

SUSTAINABLE FINANCING FRAMEWORK

Eligible Green Project Categories

Eligible Project Category	UN SDGs	Description
Energy Efficiency	  	- Develop energy-efficient materials and equipment with advanced technology (e.g. smart grid) consistent with GS E&C's goal of 31.86% reduction in GHG emission by 2050 - Upgrade and installation of installing LED lighting, sensor functions and energy management systems for energy savings
Renewable Energy		Projects aimed at developing the production of renewable energy, such as wind, solar, and small-scale hydro subject to condition
Resource Efficiency & Pollution Prevention	 	- Investment and expenditure which minimize waste of construction materials, i.e., the usage of prefabrication to minimize works done on temporary facilities - EV battery recycling facilities
Sustainable Water and Waste Water Management		- Collection, treatment and recycling facilities for grey water - Projects in water and sanitization related activities and programmes, including water harvesting, water efficiency, wastewater treatment, recycling and reuse technologies

Eligible Social Project categories

Eligible Project Category	UN SDGs	Description
Affordable Housing & Basic Infrastructure		Redevelopment and rebuilding projects of deteriorated residential areas for low income households

SUSTAINABLE FINANCING

Oct 2020 USD Sustainability Bond

Tenor	3-year	Format	- Senior Unsecured - Private Placement
Issue Amount	US\$170mn	Note	GS E&C's inaugural ESG bond offering

ALLOCATION & IMPACT REPORTING

Green Projects		
Renewable Energy		
Project	Allocation (US\$mn)	Description and Impact
Solar Energy in India	24.41	▪ GS E&C acquisition of 49% stake in Solar Energy Corporation of India ➢ GS E&C acquired 49% stake in Solar Energy Corporation of India and completed the acquisition process in Dec 2020 ➢ The project involves construction and operation of solar farm in Rajasthan state in India ➢ Construction of the solar farm began in Jun 2019 and finished in Nov 2020 and GS E&C started its operation since Dec 2020 ➢ It aims to generate solar energy, having a capacity up to 300MWac (435MWdc)
Solar Energy in Ukraine	8.92	▪ Solar Farm project in Zakarpattia, Ukraine. GS E&C as developer ➢ GS E&C launched a solar power project in Ukraine and will generate the solar energy as independent power producer (IPP) ➢ The project involves construction and operation of two solar farms, each with capacity up to 10MWac ➢ These solar farms were constructed from Sep 2019 to Feb 2020 and started operation in Mar 2020  
Total Allocation	33.33	

ALLOCATION & IMPACT REPORTING

Green Projects		
Sustainable Water and Waste Water Management		
Project	Allocation (US\$mn)	Description and Impact
Wastewater Treatment Plant (WWTP) in Vietnam	6.22	▪ Wastewater Treatment Plant Project in Vietnam ➢ GS E&C invested US\$6.22mn in Minh Hung Sikico IP Wastewater Treatment Plant in Minh Hung Industrial Park, Vietnam ➢ GS Minh Hung Sikico (GMS) Company was established as an SPC to operate the WWTP and GS E&C owns 51% of the SPC ➢ Currently, the WWTP treats 10,000 tons of wastewater per day and furthermore, GMS company plans expand its capacity to 25,000 tons of wastewater per day by 2024
		 
Wastewater Treatment & Desalination	84.14	▪ GS E&C Acquisition of Inima, a specialized company in environmental activities associated with the integral water cycle ➢ GS E&C acquired additional 19.6% stake in GS Inima and became the sole stakeholder in 2019 ➢ GS Inima is located in Spain and specializes in water treatment, water purifiers, water facilities for industrial supply, and integrated water management and services ➢ Together with GS Inima, GS E&C attempts to commercialize innovative new and renewable energy technology for seawater desalination, which is designed to reduce power consumption by at least 20% of energy required for desalination facility operation
Total Allocation	90.36	

ALLOCATION & IMPACT REPORTING

Green Projects

Resource Efficiency & Pollution Prevention

Project	Allocation (US\$mn)	Description and Impact
Rechargeable Battery Recycling	56.30	▪ GS E&C Foundation of Enerma for resource recycling ➢ By establishing Enerma, GS E&C attempts to reduce developed mines and contribute to carbon neutrality by collecting 5,000 tons of key cathode materials such as nickel, cobalt, lithium, and manganese from used rechargeable batteries per year
Total Allocation	56.30	

Social Projects

Affordable Housing & Basic Infrastructure

Project	Allocation (US\$mn)	Description and Impact
Providing space for education & opportunities	0.04	▪ GS E&C's continuous support for children's education ➢ Since 2011, GS E&C has been providing basic space to study for children in low-income households across many cities in Korea. The number of these "study rooms" has increased from 100 in 2013 to over 300 in 2020 ➢ GS E&C has been providing monetary support to university entrants who studied in these "study rooms by offering scholarships
Affordable Housing	2.27	▪ Busan Young Adult & Elderly Share House Project ➢ In connection with Busan Economic Promotion Agency, GS E&C has provided its expertise in construction and remodeled old houses that are occupied by elderlies who are living alone into a share house ➢ The elderly will be paired up with a young adult(s), who will benefit from reduced rent, to one third of average housing cost
Total Allocation	2.31	