II, ICS (Insurance Capital Standard), and other global standards, we have enhanced our ability to respond promptly to any changes in risk.

1) ERM: Enterprise Risk Management
2) EC: Economic Capital

Establishment of EC-based ERM System

- **Measuring Company-wide/ Specific Risks**
  - Identifying worst-case scenarios Measuring company-wide and specific risks
  - Developing profitability indexes using EC sensitivity analyses of stock price, etc.
- **Reflecting Risk in Business Activities such as Limit Management**
  - Setting a target RBC ratio
  - Setting and managing risk limits
  - Systematizing risk measurements
  - Rebuilding the ALM system

Risk Limit Management

By annual resolution of the Board of Directors, Samsung Life maintains a target RBC of 100% or higher. To this end, we have established a risk limit management system to plan and manage the level of risk (Risk Appetite) that the company can bear, which is then approved by the Risk Management Committee every year. Furthermore, as part of our systematic risk management, risks are classified into five types (insurance, interest rate, credit, market, and operational), while the allowable limits and operational guidelines consider the size of each risk type. The risk limit is set at 100% of available capital as calculated based on RBC, with the total limit approved by the Risk Management Committee in February 2021 being KRW 52.6 trillion, the same amount as the estimated available capital at the end of 2021.

BUSINESS CASE

Response to Adoption of IFRS17

Samsung Life is thoroughly analyzing and responding to the risks and opportunities presented by IFRS 17, the new international standard for insurance accounting, which is scheduled to be implemented in 2023. Unlike IFRS4, which allowed each country to apply its own insurance practices, IFRS 17 requires the application of uniform insurance accounting principles, which is expected to change the overall paradigm of insurance company management including insurance products, sales, business management, and asset management.

Accordingly, in 2017, Samsung Life established detailed policies for the practical application of IFRS 17 and established a system master plan. After completing construction of the system from 2018 to April 2020, we carried out system stabilization through a one-year pilot operation.

In addition, with the partial amendment to IFRS17 in June 2020, work has been underway to reflect the revisions and upgrade our system since the first half of 2021 in order to ensure that there is no disruption to the implementation of IFRS 17 in 2023. We expect this project to be completed by the first half of 2022. Going forward, Samsung Life will continue to upgrade and stabilize the system in preparation for a successful soft landing in the new framework.

Key Future Initiatives

- Enhancement of response system
- System stabilization
- Institutionalization

Emerging Risks

Samsung Life analyzes the risks that will affect the company in the mid- to long-term and seeks to develop products and services to mitigate them.

Risk	Business & Social Context	Impact of Risk on the Company	Response by Samsung Life
Risk from growth of tech-based financial platform companies	The life insurance industry is expected to be impacted by the contactless era that began with the COVID-19 pandemic and the ensuing rise in online shopping, delivery apps, and remote platforms. Those that do not change and keep pace with the rapid development of digital technology, will lose their market competitiveness.	As Big Tech platform companies expand their influence in the insurance industry, it is necessary to establish a response strategy. Because existing sales channels can provide services only in a limited area, a strategy of service diversification is required to maximize customer inflow. We must respond to the new risks and needs presented by new lifestyles.	In addition to benchmarking advanced companies domestically and overseas, we are also planning partnerships with platform companies. In line with the contactless lifestyle, from developing our own products to paying insurance claims, we plan to strengthen the competitiveness of our health management services provided via platforms, and of our online insurance consultations and sales channels.
Obesity and new health issues	Western-style eating habits, changes in living environment, and stress, among other factors. cause not only obesity, but also new health problems. These ailments can subsequently cause other diseases, thereby increasing the risk not only of serious disease, but also complications and musculoskeletal illnesses.	It is expected that the proportion of customers with preexisting medical conditions will be higher than that of our healthy customers, which will limit the range of products that can be purchased and increase insurance claims due to illness.	Samsung Life is engaged in R&D to provide customers with programs such as health management services that can prevent disease in advance, in preparation for an era in which people live long lives despite illness.
Super-aged society and demographic change	Korea is rapidly becoming a super-aged society. As life stages change along with the aging of the population, the age of first marriages are taking place comparatively later in lifeis getting later, and the proportion of single-person households is higher than in the past.	Elderly customers, who have been often refused insurance due to the high loss ratio associated with the super-aging population, are emerging as major insurance consumers. Also, cCustomer lifestyles are also becoming more diverse with the rise of single-person households.	In line with the needs of single-person households and married couples, we plan to diversify our customer contact channels, including online channels and smartphone apps, and to develop and provide products and services that align with changing life cycles.
Urbanization trend and related life insurance industry risks	We expect not only economic change, but also social and environmental change. There are concerns that the number of diseases caused by an urban lifestyle will increase, while insurance accidents could increase due to the poor infrastructure that has resulted from these sudden lifestyle changes.	Amid the increasing risk of environmental pollution, natural disasters, and industrial accidents due to urbanization, demand for critical illness (CI) insurance and sickness insurance is expected to increase. With household size decreasing, demand for savings/coverage insurance in preparation for retirement is expected to increase significantly.	We plan to expand sickness and long-term care insurance, and to develop and provide savings/coverage insurance products.
Climate-related business risks	Climate change is causing a rise in abnormal temperatures and natural disasters such as heat waves, floods, and typhoons. In response to climate risk, financial regulators in Korea and abroad are strengthening their supervisory activities to create a green financial ecosystem.	Climate risks for the insurance industry are divided into physical risks caused by frequent disasters and transition risks caused by volatility in investment assets in the process of the transition away from carbon. Climate risk is expected to present a variety of risk types in insurance underwriting and asset management., including insurance, market, and credit, as well as, operational and liquidity risk.	Samsung Life has established the principle of prohibiting new loans and investment in the coal industry, and has issued a declaration of 'coal-free finance.' Going forward, we plan to systematically analyze climate-related physical risks and transition risks, and establish a process to identify carbon-related exposure in our portfolio.

E S G Performance



Information Security

The increasing advanced persistent threats has increased the importance of customer information protection. Accordingly, we have preemptively established an information protection response system, and acquired certification for our information security management system (ISO27001). With this certification, Samsung Life plans to continuously manage security for information protection, raise awareness among our employees and strengthen their capabilities, build trust among financial consumers, and further strengthen our financial IT and security compliance.

Information Security Systems

Information Security Strategy

Goal	Re-establish an information protection policy in line with contactless, digital change		
Strategic Direction	Reinforce customer rights by reorganizing security controls	Reinforce controls on use of customer data	Apply information protection standards based on risks of each business environment
Implementation Tasks	• Re-examine customer information management standards under the FSC's newly introduced 'constant evaluation system for information protection' • Completely redraft the consent form for the use of customer information and prepare to assess its legality • Based on the amended 'Standard Consent Form,' only allow use of forms certified for credit information management and protection	• Establish security control procedures for the safe use of customer information • Establish monitoring system for customer data processing/using • Pursue ISMS-P/ISO27701 personal information certification to improve the level of information protection	• Develop new technology-based methodology for security reviews • Establish security control procedures with graduated levels to support contactless business • Expand application of simple authentication through Kakao, biometric authentication, etc.

Information Security Certification

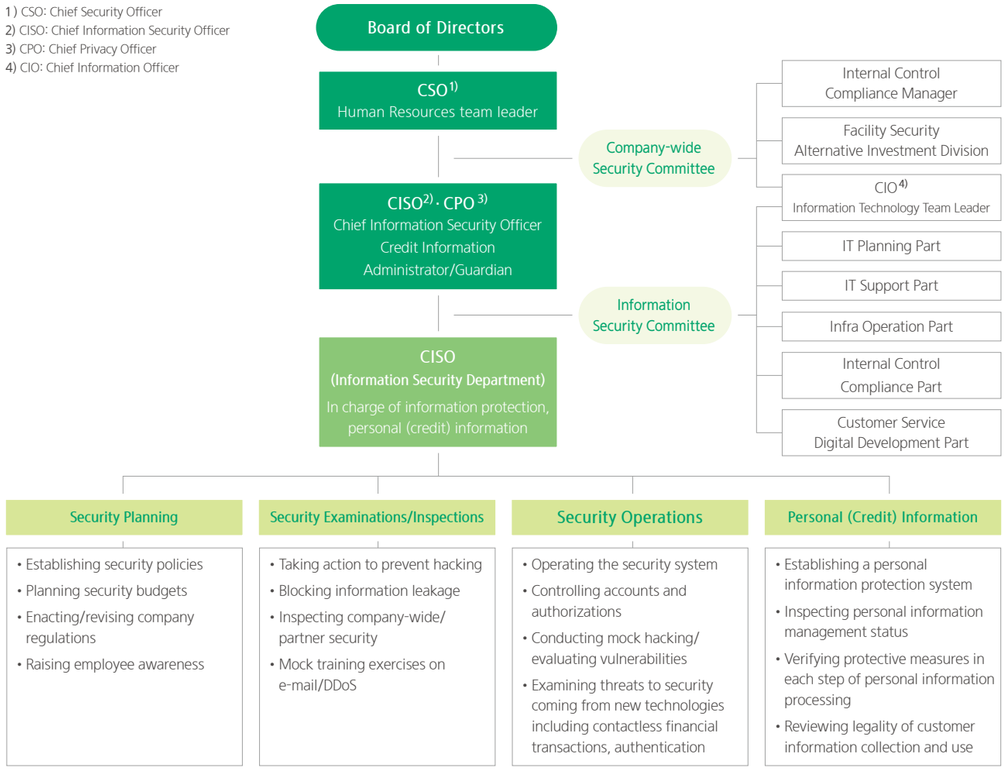
Annual renewal of ISO27001 certification for information security management system
(Recertified after follow-up assessment)

Samsung Life operates a preemptive information protection response system to safely protect customer information against increasingly advanced persistent threats. As an objective indicator, we have acquired the information security management system (ISO27001) certification. Additionally, every year, the company undergoes an external audit (follow-up assessment) to determine whether we have reflected the latest security risks and regulations, and thereby receive recertification. To date, the audit has found no instances of nonconformity. In addition, through the Financial Security Institute, we conduct vulnerability inspections of our electronic financial infrastructure, including our information security management system, and report the results every year to the CEO and the Financial Supervisory Service. Furthermore, in order to obtain an objective evaluation of the level of personal information management at Samsung Life, from January 2021, we have received comprehensive consulting on our information protection and personal information management systems. Once this is complete, we plan to apply for domestic and overseas certifications under ISO27001 and ISMS-P. Through these certifications, we plan to secure objectivity regarding our level of information protection and personal information management, gain greater trust among financial consumers through continuous security management, and further strengthen our financial IT and security compliance.

Information Security Management Organization

Samsung Life has strengthened its responsibilities and roles in security by appointing a CISO (Chief Information Security Officer), a CPO (Chief Privacy Officer), and a Credit Information Administrator/Guardian who serve to plan, coordinate, and conduct inspections across the company. The Credit Information Administrator/Guardian reports once a year to the Board of Directors on performance in terms of customer personal information and credit information protection, convenes monthly meetings of the Security Committee to deliberate and decide on matters related to information protection, and reports the outcomes to the CEO.

1) CSO: Chief Security Officer
2) CISO: Chief Information Security Officer
3) CPO: Chief Privacy Officer
4) CIO: Chief Information Officer



Information Security Committee

Company-wide Security Committee (Led by the CSO)	• Meets on a quarterly basis to deliberate on matters not agreed upon at the Information Security Committee • Discusses and resolves security-related matters • Participants: CISO, executives of the IT and facility management departments, and compliance managers
Information Security Committee (Led by the CISO)	• Meets on a monthly basis to discusses agenda items specifically related to personal information protection and information security • IT officers participate in discussing and resolving relevant matters • Participants: Security, compliance, development and operation departments

Information Security Activities

Malware E-mail Vulnerability

2019	→	2020
2%		1.5%

Measuring Information Security Levels

With the aim of improving employee security standards, Samsung Life has included the security index in the 5 'To-Dos' of employees since 2019. On a monthly basis, we assess the security levels of employees and departments according to the following security index evaluation items: completion rate of information protection training, the 'infection' rate from mock training on malware e-mail, security inspection violations, and the status of personal information management. The vulnerability rate has improved from 2% in 2019 to 1.5% in 2020 as a result of monthly training on malware e-mail and training related to topics in which employees express a high level of interest. The level of awareness among employees about e-mail usage also continues to increase. As part of our efforts to raise security awareness among our employees in the future, we will continue to improve the evaluation items, which will also be consistently reviewed.

Company-wide Security Inspection

Head office and field offices (divisions/regional offices)

- Compliance with general security regulations on personal information, neglect of data assets

Security Inspection of Partners

Persons in charge of IT development and operations, projects, and IT centers

- PC security management, management of access to assets and personnel

Security Inspection of Companies Handling Personal Information

Law offices, designated hospitals, appraisers, etc.

- 70 items, including information security policies, physical security and destruction

Thematic Inspection

Inspections of document storage facilities across the company (152 facilities), Digital forensics in high-risk systems

- Designating restricted areas, controlling access, standards for document preservation/destruction, etc.
- Preventing malware, blocking outside communications and unnecessary services

Information Security Training

Samsung Life provides training on information protection and personal information for all employees, partners and consultants. We are enhancing the level of security across the company by sharing the latest security issues and violations found in security inspections. In particular, 2020 saw an increase in contactless activities such as contactless sales and telecommuting due to COVID-19, which has meant rapid changes to our security controls. Accordingly, we have established a methodology for security reviews and diagnosis using new digital technologies, and have subsequently prepared multi-level security control procedures to ensure that we maintain a safe work environment.

	Security Training	Sharing of Security Issues
Performance in 2020	• For employees, business partners and consultants • Training on personal information protection and information protection • Strengthened training to foster expertise in new technologies among security personnel	• Shared latest security issues and incidents every month through 'Information Security Alert' e-mails (ex. Phishing e-mails, ransomware alerts, etc.)
Plans for 2021	• Create/distribute detailed guidelines for security inspections to reinforce autonomous security inspections • Provide training focused on malware e-mails as a subject with a high level of employee interest	• Continue to share latest security issues and trends • Share security incidents and examples from inspection results • Revise/improve security controls in line with contactless sales, changing work environment

ESG Data

Environmental Performance

As part of building a more sustainable future, Samsung Life has established an environmental management strategy we refer to as 'Green Investment, Green Infra,' and we are expanding our eco-friendly investments and reducing carbon emissions. We are also promoting the efficient use of resources and energy across the company through an environmental management system.

Energy Management

To save energy, Samsung Life has installed a Building Energy Management System (BEMS) at the Samsung Seocho Office and Samsung Group Headquarters BEMS manages indoor temperatures flexibly in accordance with government policy. Moreover, we are enhancing energy efficiency in our buildings by installing LED light fixtures and replacing outdated energy-consuming equipment.

Category		Unit	2018	2019	2020	2020 Target	2021 Target
Energy	Fuel	TJ	292	221	195	-	-
	Electricity	TJ	1,063	834	730	-	-
	Steam	TJ	13	12	6	-	-
	Total	TJ	1,368	1,067	931	1,027	912
	Energy intensity (per unit of area)	TJ/1,000㎡	1.1	1.1	1.1	-	1.1

1) In addition to the Seocho Tower office, energy use includes 39 business sites and leased business sites (around 400), and includes non-building energy use by Samsung Life company cars.

Greenhouse Gas (GHG) Management

The main sources of GHG emissions at Samsung Life are the electricity and gas used for temperature control and lighting within our buildings. Accordingly, we operate the GEMS (Greenhouse Gas & Energy Management System) and the BEMS to monitor and manage our energy use and emissions.

Category		Unit	2018	2019	2020	2020 Target	2021 Target
Greenhouse gas	Direct emissions (Scope 1)	tCO_2eq	38,560	33,740	31,312	33,065	30,842
	Indirect emissions (Scope 2)	tCO_2eq	52,055	40,949	35,681	40,130	35,146
	Total emissions	tCO_2eq	90,616	74,689	66,993	73,195	65,988
	GHG intensity (per unit of area)	tCO_2eq/1,000㎡	74	77.5	79	-	-

1) In addition to the Seocho Tower office, GHG emissions include 39 business sites and leased business sites (around 400), as well as non-building emissions from Samsung Life company cars.

Waste Management

Because the insurance industry consumes an especially large amount of paper, we are expanding our use of electronic documents and working towards a paperless environment. We have introduced digital signage to our sales offices, thus reducing the paper used for promotional materials, and we are using tablet PCs for sales and mobile devices for contract signing. Furthermore, by increasing the proportion of notifications sent by mobile, we are not only improving convenience for the customer, but taking the lead in protecting the environment.

Category		Unit	2018	2019	2020	2020 Target	2021 Target
General waste	Recycling	TON	1,127	696	428	-	-
	Outsourced	TON	223	107	94.29	-	-
Designated waste	Outsourced	TON	0.4	-	0	-	-
Total output		TON	1,350	803	522	787	512
Paper consumption		TON	1,858.8	1,624.9	1,397.0	-	-

1) The amount of waste includes 39 business sites in addition to the Seocho Tower office. The amount has been reduced due to the sale of the Guwol-dong Office and the Samsung-dong Office, in addition to other reductions.

2) Paper consumption is the amount purchased between September of the previous year and August of the current year; paper density is calculated based on a standard of 75g/㎡ and 4.7g per sheet.

Water Management

As most of Samsung Life's water consumption occurs among employees at the workplace, we are emphasizing the conservation of water resources as a part of changing employee modes of behavior. All waste water produced at our company is processed safely by specialized treatment companies run by local governments.

Tap water	Unit	2018	2019	2020	2020 Target	2021 Target
Tap water	m^3	1,019,217	879,717	524,111	-	-
Reusable wastewater	m^3	3,986	3,599	5,202	-	-
Total amount used	m^3	1,023,203	883,316	529,313	865,650	512,000

1) Water consumption includes 39 business sites in addition to the Seocho Tower office.

ESG Investment[1)]

As of the end of 2020, Samsung Life has invested KRW 1.305 trillion in 35 new and renewable energy projects in eight countries. ESG investment totaling KRW 4.16 trillion includes sustainable water resources and wastewater management, green bonds, and social bonds.

Category		Unit	2020
Green investment	Renewable energy	KRW 100 million	13,050
	Water resources and wastewater management	KRW 100 million	5,889
	Green bonds	KRW 100 million	3,032
Social investment	Social bonds	KRW 100 million	15,039
	Other	KRW 100 million	3,155
Total investment		KRW 100 million	40,166

1) Based on investment balance

ESG Data

Social Performance

Samsung Life complies with Korean labor law and the regulations of the International Labour Organization (ILO), such as the 'Worst Forms of Child Labour Convention' and the 'Abolition of Forced Labour Convention.' We strictly prohibit discrimination on the basis of gender, race, age, social status, etc. In 2020, Samsung Life had no violations in this regard.

Employees

To attract talent with expertise in their respective areas, we recruit for specific positions (sales and marketing, product development, actuary, asset management, insurance support, digital finance, management support, etc.). We also strive to fulfill our social responsibilities by providing job opportunities to persons with disabilities and giving priority to new hires from underprivileged backgrounds.

Category				Unit	2018	2019	2020
Employee status	Total number of persons (excluding insurance consultants, part-time workers, and employees on the flexible working hours system)[1]				5,306	5,228	5,191
	By type of employment	Full-time	Male	Persons	2,834	2,834	2,801
			Female		2,288	2,220	2,191
		Indefinite contract	Male		6	6	6
			Female		2	3	5
		Professional/special/ general contract	Male		111	107	121
			Female		65	58	67
	By age	Under 30 years	Male		266	215	166
			Female		615	532	435
		30-50 years	Male		2,358	2,294	2,181
			Female		1,661	1,647	1,683
		Over 50 years	Male		327	438	581
			Female		79	102	145
	New hires				303	215	140
	Employees with disabilities			%	2.9	3.1	2.4
	Turnover rate[2]			%	0.4	0.5	0.4
	Retirement rate[3]				1.7	1.2	1.1
Retirement pension system status	Defined benefit (DB)			KRW 100 million	3,305	3,540	3,560
	Defined contribution (DC)				707	893	1,202
Maternity and childcare leave status	Maternity and childcare leave utilization rate			%	8.45	9.78	10.03
	Return-to-work rate after maternity and childcare leave				97.4	97.8	99.6
Industrial accidents	Number of industrial accidents			Cases	-	-	-

1) Excluding insurance consultants, part-timers and employees on the flexible working hours system
2) Those retiring from full-time positions to change jobs
3) Those fully retiring from full-time positions
4) To protect expectant mothers and caregivers, Samsung Life reduces working hours during periods requiring childcare, promotes parental leave (maximum of two years), offers counseling and childcare item rental services through the Maternity Protection Center, produces expectant mother name placards, provides goods to protect expectant mothers, and offers support for work assistants to adjust the workload of expectant mothers.

Ratio of female employees

Category	Unit	2018	2019	2020
Female executives	Persons	4	2	4
Ratio of female executives	%	5.7	3.1	6.2
Ratio of female managers	%	17.7	18.7	19.7

Labor-Management Relations

In order to establish harmonious labor and management relations based on a relationship of mutual trust and respect, we guarantee the right of the Samsung Life labor union to engage in independent activities and constantly share opinions about working environments and the conditions of our employees. This enables the labor union to collect requests for improvement to reach amicable agreements between labor and management on related issues. Since the establishment of the labor union, there have been no disputes or conflicts between labor and management.

Category		Unit	2018	2019	2020[1]
Union	No. of union members	Persons	3,370	3,225	3,673
	Union membership rate	%	64	62	71.4

1) An additional union was established in May 2020, and the status of both unions is included.

Customer Satisfaction

Samsung Life provides a variety of services for customer satisfaction. In addition, through the annual customer satisfaction survey, we measure levels of customer satisfaction and identify inconveniences, which we work to address.

Category		Unit	2018	2019	2020
Internal	Customer Satisfaction Index (CSI) Score	Points	75	75	75
External	National Customer Satisfaction Index (NCSI)	Rank	1st	1st	1st
	Korea Standard-Service Quality Index (KS-SQI)	Rank	1st	1st	1st
	Korean Customer Satisfaction Index (KCSI)	Rank	1st	1st	1st

Key Achievements of Social Contribution Projects

Samsung Life has established its social contribution brand of 'People, Love' under the vision of "Together for Tomorrow! Enabling People." We are engaged in a variety of social contribution programs under the themes of 'Education for Youth' and 'Respect for Life.'

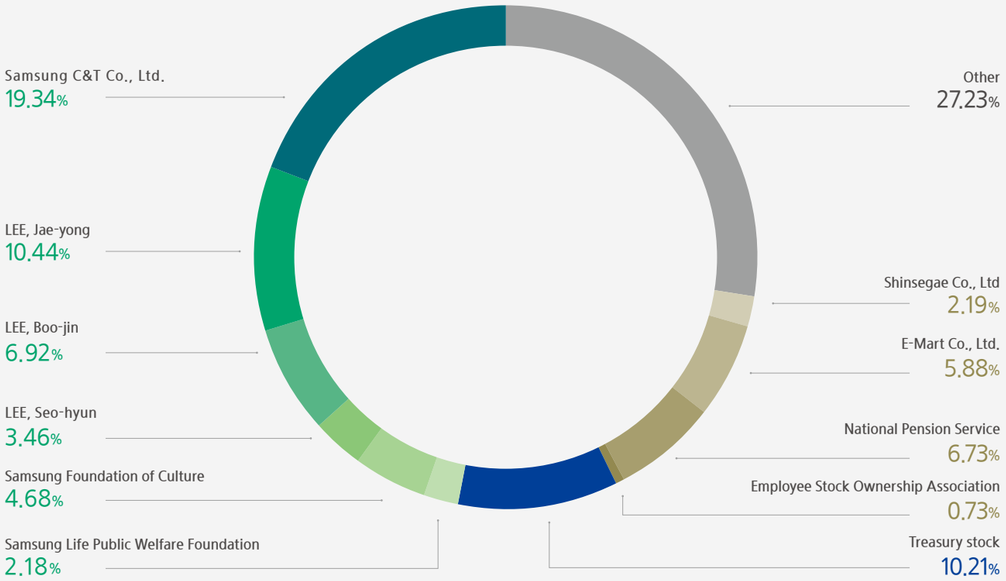
Category		2018	2019	2020
'People, Love' Financial and Personality Education	No. of beneficiaries	17,741	15,637	2,292
	Amount of support (KRW 100 million)	10	10	20
'People, Love' Respect-for-Life Program	No. of beneficiaries	59,637	33,249	14,025
	mount of support (KRW 100 million)	13	6	10
'People, Love' Love Life Campaign	No. of beneficiaries	-	10,000	10,500
	Amount of support (KRW 100 million)	-	10	15
'People, Love' Medical Expense Support for Children	No. of beneficiaries	-	105	124
	Amount of support (KRW 100 million)	-	10.5	12

ESG Data

Governance

As part of efforts to actively promote ESG management, Samsung Life is building related governance structures such as the ESG Committee. By establishing a sound corporate governance structure and transparently disclosing relevant information, we are protecting the interests of our stakeholders, including shareholders.

Shareholder Composition (as of the end of April 2021)



Largest shareholder and special interest persons

Total 47.03%

1) Change in largest shareholder due to inheritance following the death of the previous largest shareholder (October 25, 2020); information reported as of April 30, 2021

Executive Stock Ownership (as of the end of April 2021)

Name	No. of shares owned	Proportion
JEON, Young Muk	8,000	0.00%
YU, Ho Seok	3,285	0.00%
JANG Deok Hee	1,200	0.00%

Composition of the Board of Directors (as of the end of April 2021)

● Chairperson, ○ Member

Name	Gender	Position	Management Committee	Audit Committee	Internal Transactions Committee	Risk Management Committee	Compensation Committee	Candidate Recommendation Committee	ESG Committee (established in 2021)
JEON, Young Muk	Male	President & CEO	●					○	○
YU, Ho Seok	Male	Internal Director (CFO)	○			○	○		
JANG, Deok Hee	Male	Internal Director (Head of Insurance Sales Unit)	○						
KANG, Yoon Koo	Male	Chairman of the Board (Independent director)			○		●	●	○
HUR, Kyung Wook	Male	Independent director		●		○		○	●
LEE, Keun Chang	Male	Independent director		○	○	●			
BAE, Sook Cho	Female	Independent director		○	●		○		

1) No. of independent directors: 4 (57.1% independent directors)
2) No. of female directors: 1 (14.3% female directors)

Dividends

Category	Type of stock	Unit	2018	2019	2020
Par value per share		KRW	500	500	500
(Consolidated) Net income		KRW 1 million	1,664,382	977,391	1,265,766
(Separate) Net income		KRW 1 million	1,797,774	833,805	928,784
(Consolidated) Earnings per share		KRW	9,268	5,443	7,049
Total cash dividends		KRW 1 million	475,873	475,873	448,937
Total stock dividends		KRW 1 million	-	-	-
(Consolidated) Cash dividend payout ratio		%	28.6[1]	48.7[1]	35.5
Cash dividend yield	Common stock	%	3.2	3.5	3.1
	Other stock		-	-	-
Stock dividend yield	Common stock	KRW	2,650[2]	2,650[2]	2,500
	Other stock		-	-	-

1) Dividend payout ratio excluding gains from the sale of Samsung Electronics: 29.5% (2018), 36.6% (2019)
2) Remaining dividend from the 2018 sale of shares in Samsung Electronics is KRW 660

BUSINESS REPORT

Our Business

Products and Services

2020 Product Development

We aim to meet customer needs by providing a diverse range of products such as health-related protection, retirement income, and variable products. In 2020, we launched 14 new products, including two for which we acquired exclusive usage rights1), which has expanded our total product lineup to 76 products. In addition, we aim to differentiate our systems with customized mobile contracts, as well as digital product guides and comparisons, as we work to provide the market and our customers with optimized products and services.

Main Products in 2020

S Simplified Health Insurance (Exclusive usage rights)	• Industry's first health insurance for people with moderate disease • Lowers barriers to coverage for people with pre-existing conditions due to revision of regulations on low/no cash surrender value insurance • Available even to customers with eight types of serious conditions and/or a history of surgery/short-term hospitalization
General Illness Plus Whole Life Insurance (Exclusive usage rights)	• For customers diagnosed with cancer, stroke, or heart disease before death, pays either 130% (if diagnosed before age 65) or 180% (over age 65) of policy value as diagnosis insurance.
Samsung Dollar Whole Life Insurance	• For customers with the need needing to manage assets in various currencies • With introduction of KRW conversion service, provides convenience to customers paying their premiums in Korean currency
Ultra-Simplified Comprehensive Coverage Insurance	• Unlike simplified insurance from other companies, provides coverage for disease, accident, death, and seven adult diseases including pneumonia • Customers can subscribe without the need to disclose surgeries or hospitalization in the past two years
Reliable Plus Life Insurance	• Up to 16% less expensive than other insurance as a 'low cash surrender-type' product' in which the return rate increases once the policy is paid and the return amount decreases

1) Exclusive usage rights: A type of patent granting the developer the exclusive right to sell original financial products such as new forms of risk coverage, systems, and services

Building Future Growth Engines through Open Innovation

Samsung Life is exploring a wide range of new business opportunities through internal and external innovation in order to enhance the company's competitiveness in its existing businesses of insurance and asset management, while discovering new growth engines. Internally, we are supporting employees in using creative ideas to take on bold challenges, and we are pursuing in-house 'ventures' in order to spread a culture of innovation across the company. In addition, we are actively promoting open innovation with outside parties. Through 'Open Collaboration' and corporate venture capital (CVC), we are establishing models for active collaboration with startups and preparing for a new future.

In-House Ventures

The 'Samsung Life In-house Venture' program enables employees to present their innovative, new growth ideas, and quickly implement them without fear of failure. A total of 118 ideas were proposed in the first in-house venture idea contest held this year. Based on these, three finalist teams were selected to take part in the Innovation Laboratory (InnoLab) in a separate office space for three months. During the InnoLab process, they applied the 'lean startup' method to review the feasibility of their ideas and create business models. Through the presentation of their comprehensive business plan to management, the ideas of two teams will be further reviewed. By continuing to engage in in-house ventures, Samsung Life aims to foster in-house innovators and inspire the spirit of challenge among employees.

The 2nd Samsung Finance Open Collaboration

Samsung Life is holding a second edition of the Open Collaboration program jointly with Samsung Fire & Marine, Samsung Card, Samsung Securities, and Samsung Venture Investment with the aim of coexisting with startups and leading the fintech sector. To ensure that projects go smoothly, for this second edition, the amount provided to startups for solution development has been raised to KRW 30 million, while the joint project period has been extended to four months. Going forward, we plan to make 'Samsung Finance Open Collaboration' a representative program of Samsung financial companies, symbolizing 'win-win and innovation' with startups..

Key Dates

- Recruit startups — 2.22~3.31 — Applications from 398 startups in total
- Evaluate/ select final entrants — 4.1~5.16 — 13 companies selected
- Develop solutions — 5.17~9.10 — Create business models and solutions
- Final presentation — Pursue commercialization and review possible investment



Corporate Venture Capital (CVC)

In 2019, Samsung Life became the first Korean life insurer to pursue Corporate Venture Capital with the establishment of a KRW 50 billion fund. We are pursuing win-win growth with startups by investing in startups that have insurance-related technology such as healthcare, and then supporting the development of solutions. Some portfolio companies have already introduced solutions and are using them in customer service, resulting in tangible effects. As a facilitator and partner supporting the growth of investment firms, we will lead the industry by discovering promising startups and establishing collaboration systems.

Asset Management

Asset Management Strategy

Amid an extended period of low interest rates globally, Samsung Life is responding by strengthening its stable earnings base centered on interest-bearing assets while working to improve performance by seeking out high-yield assets and diversifying into global investments. In doing so, we are simultaneously achieving stable performance and profitability.

Goal	Generate stable profits and strengthen competitiveness in asset management based on ALM[1]		
Future Directions	Increase the profitability of insurance assets	Enhance competitiveness in retirement businesses	Expand asset management business and secure new growth engines through affiliates
Main Activities	• Diversify and dynamically allocate invested assets based on global financial market analysis • Build customized portfolios to generate stable profits, discover high-yield assets, and strengthen expertise in each asset class	• Develop active investment products in preparation for a growing retirement market by improving returns, and developing products that reflect customer needs • Improve competitiveness of variable insurance sales by enhancing returns in each asset class, expanding fund line-up, and strengthening customer guidance	• Increase investments in assets such as PE (Private Equity) and alternative funds by mobilizing management subsidiaries (SRA, Samsung Asset Management) in order to strengthen future profit base • Make equity investments in foreign asset management companies with high growth potential as part of globalizing our asset management business

1) ALM (Asset Liability Management): Rational management from a risk management perspective of assets and liabilities owned by institutional investors and companies

Mid- to Long-term Growth Strategy

As a core strategy for mid- to long-term growth, Samsung Life aims to expand asset management as a core axis of profit generation. In particular, by expanding high-yield assets and focusing on new businesses related to asset management, we plan to increase the proportion of profits contributed by asset management to more than 30%, which is the level of advanced companies.

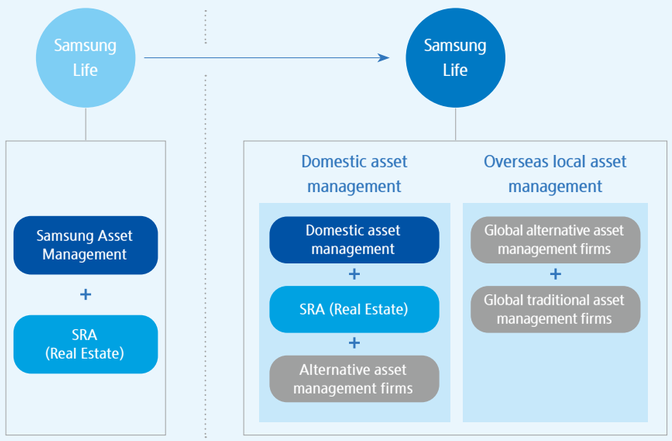
Expansion of High-yield Assets

Amid the prolonged period of low interest rates, we plan to implement a management strategy that focuses on profitability. In order to increase income from interest, which is our fundamental strength, we plan to focus on retail lending and alternative investments, which have higher rates of return. However, because it is expected that the COVID-19 pandemic will inevitably weaken the real economy in Korea and abroad, we plan to focus on securing high-quality assets using thorough risk management.

New Business

To strengthen our asset management business, we plan to seek M&A opportunities in global asset management companies with outstanding future growth potential, especially alternative assets such as real estate and infrastructure, while also seeking growth through our asset management subsidiaries.

Direction for New Business



Sound Asset Management

Largest Total Assets and One of the Highest RBC Ratios in the Korean Life Insurance Industry

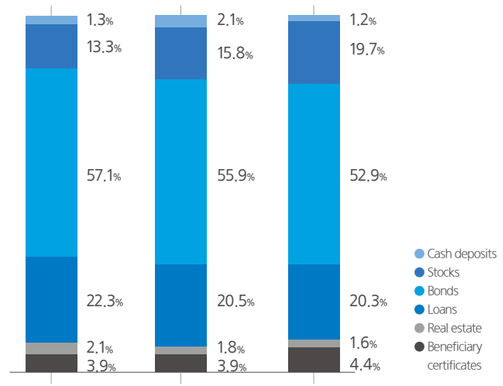
Samsung Life has established a robust profit structure and secured financial soundness. As of the end of 2020, total assets were KRW 337 trillion, while our net profit was KRW 1.3 trillion. Samsung Life's RBC ratio of 353% is one of the highest among life insurance companies in Korea.

Management of Interest Income and Investment Returns

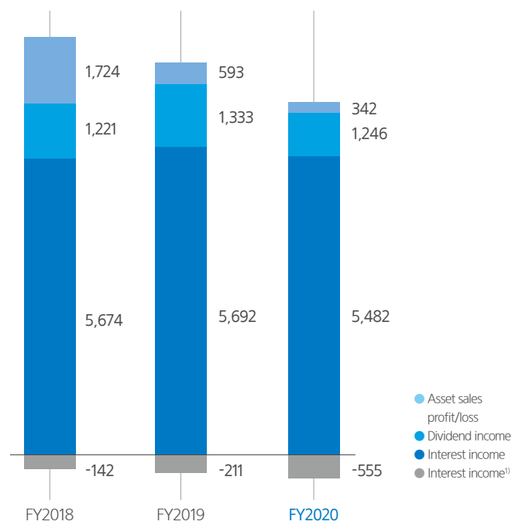
Samsung Life adheres to the ALM investment strategy. In 2020, 73% of our invested assets were allocated into interest-bearing assets such as bonds and loans. As of the end of 2020, out of a total bond asset value of KRW 132 trillion, KRW 106 trillion were government bonds and special bonds issued by public sector entities. Corporate bonds are also managed in a stable manner through investments in corporate bonds rated AA or higher. Despite uncertainty in the financial markets, we have expanded our high-yield assets such as alternative investments and retail finance to prevent a drop in yield. We achieved KRW 6.5 trillion in investment profit through stable dividend income and by selling appropriate assets, thus achieving a rate of return of about 3% on assets under management.

Assets Under Management

Samsung Life maintains a stable asset management foundation centered on interest income, comprising 73% of bonds and loans.



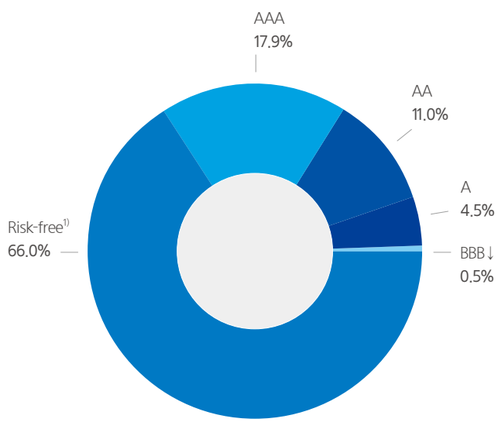
Investment Returns (Unit: KRW billion)



1) Other gain/loss: Asset management fees, rental income, change in value, etc

Status of Bonds by Grade

Risk-free[1] bonds such as government bonds and municipal bonds account for 66% of total bonds, while 18% are special bonds issued by public institutions. We are also investing in corporate bonds with a focus on stable AA.



1) Risk-free: Government bonds, municipal bonds, monetary stabilization bonds

Strengthening Channel Competitiveness

Channel Innovation

At a time of saturation in the insurance market, ultra-low interest rates, and tighter regulations on the industry, the insurance business environment continues to present difficulties. We are working to overcome these crises by strengthening our competitiveness through innovation in our management and through extensive management reorganization. The sales unit has been divided into a Financial Consultant (FC) Unit, focusing on sales of personal protection policies, and a Strategy Unit concentrating on specialized markets and B2B sales. This has enabled us to differentiate our strategies for each channel and provide support for sales and marketing. We expect this will encourage good-faith competition and create synergy.

Channel-specific Growth Strategies

Category		Characteristics and Growth Strategy
Affiliate Agents	Consultants GFC SFP	• Comprises the consultant channel (individual coverage) and the specialized channel, which consists of GFC1) (group/corporate insurance market) and SFP (consultants in their 20s and 30s) • Reorganized into three-level sales system centering on regional offices (Headquarters regional office sales office), engaging in field-centered responsible sales • Expand affiliate organization by introducing outstanding consultants and providing systematic onboarding through reinforced training
Independent Agents	GA (General Agency) AFC (Agency Financial Consultant) BA (Bancassurance) Corporate Business Department	• In response to the rapid growth in the independent agent market (BA, GA), we are actively expanding our sales organization and strengthening our product competitiveness. • Strengthen sales support for GA, launch new health/injury protection products. • Future growth engine channel comprising consultants in their 20s and 30s • Establish comprehensive financial planning organization for customers in their 20s and 30s, serve as a platform for future growth engines
Specialized Channels	SFP	• Future growth engine channel comprising consultants in their 20s and 30s • Establish comprehensive financial planning organization for customers in their 20s and 30s, serve as a platform for future growth engines
	GFC	• Organization of experts in corporate financing (dedicated channel for business risk management, business consulting) • Diversify competencies for corporate consulting, secure corporate CEO clients, and expand the corporate client market through diverse seminars
	Ligel	• Channel of young women returning to work after a career break (New growth engine launched in January 2016 to secure customers in their 30s and 40s) • Link with affiliates to attract new customers in their 30s and 40s, establish activities for managing prospective customers interested in Samsung Life products and services

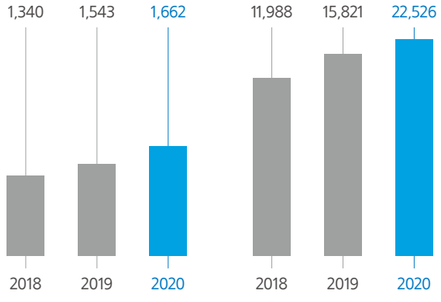
Consultant and Sales Manager Training System

Samsung Life offers a variety of training programs to strengthen the competency of sales consultants and sales managers. Due to the prolonged COVID-19 pandemic in 2020, in-person and group training have been converted to a contactless training system. The curriculum in particular has been reorganized as a contactless learning platform called Smart 'SSokSSok' that provides content quickly to enable trainees to practice and learn in the field.

Consultants	Trainers	Sales Managers
① Extend training for new members (From 1 year → 3 years) ② Build contactless learning platform ③ Strengthen training in initial months of consultancy ④ Provide self-guided learning content	⑤ Foster instructors specializing in field training ⑥ Foster candidate pool for CMs (Coaching Managers) ⑦ Regular sessions to strengthen trainer capabilities	⑧ Foster instructors specializing in field training ⑨ Intensive training for new branch managers ⑩ Strengthen digital sales capabilities ⑪ Provide online training content

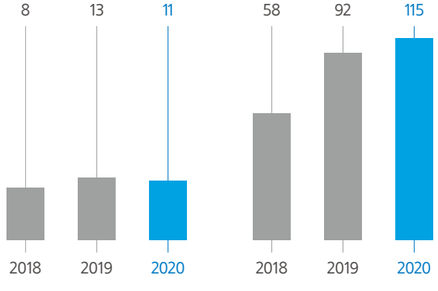
Expanding Overseas Businesses

Samsung Life Insurance (Thailand) PCL. Insurance Premiums
(Unit: KRW 100 million)



BOC-Samsung Life Insurance Premiums
(Unit: KRW 100 million)

Pre-tax Profit of Samsung Life Insurance (Thailand) PCL.
(Unit: KRW 100 million)



Pre-tax Profit of BOC-Samsung Life
(Unit: KRW 100 million)

Change in 2018~2019 data: Applied the annual average exchange rate and reflected the results of the 2019 BOC-Samsung Life audit

Thailand

As the outpost of Samsung Life's overseas business, Thailand is the hub of Southeast Asia and a fast-growing region in the insurance market. Based on a continuous increase of policies in force, Samsung Life Insurance (Thailand) PCL. have registered surplus for the fourth consecutive year since 2017. This is the result of our efforts to expand the sales organization and strengthen our consultants' sales capabilities, and of improvements to the sales support system under a strategy of growth centered on Affiliated Agents. To leap into the industry's middle ranks, Samsung Life Insurance (Thailand) PCL. will continue to discover new growth engines by expanding sales channels, preparing to enter bancassurance contracts with key banks, and securing M&As with small- and mid-sized firms.

China

China's life insurance market has continued to grow more than 13% annually over the past five years. As the country's middle class grows and its population ages, the market is forecast to continue to grow by 9-10% each year. In 2020, despite the COVID-19 pandemic, BOC-Samsung Life recorded an increase in premiums of 40% compared to the previous year, while profits increased for a fourth consecutive year since the first surplus in 2017. We are improving the value of mid-to long term companies by increasing the proportion of long-term pension and protection, in response to changes in the china's insurance market. We will continue to increase the size of the company by actively entering new sales bases and early expansion of the sales network through the Bank of China. By building a foundation for mid- to long-term growth, we will also expand our bancassurance channel and improve the competitiveness of our Affiliated/TM channels, while at the same time, work to make a leap forward as a mid-sized life insurer in the Chinese market.

1) Affiliated Channel: General planner channel
TM Channel: Channel selling insurance products by phone and other media; Internet channel to be added in 2021

Entering new markets

Samsung Life is finding a variety of investment opportunities to expand its overseas business base and improve profitability under the 2030 mid- to long-term strategy. We have established asset management in particular as a key axis of generating mid- to long-term profit, and are going ahead with equity investments in overseas asset management companies along with the growth of our asset management affiliates.In addition, we are working to secure future growth engines by investing in high-quality insurance companies in Asian countries with good growth potential and profitability. In line with today's rapidly changing market environment, we will push forward with investments in tech-based financial platforms and Insurtech companies. The rapid spread of digital finance in the Asian market is bringing many changes to the insurance industry. Samsung Life plans to expand its scope of business and seek various outlets of collaboration for the company's main business by investing in Asia's high-quality digital financial platforms through strategic funds (CVC).

Financial Performance

The global economic recovery has become uncertain because of the resurgence of COVID-19 and the intensifying U.S.-China trade dispute. The Korean economy, which is externally dependent to a great degree, has been significantly affected by the global economic slowdown. In view of economic indicators such as consumption and employment, it is highly likely that the economic downturn will last for some time. The Korean life insurance market is also facing difficulties due to internal and external economic factors, although the need for insurance is expected to increase due to demographic changes such as the aging population.
In addition, we are working to lay a foundation for growth by partnering with a variety of other industries and introducing new business models. Our consolidated net income in 2020 totaled KRW 1.265.8 billion, representing a year--on-year increase of 29.5%, while total assets increased by 7.7% to KRW 337 trillion. In 2021, Samsung Life aims to expand investment in high-yield assets, such as alternative investments, to improve returns, notably with the rebound in interest rates at the start of the year. We aim to improve profitability through efficiency and quality-oriented sales/retention strategies and continue expanding our customer numbers.

New Business APE and APE by Product

Samsung Life's total new business APE amounted to KRW 2.72 trillion in 2020, an increase of 5.9% from the previous year. In addition, APE for new protection products, on which we are focusing our efforts, increased by 2.6% from the previous year to KRW 1.95 trillion. This is the result of reinforced market dominance in the protection market achieved through the enhancement of our health product lineup with the launch of new products, as well as a prompt response to the health market expansion utilizing our exclusive agent network.
In 2021, Samsung Life plans to accelerate its entry into the health/injury market and grow protection APE by launching new products and strengthening channel competitiveness.

Category	Unit	FY 2018	FY 2019	FY 2020
Total APE	KRW 1 trillion	2.6	2.6	2.7
Protection APE	KRW 1 trillion	1.7	1.9	2.0

Value of New Business

The value of new business in 2020 was KRW 1.318 trillion, a year-on-year decline of KRW 34 billion resulting from a decrease in the proportion of high-margin health/injury products. Whole life products, whose margins are lower than health/injury, saw an increase in sales compared to the previous year due to a rise in estimated interest rates and the 'sold-out' issue that affected low/no cash surrender products. In turn, the sales proportion of health/injury, a relatively high-margin product, decreased. As a result, our overall new business margin also decreased by 4.3% from the previous year to 48.6%, resulting in a slight decline in the value of new business. In 2021, we will put more emphasis on sales of high-margin health/injury products and strive to boost sales so that we increase both the new business margin and new business value.

Category	Unit	FY 2018	FY 2019	FY 2020
EV[1)]	KRW 1 trillion	32.4	36.5	43.6
Value of New Business	KRW 1 trillion	1.1	1.4	1.3
New Business Margin	%	41.6	52.9	48.6

1) Data for 2018 modified according to calculation standard

Persistency

Category	Unit	FY 2018	FY 2019	FY 2020
13th Month	%	87.2	84.7	85.4
13th Month (Protection)	%	83.2	81.7	83.9
25th Month	%	71.9	69.5	65.3
25th (Protection)	%	69.2	62.4	60.1

Economic Performance and Distribution

Through dividend payments, claims payments, social contributions and tax payments, Samsung Life is committed to fairly distributing its economic performance to diverse stakeholders, including shareholders, customers, employees and the local community.

As of 2020	Unit	Operating Expenses Excluding allocation to employees	Government Income taxes	Shareholders Dividends	Customers Claims paid, policy reserves	Local Communities Social contribution donations and expenses	Employees Wages, bonuses, benefits, severance pay
Economic Performance Distribution	KRW 100 million	13,287	4,442	4,489	209,666	103	8,209

Tax Policy

As one of the three major components of Korea's national economy, companies are required to fulfill their tax obligations in order to support the central government and public organizations. As a parent company obliged to produce consolidated financial statements, Samsung Life does its utmost to fulfill its duty to pay taxes in accordance with domestic and international tax laws and ensures that its subsidiaries located in Korea and overseas do the same.

Disclosure of Tax Information

In order to fulfill its tax obligations Samsung Life ensures the transparency and objectivity of its tax information through external audits and discloses the former in a transparent manner. Information disclosed via http://dart.fss.or.kr/ provides detailed items including income tax expense calculation standards, deferred tax assets and liabilities, as well as the composition and tax rate of income tax expenses.

Tax Risk Management

In order to identify and manage various tax risks, Samsung Life constantly monitors domestic and overseas tax-related regulations and government policies. In addition, our internal control system enhances the reliability and accuracy of the tax reconciliation and accounting process. To minimize tax-related risks, we receive tax consultations from external experts when there are discrepancies or disagreements regarding interpretations of tax law.

Category	Unit	FY 2018	FY 2019	FY 2020
Income tax paid[1)]	KRW million	1,336,228	145,897	145,660
Deferred tax[2)] changes due to temporary difference	KRW million	(1,375,082)	2,556,500	2,324,978
Income tax expense directly included in capital[3)]	KRW million	670,845	(2,327,300)	(2,026,484)
Income tax expense[4)]	KRW million	631,991	375,097	444,154

1) Income tax paid = Current corporate taxes
2) Deferred tax: Expected amount of deferred tax changed due to a temporary difference between accounting income and taxable income
3) Income tax on change in value paid to shareholders
4) Income tax expense = 1) Current income tax + 2) Deferred income tax + 3) Income tax expense included in capital

Income Tax by Country

Country	Unit	FY 2018	FY 2019	FY 2020
China	KRW million	0.00	-603.20	-32.28
Thailand	KRW million	0.38	-9.75	-28.95

Consolidated Statement of Financial Position

65th Term As of December 31, 2020
64th Term As of December 31, 2019
63rd Term As of December 31, 2018

(Unit: KRW million)

Category	65th Term	64th Term	63rd Term
I. Cash and cash equivalent	3,811,081	5,207,649	3,434,345
II. Financial assets at fair value through profit or loss	3,800,492	4,072,253	3,488,145
III. Available-for-sale financial assets	182,444,479	166,997,576	147,638,963
IV. Gain on financial assets at fair value through profit or loss	277,396	280,147	280,873
V. Realized gains on available-for-sale financial assets	77,364,661	71,754,486	73,182,513
VI. Derivative financial assets for hedge accounting	803,480	561,431	710,094
VII. Investments in associates and joint ventures	1,467,066	1,379,148	1,346,611
VIII. Financial lease-backed bonds	132,580	237,508	376,524
IX. Assets held for sale	555,011	98,637	-
X. Investment property	5,974,994	6,448,735	7,297,969
XI. Tangible assets	658,682	735,119	822,577
XII. Intangible assets	653,224	743,372	850,605
XIII. Right-of-Use assets	197,417	206,188	-
XIV. Current tax assets	516,855	527,715	1,187
XV. Deferred tax assets	1,248	1,012	991
XVI. Other assets	3,241,964	3,715,998	4,062,368
XVII. Separate account assets	54,668,657	49,795,298	45,933,890
Total assets	**336,569,287**	**312,762,272**	**289,427,655**
I. Insurance contract liabilities	187,965,335	180,492,968	173,943,448
II. Policyholders' equity adjustment	15,146,101	11,528,465	8,208,565
III. Financial liabilities at fair value through profit or loss	181,577	139,237	19,419
IV. Other financial liabilities	21,335,183	20,377,319	22,484,393
V. Derivative financial liabilities for hedge accounting	417,268	455,285	266,692
VI. Current income tax liabilities	112,548	138,986	363,813
VII. Deferred income tax liabilities	10,175,590	7,850,375	5,293,854
VIII. Provisions	329,413	251,896	335,416
IX. Other liabilities	1,069,576	1,067,791	1,029,980
X. Separate account liabilities	56,226,062	53,143,545	46,976,616
Total liabilities	**292,958,653**	**275,445,867**	**258,922,196**
I. Equity of parent company	41,894,750	35,667,037	28,902,094
1. Capital stock	100,000	100,000	100,000
2. Capital surplus	125,115	125,115	125,115
3. Capital adjustments	(2,116,955)	(2,116,955)	(2,116,955)
4. Accumulated other comprehensive income	26,963,382	21,509,453	15,245,998
5. Retained earnings	16,823,208	16,049,424	15,547,936
II. Non-controlling interests	1,715,884	1,649,368	1,603,365
Total equity	43,610,634	37,316,405	30,505,459
Total liabilities and equity	336,569,287	312,762,272	289,427,655
No. of subsidiaries for consolidation	122	107	103

Consolidated Statement of Comprehensive Income

65th Term January 1 to December 31, 2020
64th Term January 1 to December 31, 2019
63rd Term January 1 to December 31, 2018

(Unit: KRW million)

Category	65th Term	64th Term	63rd Term
[Operating revenue]	34,534,340	31,804,022	32,240,885
[Operating expenses]	32,744,294	30,551,441	29,657,574
[Operating income]	1,790,046	1,252,581	2,583,311
[Non-operating revenue]	173,931	211,824	364,121
[Non-operating expenses]	149,321	37,616	581,731
[Consolidated earnings before taxes]	1,814,656	1,426,789	2,365,701
[Income tax expenses]	444,154	375,097	631,991
[Profit for the year]	1,370,502	1,051,692	1,733,710
[Other comprehensive income (loss), net of tax]	5,449,258	6,269,724	(1,849,565)
[Total comprehensive income for the year]	6,819,760	7,321,416	(115,855)
1. Profit attributable to:	1,370,502	1,051,692	1,733,710
Ownership equity of parent company	1,265,766	977,391	1,664,382
Non-controlling interests	104,736	74,301	69,328
2. Total comprehensive income attributable to:	6,819,760	7,321,416	(115,855)
Ownership equity of parent company	6,719,695	7,240,846	(163,146)
Non-controlling interests	100,065	80,570	47,291
[Earnings per share (Unit: KRW)]	7,049	5,443	9,268
No. of companies included in consolidation	122	107	103
Domestic	112	97	94
Overseas	10	10	9
No. of subsidiaries listed in Korea	1	1	1

Consolidated Statement of Changes in Equity

65th Term January 1 to December 31, 2020
64th Term January 1 to December 31, 2019
63rd Term January 1 to December 31, 2018

Samsung Life and Samsung Life's subsidiaries

(Unit: KRW million)

Category	Ownership Equity of Parent Company						Non-controlling interest	Total
	Capital stock	Capital surplus	Capital adjustments	Accumulated other comprehensive income	Retained earnings	Ownership equity of parent company		
January 1, 2018 (end of year before prior year)	100,000	63,084	(2,116,955)	17,073,526	14,239,292	29,358,947	1,762,625	31,121,572
Effect of change in accounting policy	-	-	-	-	2,949	2,949	-	2,949
Amount after modification	100,000	63,084	(2,116,955)	17,073,526	14,242,241	29,361,896	1,762,625	31,124,521
I. Total comprehensive income for the year								
1. Profit for the year	-	-	-	-	1,664,382	1,664,382	69,328	1,733,710
2. Change in value of available-for-sale financial assets	-	-	-	(2,031,781)	-	(2,031,781)	(7,753)	(2,039,534)
3. Change in value of held-to-maturity financial assets	-	-	-	(16)	-	(16)	-	(16)
4. Change in value of derivative financial instruments for hedge accounting	-	-	-	160,142	-	160,142	(13,467)	146,675
5. Shares of other comprehensive income (loss) of associated and joint ventures	-	-	-	2,387	-	2,387	-	2,387
6. Other comprehensive income of separate accounts	-	-	-	45,544	-	45,544	-	45,544
7. Profit and loss in conversion from overseas business	-	-	-	14,683	-	14,683	419	15,102
8. Remeasurements of net defined benefit plans	-	-	-	(18,487)	-	(18,487)	(1,236)	(19,723)
II. Dividends paid to shareholders								
1. Annual dividends	-	-	-	-	(359,150)	(359,150)	(39,528)	(398,678)
2. Acquisition of treasury stock	-	-	-	-	463	463	-	463
3. Others	-	62,031	-	-	-	62,031	(167,023)	(104,992)
December 31, 2018 (end of year before prior year)	100,000	125,115	(2,116,955)	15,245,998	15,547,936	28,902,094	1,603,365	30,505,459
January 1, 2019 (beginning of prior year)	100,000	125,115	(2,116,955)	15,245,998	15,547,936	28,902,094	1,603,365	30,505,459
I. Total comprehensive income for the year								
1. Profit for the year	-	-	-	-	977,391	977,391	74,301	1,051,692
2. Change in value of available-for-sale financial assets	-	-	-	6,187,559	-	6,187,559	12,504	6,200,063
3. Change in value of derivative financial instruments for hedge accounting	-	-	-	(30,997)	-	(30,997)	(6,792)	(37,789)
4. Shares of other comprehensive income (loss) of associated and joint ventures	-	-	-	10,771	-	10,771	-	10,771
5. Other comprehensive income of separate accounts	-	-	-	97,423	-	97,423	-	97,423
6. Profit and loss in conversion from overseas business	-	-	-	24,758	-	24,758	3,594	28,352
7. Remeasurements of net defined benefit plans	-	-	-	(26,059)	-	(26,059)	(3,037)	(29,096)
II. Dividends paid to shareholders								
1. Annual dividends	-	-	-	-	(475,873)	(475,873)	(37,530)	(513,403)
2. Paid-in capital increase	-	-	-	-	(30)	(30)	-	(30)
3. Others	-	-	-	-	-	-	2,963	2,963
December 31, 2019 (end of prior year)	100,000	125,115	(2,116,955)	21,509,453	21,509,453	35,667,037	1,649,368	37,316,405
January 1, 2020 (beginning of current year)	100,000	125,115	(2,116,955)	21,509,453	21,509,453	35,667,037	1,649,368	37,316,405
I. Total comprehensive income for the year								
1. Profit for the year	-	-	-	-	1,265,766	1,265,766	104,736	1,370,502
2. Change in value of available-for-sale financial assets	-	-	-	5,597,602	-	5,597,602	(8,197)	5,589,405
3. Change in value of derivative financial instruments for hedge accounting	-	-	-	(188,460)	-	(188,460)	3,742	(184,718)
4. Shares of other comprehensive income (loss) of associated and joint ventures	-	-	-	5,651	-	5,651	-	5,651
5. Other comprehensive income of separate accounts	-	-	-	52,966	-	52,966	-	52,966
6. Profit and loss in conversion from overseas business	-	-	-	(12,218)	-	(12,218)	(240)	(12,458)
7. Remeasurements of net defined benefit plans	-	-	-	(1,612)	-	(1,612)	24	(1,588)
II. Dividends paid to shareholders								
1. Annual dividends	-	-	-	-	(475,873)	(475,873)	(37,530)	(513,403)
2. Changes in retained earnings by applying equity method	-	-	-	-	17	17	-	17
3. Acquisition of treasury stock	-	-	-	-	-	-	3,981	3,981
4. Others	-	-	-	-	(16,126)	(16,126)	-	(16,126)
December 31, 2020 (end of current year)	100,000	125,115	(2,116,955)	26,963,382	16,823,208	41,894,750	1,715,884	43,610,634

Consolidated Cash Flow Statement

65th Term January 1 to December 31, 2020
64th Term January 1 to December 31, 2019
63rd Term January 1 to December 31, 2018

Samsung Life and Samsung Life's subsidiaries

(Unit: KRW million)

Category	65th Term	64th Term	63rd Term
I. Cash flow from operating activities	2,918,840	8,644,450	1,956,123
1. Cash generated from operations	(4,589,473)	1,954,925	(5,225,451)
A. Profit for the year	1,370,502	1,051,692	1,733,710
B. Adjustments in expenses and revenues	1,764,513	791,390	595,344
C. Changes in operating assets and liabilities	(7,724,488)	111,843	(7,554,505)
2. Interest received	7,067,262	7,031,226	7,051,418
3. Interest paid	(388,053)	(460,634)	(421,230)
4. Dividends received	1,001,212	1,043,877	1,077,663
5. Income taxes paid	(172,108)	(924,944)	(526,277)
II. Cash flow from investing activities	(4,659,781)	(5,665,167)	(4,411,023)
1. Proceeds from disposal of available-for-sale financial assets	10,566,117	8,474,108	10,934,657
2. Payment for acquisition of available-for-sale financial assets	(14,853,490)	(14,859,272)	(15,149,903)
3. Decrease in disposal of held-to-maturity financial assets	-	-	16,315
4. Settlement of derivative financial instruments for hedge accounting	(233,384)	(188,510)	36,612
5. Proceeds from disposal of investments in associated and joint ventures	50,813	127,527	3,592
6. Payment for acquisition of investments in associated and joint ventures	(87,611)	(47,368)	(10,151)
7. Proceeds from disposal of investment properties/property and equipment	9,559	745,373	2,067
8. Payment for acquisition of investment properties/property and equipment	(68,470)	(181,408)	(1,443,356)
9. Disposal of assets held for sale	244,350	27,150	994,043
10. Proceeds from disposal of intangible assets	702	5,955	5,369
11. Payment for acquisition of intangible assets	(73,011)	(93,278)	(154,289)
12. Others	(215,356)	324,556	354,021
III. Cash flow from financial activities	344,839	(1,206,623)	1,832,879
1. Payment of dividends	(513,403)	(513,403)	(448,514)
2. Increase in loans	4,323,400	5,570,706	6,793,699
3. Redemption of loans	(5,010,000)	(5,621,000)	(5,705,800)
4. Issue of bonds	12,352,290	11,527,926	12,150,787
5. Redemption of bonds	(10,623,823)	(12,415,905)	(11,548,693)
6. Increase(decrease) in non-controlling interests	(183,625)	245,053	591,400
IV. Net increase in cash and cash equivalents	(1,396,102)	1,772,660	(622,021)
V. Cash and cash equivalents at the beginning of the year	5,207,649	3,434,345	4,055,552
VI. Effects of change in foreign currency exchange rates on cash and cash equivalents	(466)	644	814
VII. Cash and cash equivalents at the end of the year	3,811,081	5,207,649	3,434,345

APPENDIX

Key ESG policies

Environmental Policy

As a life insurance company, Samsung Life has established the following environmental policies and makes continued efforts to implement them in order to contribute to the conservation of the environment, and to achieve sustainable growth by complying with global environmental standards and guidelines in all business activities.

- All employees voluntarily comply with environmental laws and international agreements when carrying out their work, and strive to practice social responsibility.
- In all business processes, we voluntarily participate in environmental improvement efforts such as reducing energy consumption, reducing greenhouse gas emissions, and conserving resources in order to minimize our environmental impact.
- We contribute to sustainable social development by researching and developing eco-friendly insurance/financial products, practicing risk management, and engaging in asset management.
- We evaluate our environmental performance on a regular basis, disclose the results transparently to internal and external stakeholders, and strive continuously to improve performance.
- We continue to engage in environmental improvement activities through cooperation with stakeholders, including our customers, employees, suppliers, local communities, and shareholders.

Health and Safety Policy

Samsung Life abides by established laws and principles in order to prevent safety accidents, and we uphold the safety of our customers and employees as our top priority.

- Health and safety is the top priority in all business activities.
- Management continuously demonstrates its commitment to health and safety and sets an example for others.
- We comply with health and safety-related laws and strive to create a safe working environment.
- To promote employee health, we provide regular health check-ups and health-related information.
- We maintain win-win relationships with our suppliers and create a safety culture based on mutual respect

Consumer Protection Charter

In recognition of 'financial consumer protection' as a core value, Samsung Life works to benefit the customer by putting the customer at the center of the business and enhancing service quality. Furthermore, we seek to grow and develop with the customer, and as such, we have established and pledge to adhere to the following principles.

- Always make decisions and take action from the customer's point of view.
- Recommend and sell the products that will most optimally benefit the customer.
- Establish systems to protect the customer's rights and interests throughout the processes of product development, sales, and follow-up management.
- Continue to improve internal processes to benefit the customer.
- Ensure that customer information is collected and used in a legal manner and protected safely.
- Listen actively to customer complaints and deal with them promptly to ensure they are not neglected.
- Fulfill the duty of care as a good manager and trustee of customer assets.

Main Principles of Human Rights Management

Samsung Life complies with the human rights principles outlined in the UN's 'Universal Declaration of Human Rights' and the 'Guiding Principles on Business and Human Rights,' and we work to prevent the occurrence of human rights violations. The human rights policies of Samsung Life apply not only to employees, but to all stakeholders, including customers, consultants, subsidiaries, suppliers, and local communities.

- We prohibit discrimination in hiring, promotion, compensation, etc., on the basis of gender, nationality, race, religion, disability, region of origin, political orientation, etc., while we have the utmost respect for diversity.
- We guarantee equal opportunities under fair working conditions, and we provide fair compensation based on individual abilities and performance.
- We prohibit all inhumane acts such as child labor, forced labor, human trafficking, wage exploitation, sexual harassment, and physical and mental coercion, and we comply with the labor standards of all countries in which we do business.
- We strive to build harmony and trust between labor and management, and we guarantee freedom of association and the right to collective bargaining.
- We strive to create a safe and pleasant working environment to improve the health of our employees.
- We do not discriminate in the provision of products and services on the basis of a customer's gender, nationality, race, religion or disability.
- We protect the human rights of the financially vulnerable by improving access to financial services for the elderly and the people with disabilities.
- We take technological and physical measures to protect the personal information of our customers and employees.
- We recognize our consultants, subsidiaries and suppliers as partners for win-win growth, and do business with them equally and fairly.
- In all of our business activities, including the provision of products and services, we do our utmost to avoid infringing on the human rights of the members of local communities.

SASB Index

Samsung Life reports on financially significant ESG indicators in accordance with the insurance industry disclosure standards recommended by the U.S. Sustainability Accounting Standards Board (SASB).

Topic	Disclosure name	Reporting Location
Transparent Information and Fair Advice for Customers	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	120p
	Complaints-to-claims ratio	Samsung Life Website
	Customer retention rate	106p
	Description of approach to informing customers about products	Samsung Life Website
Incorporation of Environmental, Social, and Governance Factors in Investment Management	Total assets invested in each industry and asset class	93p
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	46-51p
Policies Designed to Incentivize Responsible Behavior	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	42p
Environmental Risk Exposure	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	Not applicable to life insurance companies
	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	Not applicable to life insurance companies
	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	Not applicable to life insurance companies
Systemic Risk Management	Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	84-86p

PSI Index

As a signatory to the United Nations Principles for Sustainable Insurance (UN PSI), Samsung Life considers ESG factors in its insurance business and promotes ESG management activities with customers, suppliers, governments, and other stakeholders. We transparently disclose related activities and achievements every year.

Principle	Actions of Samsung Life
Principle 1 We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.	Samsung Life has established a mid- to long-term ESG strategy for 2030 based on the three financial principles of 'green, win-win, and transparency.' To fully promote ESG management, we reorganized the ESG governance system and newly established the ESG Committee under the Board of Directors as the highest decision-making body on ESG issues. By analyzing ESG trends in the changing insurance industry, we identify crises and opportunities and reflect them in our products, services, and asset management activities throughout the value chain. We will also work to internalize ESG so that ESG management activities become part of our everyday corporate culture. **[Customer-centric management]** Customer-centric management processes have been strengthened throughout our insurance contract procedures. With the establishment of a consumer protection system, all stages of product development, launch, sales, and follow-up management are reviewed in terms of protecting customer rights and interests. Furthermore, we are striving to enhance customer satisfaction by strengthening communication and providing services in each stage of the insurance contract process. **[Creation of social value through insurance products and services]** We provide products and services that address social problems such as the aging of the population, demographic change, lifestyle diversification, and the increase in health problems caused by obesity. In particular, by providing healthcare services, services for senior customers, and inclusive financial products and services, we are strengthening the ability of insurance as a social safety net while creating social value. **[Practicing responsible investment]** As an institutional investor managing client assets, we have issued a coal-free finance declaration prohibiting new investments in coal mining and coal power businesses in order to respond proactively to the climate crisis. Going forward, we plan to increase our ESG investment to KRW 20 trillion by 2030 by continuously expanding investments in eco-friendly assets such as new and renewable energy.
Principle 2 We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.	**[Securing eco-friendly leadership]** For a more sustainable future, Samsung Life has set as its environmental management strategy 'Green Investment, Green Infra.' We are taking part in Korea's national effort to achieve carbon neutrality by 2050 by expanding our eco-friendly investments and reducing our carbon emissions. We are promoting resource efficiency across the company by introducing an environmental management system that conforms to ISO14001, and we have set the goal of reducing carbon emissions from 2017 levels by 50% by 2030. With the paperless insurance environment for mobile insurance subscriptions and smart guidance via text, we are improving customer convenience and reducing our environmental impact. Furthermore, as a signatory to the Carbon Disclosure Project (CDP), we are encouraging major companies around the world to shift to low-carbon and non-carbon practices and to disclose climate-related information.
Principle 3 We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.	**[Social contribution partnerships]** Samsung Life maintains partnerships with organizations specializing in social contribution projects. In addressing social issues, we work with organizations including ChildFund Korea (support for children), LifeLine Korea ('Respect-for-Life Program,' 'Respect-for-Life-Campaign'), the Korea Legal Aid Center for Family Relations (legal counseling for the underprivileged), We Start ('Financial and Personality Education'), and Social Solidarity Bank (support for welfare facilities). **[Global initiatives]** By participating in a wide range of ESG-related global initiatives such as UNEP FI, UN PSI, CDP and TCFD, we are helping promote ESG management.
Principle 4 We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.	We transparently disclose our ESG management activities and performance through annual sustainability reports, business reports, and annual reports on our governance and compensation systems.

TCFD Index

In March 2021, Samsung Life joined the Task Force on Climate-related Financial Disclosures (TCFD) as a supporting organization. TCFD recommends disclosing the four elements of climate-related governance, strategy, risk management, and indicators and targets. Samsung Life plans to establish a climate change response system in accordance with the TCFD recommendations and expand our disclosures about the status of our implementation.

TCFD Recommendations		Status of Samsung Life
Governance Disclose the organization's governance around climate-related risks and opportunities.	a) Describe the organization's governance around climate-related risks and opportunities.	The ESG Committee under the Board of Directors is the highest decision-making body on ESG strategies and policies, including climate change response.
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	The CEO, participating in the ESG Committee, evaluates and manages climate-related risks and opportunities. The ESG Executive Council discusses eco-friendly investment plans and carbon reduction goals, and by resolution of the ESG Committee, we have established mid- to long-term goals for 2030.
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	The risks that climate change poses to the life insurance industry are both physical and transition-related. The physical risks are due to natural disasters, while the transition risks stem from changes in the value of investments that would occur during the transition to a low-carbon economy. Abnormal weather, such as heat and cold waves, can affect insurance claims by causing epidemics and an increase in the number of elderly deaths. In addition, excessive investments in businesses that emit large amounts of greenhouse gases can undermine the financial soundness of insurance companies as low-carbon measures reduce the value of those investments.
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Samsung Life has issued a 'coal-free finance' declaration prohibiting new investment in coal mining and coal power businesses. Furthermore, we have established plans to expand our eco-friendly investments. These include renewable energy, such as solar power and wind power, sustainable water management businesses, and green bonds.
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	We plan to systematically identify and analyze climate-related physical and transition risks, and establish processes to manage the carbon-related exposure of our investment portfolio.
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	The ESG Secretariat and related departments such as Risk Management, Asset Management, and the Institute of Insurance Research will collaborate to research and evaluate the risks that climate change poses to the life insurance business and asset management.
	b) Describe the organization's processes for managing climate-related risks.	When making investment decisions, the departments responsible for screening and investment management conduct negative screening, looking at the investment's exposure to the coal industry. The Asset Management Committee makes the final decision.
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	The ESG Secretariat will work with related departments, such as Risk Management and Asset Management, to prepare a climate risk management system. Based on this system, climate risk will be integrated into the company-wide risk management process, and we will be able to enhance our integrated ESG screening and management system for investments.
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	We assess climate change risks and opportunities by setting key indicators for carbon emissions, energy consumption, and scale of ESG investment.
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	2020 GHG emissions: Scope 1: 31,312 tCO_2eq Scope 2: 35,681 tCO_2eq
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	By the target year 2030, we have established and managed the goal of expanding eco-friendly finance to KRW 20 trillion and reducing carbon emissions by 50% from 2017 levels.

GRI Index

Universal Standards (GRI 100)

Classification	Disclosure	Indicators	Page	Remarks
GRI 102: General Disclosure	102-1	Name of the organization	8	
	102-2	Activities, brands, products, and services	8, 14-15	
	102-3	Location of headquarters	8	
	102-4	Location of operations	8	
	102-5	Ownership and legal form	8,96	
	102-6	Markets served	8	
	102-7	Scale of the organization	8	
	102-8	Information on employees and other workers	94	
	102-9	Supply chain	8-9, 12-13	
	102-10	Significant changes to the organization and its supply chain	-	Business Report, page 11-12
	102-11	Precautionary Principle or approach	84-87	
	102-12	External initiatives	124	
	102-13	Membership of associations	18	
	102-14	Statement from senior decision-maker	6-7	
	102-16	Values, principles, standards, and norms of behavior	-	Samsung Life Website
	102-17	Mechanisms for advice and concerns about ethics	83	
	102-18	Governance structure	74-79, 96-97	
	102-40	List of stakeholder groups	18	
	102-41	Collective bargaining agreements	95	
	102-42	Identifying and selecting stakeholders	18	
	102-43	Approach to stakeholder engagement	18	
	102-44	Key topics and concerns raised	18	
	102-45	Entities included in the consolidated financial statements	-	Business Report, page 4-11
	102-46	Defining report content and topic Boundaries	19	
	102-47	List of material topics	19	
	102-48	Restatements of information	-	Included relevant information
	102-49	Changes in reporting	ABOUT THIS REPORT	
	102-50	Reporting period	ABOUT THIS REPORT	
	102-51	Date of most recent report	ABOUT THIS REPORT	
	102-52	Reporting cycle	ABOUT THIS REPORT	
	102-53	Contact point for questions regarding the report	ABOUT THIS REPORT	
	102-54	Claims of reporting in accordance with the GRI Standards	ABOUT THIS REPORT	
	102-55	GRI content index	118-120	
	102-56	External assurance	122-123	
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	19, 30, 39, 46	
	103-2	The management approach and its components	19, 30, 39, 46	
	103-3	Evaluation of the management approach	19, 30, 39, 46	

Topic-specific Standards Economic Performance (GRI 200)

Classification	Disclosure	Indicators	Page	Remarks
Economic Performance	201-1	Direct economic value generated and distributed	107	
	201-3	Defined benefit plan obligations and other retirement plans	94	
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	48, 68-71	
	203-2	Significant indirect economic impacts	68-71	
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	80-83	

Environmental Performance (GRI 300)

Classification	Disclosure	Indicators	Page	Remarks
Energy	302-1	Energy consumption within the organization	92	
	302-3	Energy intensity	92	
	302-4	Reduction of energy consumption	92	
Water	303-5	Water consumption	93	
Emissions	305-1	Direct (Scope 1) GHG emissions	92	
	305-2	Energy indirect (Scope 2) GHG emissions	92	
	305-4	GHG emissions intensity	92	
	305-5	Reduction of GHG emissions	92	
Effluents and Waste	306-2	Waste by type and disposal method	93	
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	-	No such cases

Social Performance (GRI 400)

Classification	Disclosure	Indicators	Page	Remarks
Employment	401-1	New employee hires and employee turnover	94	
	401-3	Parental leave	94	
Occupational Health and Safety	403-1	Occupational health and safety management system	95	
	403-6	Promotion of worker health	65	
	403-9	Work-related injuries	94	
Training and Education	404-1	Average hours of training per year per employee	58	
	404-2	Programs for upgrading employee skills and transition assistance programs	58-59	
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	74-75, 95	
Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	-	No such cases
Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	No such cases
Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	66-67	
	412-2	Employee training on human rights policies or procedures	67	
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	68-71	
Marketing and Labeling	103-1, 2, 3	Management Approach	30	
	417-2	Incidents of non-compliance concerning product and service information and labeling	-	No such cases
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	No such cases
Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	-	No such cases

Greenhouse Gas Assurance Statement

Introduction

At the request of Samsung Life Insurance Co., Ltd., the Korean Foundation for Quality conducted assurance on the company's '2020 Business Site GHG Emissions and Energy Consumption Report' (hereinafter 'the GHG Inventory'), which includes GHG emissions from January 1, 2020 to December 31, 2020. Responsibility for preparing the GHG Inventory in accordance with ISO 14064-1 and the 'Guidelines on the Management of Greenhouse Gas and Energy Targets' (Ministry of Environment Notice No. 2016-255) lies with the management of Samsung Life Insurance. The Korean Foundation for Quality is responsible for conducting assurance in accordance with the assurance processes established by ISO 14064-3 to provide a limited assurance conclusion regarding whether the GHG Inventory and the GHG emissions data contained therein have been drafted and calculated according to assurance standards.

Assurance Scope

GHG-emitting facilities of at all business sites in Korea under the operational control and ownership of Samsung Life Insurance (Scope 1, 2).

Verification Conclusion

We present the following conclusions about the GHG emissions data recorded in the GHG Inventory based on ISO 14064-3 and other procedures.

1) The 2020 GHG Inventory by Samsung Life Insurance has been properly prepared in accordance with the 'Guidelines on the Management of Greenhouse Gas and Energy Targets' and the company's own standards.

2) The results of the materiality assessment of GHG emissions at all Samsung Life Insurance business sites in Korea in 2020 meet the requirements of the 'Guidelines on the Management of Greenhouse Gas and Energy Targets' as a company with emissions less than 500,000 tC02-eq, which is less than the threshold of 5% of total emissions.

3) Therefore, our opinion is that the GHG emissions recorded by Samsung Life Insurance in 2020 are reasonable.

Reporting Period		2020.1.1. ~ 2020.12.31
2020 Greenhouse Gas Emissions (tCO_2-eq)	Total emissions (Scope 1, 2)	66,993
	Direct emissions (Scope 1)	31,312
	Indirect emissions (Scope 2)	35,681

June 9, 2021

SONG, Ji-young, CEO of the Korean Foundation for Quality

Ji Young Song

Third-party Assurance Statement

To Management and Stakeholders of Samsung Life Insurance
Korea Sustainability Investing Forum (hereinafter "KoSIF") was commissioned by Samsung Life Insurance (hereinafter the "Company") to provide an independent assurance statement for its "Samsung Life Insurance Sustainability Report 2021 (hereinafter the "Report") and hereby presents the following third-party assurance statement.

Responsibility and Independence

Other than providing the independent assurance statement, KoSIF does not hold any interest in the Company that may affect the independence and fairness of the verification. Although this assurance statement is written for the management and stakeholders of the Company, KoSIF expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this assurance statement.

Assurance Criteria and Principles

This assurance statement is based on AA1000AS(2008), an internationally recognized standard on sustainability assurance. Detailed verification criteria are as follows.

1. Type 1, Moderate Level used in AA1000AS (2008),

2. The three accountability principles (Inclusivity, Materiality, Responsiveness) of AA1000AS(2008)

3. Core option of the GRI Standard Guideline

Assurance Process and Limitations

KoSIF carried out an initial review based on publicly available IR materials and supporting data obtained directly from the Company. Through an on-site visit to the headquarter of the Company, KoSIF verified the materiality assessment process and methods, engagement activities through stakeholder communication channels, and sustainability management strategy and goals adopted by the Company. Through the sampling process, KoSIF checked the coherence and supporting material for economic, social, and environmental data and relevant assertions made in the Report. A thorough review was conducted for some performance indicators by reviewing supporting documents and records. The on-site audit process involved an interview with a representative from the Company responsible for writing the Report. KoSIF confirmed that the financial data were appropriately retrieved from financial statements in the annual report listed in Data Analysis, Retrieval and Transfer System (DART). Data and information stretching outside the reporting boundary of the Company (suppliers, contractors, etc) are not included in the verification scope. The result of the assurance may differ if the scope of the assessment changes. Assurance Result and Opinion KoSIF could also not find anything that may provide a basis that the Samsung Life Insurance Report was not prepared according to the core option of the GRI standard. Nothing has come to KoSIF's attention that causes KoSIF to believe the information and data provided were misplaced or misleading.

KoSIF's opinion regarding the principles of AA1000AS(2008) is as follows:

- **Inclusivity**
  Having established communication channels for each stakeholder group, Samsung Life Insurance collects interests and expectations, opinions of varying stakeholders spanning from customers, employees, consultancies, suppliers, the government, local communities, shareholders, and investors. The company reflects the interests and expectations of stakeholders through annual surveys that is being conducted as a part of the materiality assessment. KoSIF has checked the operation and performance of major communication channels for each stakeholder as well as the survey conducted for materiality assessment. As a result, KoSIF could not find any evidence that important stakeholders were omitted from the process,

- **Materiality**
  The Company has composed an issue pool of 29 items based on internal and external analysis including international standards, requirements from foreign and domestic ESG assessments, sustainability issues from last year, and internal review of sustainability management issues. Next, the Company prioritized the items after the materiality assessment, which reflected the level of business impact and stakeholder interest, and an internal review by experts. As a result, 5 issues(3 customer-centric management, 1 creation of social value through insurance products and services, 1 responsible investment) were finalized. KoSIF reviewed all relevant documents(stakeholder survey, media research data, industry peer benchmarking, international standards and domestic and international ESG evaluation requirements) in the materiality assessment process of the Company. and has found no evidence that material issues were omitted during the process.

- **Responsiveness**
  The company describes the top 5 issues as having a major impact on stakeholders. These are 1) development of products to respond to emerging risks such as aging population, diseases and environmental problems 2) reconsider customer satisfaction through product and service quality improvement 3) establishing responsible investment principles and processes that consider ESG factors when making investment decisions 4) customer communication and conflict resolution, and activate damage relief functions 5) the organization's response activities and performance for the practice of perfect sales and the protection of consumer rights and interests. KoSIF has found no evidence that the response activities and performance to address the five prioritized issues as a result of the materiality assessment were improperly described in the Report.

Recommendations

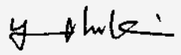
In anticipation that the Company will advance its sustainability management and respond in a timely manner to current sustainability issues, and contribute to enhancing the sustainability of stakeholders, KoSIF recommends the following:

- Sustainability management of financial institutions should address two aspects:
  ESG activities and performance on an 'organizational management level', ESG investment and performance on an 'asset management level'. With the emphasis on sustainable finance, ESG integration has become the core of financial institutions' ESG activities in terms of asset management such as investment, loan, and insurance. KoSIF recommends that Samsung Life Insurance will align itself with this trend, by establishing ESG investment principles from the perspective of stewardship responsibility, and further advance its investment strategy. We recommend that the Company also consider introducing a stewardship code.

- The climate crisis is an international issue that highlights ESG worldwide. Samsung Life Insurance is a leading insurance company in Korea, and it has engaged in a wide range of climate finance activities such as signing the PSI, committing to ending coal finance, supporting TCFD, and becoming a CDP signatory. The international community calls on urgent activities and tangible outcomes by 2030 that can contribute to carbon neutrality by 2050. Accordingly, domestic and foreign regulations on greenhouse gas reduction have been strengthened, and the stakeholder demand all the more increased. With this in mind, it is recommended that the Company, as a leading insurance company in Korea, propose and implement a goal and roadmap for carbon neutrality at the portfolio level beyond its own operation.

June 21, 2021
Korea Sustainability Investing Forum

Chairman **KIM Young-ho**



Global Initiative Memberships

United Nations Environmental Program Finance Initiative (UNEP FI)

Public-private partnership between the United Nations Environment Programme (UNEP) and the financial sector to encourage the fulfillment of the financial sector's role in sustainable development

United Nations Principles for Sustainable Insurance Initiative (UN PSI)

UN-affiliated international agreement for the promotion of ESG management in the global insurance industry

Task Force on Climate-Related Financial Disclosures (TCFD)

An international financial consultative body that provides disclosure standards regarding the financial impact of climate change and corporate response strategies

Carbon Disclosure Project (CDP)

A global initiative led by financial institutions encouraging companies to disclose environment-related information such as carbon emissions

Support for the Sustainable Development Goals (SDGs)

As the Millennium Development Goals (MDGs) came to an end in 2015, the United Nations and the international community established the Sustainable Development Goals (SDGs) consisting of 17 goals and 169 specific targets for the global eradication of poverty and for prosperity of humankind by the target year of 2030. Samsung Life actively supports the SDGs. Among the 17 goals, Samsung Life has selected five priority goals related to the insurance industry that it can carry out, and is working to achieve them.

Samsung Life's Priority Response Goals

Goal 3.
Ensure healthy lives and well-being for all

- Provide insurance products in preparation for dementia and long-term care needs
- Provide customer health management services
- Support for medical expenses of children from low-income households

Goal 4.
Ensure inclusive, quality education for all and promote lifelong learning

- Operate the 'Finance and Personality Education for Youth' program to give young people financial and economic knowledge and a proper understanding of the economy

Goal 5.
Achieve gender equality and empower women and girls

- Conduct fair recruitment and performance evaluations, prohibit gender discrimination
- Operate maternity protection systems and programs, such as reducing working hours during childcare

Goal 10.
Reduce income inequality within and among countries

- Provide inclusive financial products and services for the financially underprivileged
- Support local communities impacted by COVID-19

Goal 13.
Take urgent action to combat climate change and its impact on the environment

- Expand investments in renewable energy sources such as solar, wind and biomass
- Declaration of Coal-Free Finance prohibiting new investment in and financing for the coal industry
- Set and manage carbon emission reduction targets
- Establish paperless insurance environment

Awards

Korea Productivity Center

National Customer Satisfaction Index (NCSI) - Life Insurance Category

Ranked No. 1 for 17 consecutive years

The National Customer Satisfaction Index, compiled by the Korea Productivity Center, recognizes Korea's top companies in each industry every year through a direct survey of customer satisfaction. Samsung Life is the first company to rank number one in the life insurance category for 17 consecutive years.

Korea Standards Association

Korea Standard-Service Quality Index (KS-SQI)

Ranked No. 1 in the life insurance category for 18 consecutive years

The Korea Standard-Service Quality Index, compiled by the Korea Standards Association, conducts in-person and online customer surveys to recognize the companies with the highest service quality in their respective industries. In recognition of its continuous efforts to practice Customer-centric management, Samsung Life has won the top award in the life insurance category for 18 consecutive years.

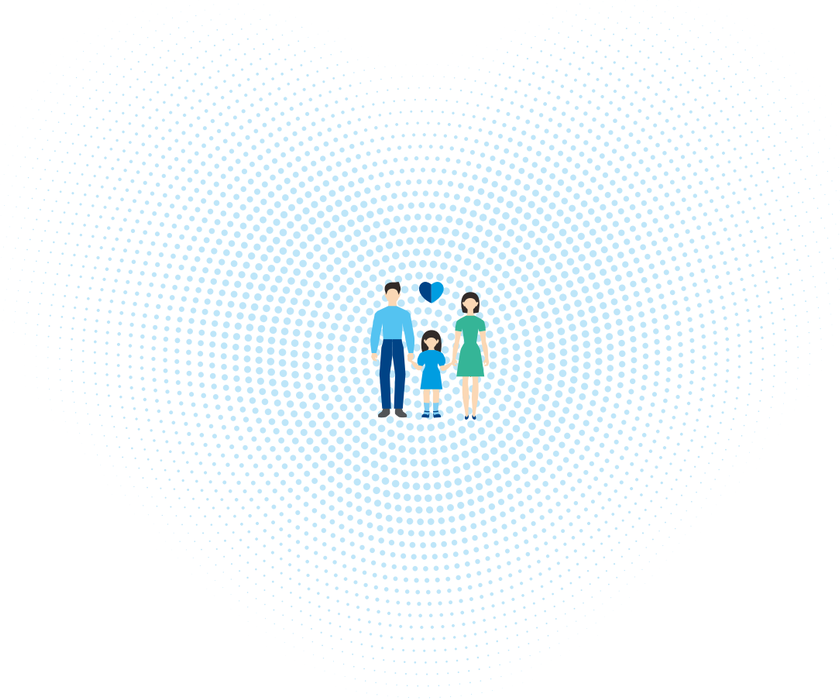
Korea Management Association Consulting

Korean Customer Satisfaction Index (KCSI)

Ranked No. 1 in the life insurance category for 16 consecutive years

The Korean Customer Satisfaction Index is compiled to ensure the qualitative growth of Korean companies, thus recognizing the top performers based on surveys of customer satisfaction with company products and services. Samsung Life, for practicing Customer-centric management, has won the top award in the life insurance category for 16 consecutive years.

This report represents Samsung Life's commitment and promise to
our customers for the next 100 years.



As Korea's most respected life insurance company for the past half-century,
Samsung Life is on its way to becoming a globally respected company.
Based on a firmly held duty to pass on the cherished value of insurance,
we continue to broaden our efforts for sustainable management
as we give back to society the support and appreciation
we have received from our customers.


SAMSUNG
LIFE INSURANCE
SAMSUNG