ZERO-EMISSION SHIPPING REPORT CARD

16.5

The Ship it Zero Report Card grades companies based on the Ship it Zero campaign's three campaign demands, which are End Port Pollution Now, Abandon Dirty Ships, and Put Zero at the Helm. Samsung earned an F in the ending port pollution category; an F in abandoning dirty ships; and an F in putting zero at the helm. Samsung earned an abysmal 16.5 / 100 available points, or an F grade, on the Ship it Zero 2023 Report Card for the company's actions to date to end its ocean shipping pollution.

Despite Samsung's stated intention in its Global Code of Conduct to do its "best to conduct environmental improvement activities" (Principle 4-I) and give priority consideration to the "health and safety of human beings" (Principle 4-2), South Korean multinational electronics corporation Samsung earned just I6.5 of I00 available points, or an "F" grade, on the Ship it Zero 2023 Report Card. The company has significant room for improvement to end its ocean shipping pollution.

Samsung has set weak decarbonization targets of achieving company-wide "net zero carbon emissions (Scope I & 2) by 2050" and "transitioning to I00% renewable energy by 2050." Samsung appears to have some understanding of the importance of decarbonizing its value chain and reducing Scope 3 emissions from "product delivery." Samsung's strategy is to streamline "logistics processes," including changing transportation routes, improving loading efficiency and transport management efficiency. Samsung makes no explicit public commitment to address port pollution or emissions from maritime shipping. It also fails to commit to switch to currently available cleaner marine fuels for shipping its cargo in the short-term (e.g., MGO, biofuels) nor does it commit to avoid false solutions like liquified natural gas (LNG).

Ship It Zero does not support long-term biofuel use, as it is not a scalable solution for the maritime sector and still produces problematic emissions. We do, however, recognize that this does provide some immediate reductions in lifecycle air pollution and greenhouse gas emissions compared to fossil fuel combustion. Biofuel is a valid short-term bridge fuel for harm reduction while zero-emission fuels and technologies are brought to scale.

Samsung's 2022 Sustainability Report claims to have "improvement plans and tasks" and that "their implementation status is closely monitored on a continuous basis." Samsung states that it is "reducing the volume and weight of packaging to mitigate GHG emissions in the transportation and shipping process." It was given partial credit for these efforts, though they are not specific to maritime shipping.

Samsung has failed to publish any detailed plan to address the climate or public health impacts of maritime shipping.

Given its size and influence, Samsung could play a critical role in developing and strengthening policy regarding maritime shipping pollution reduction and decarbonization. Unfortunately, Samsung has not taken the opportunity. Samsung has not expressed public support for connecting ships to onshore power while in port (shore power), offshore zero-emission charging stations, nor has Samsung entered partnerships with ports or carriers to reduce air pollution in and near ports. Samsung fails to advocate for environmentally and climate-responsible maritime fuels. Samsung fails to disavow false solutions like blue/gray/pink (fossil-fuel and nuclear derived) hydrogen, heavy fuel oil (HFO) and HFO blends, long-term biofuel use, liquefied natural gas (LNG), and Exhaust Gas Cleaning Systems. Samsung does not publicly advocate against LNG bunkering infrastructure expansion. Samsung fails to express public support for infrastructure projects that support the deployment of zero-emission vessels (ZEVs). Samsung failed to enter into partnerships/offering financial support for the development of ZEV shipping corridors and ZEV technologies. Samsung failed to work with carriers, ports, regulators and policymakers to secure additional funding and/or incentives for ZEV infrastructure projects and newbuilds. Samsung failed to become a signatory of the Cargo Owners for Zero Emissions Shipping (coZEV) Ambition Statement nor is it a member of the Zero Emission Maritime Buyers Alliance (ZEMBA).

Samsung recognizes the environmental and social costs of air pollutants like NOx, SOx, and PM emissions, but does not publicly report most of its criteria air pollution emissions from the ocean shipping in its supply chain. Samsung does report its Scope I, 2 and 3 and nitrogen oxide, one of six common air pollutants also known as criteria air pollutants. Samsung does not report its other criteria air pollutant emissions: sulfur oxides, particulate matter, ozone, and carbon monoxide. It also fails to disclose its maritime shipping routes and ports of lading and unlading, nor does it report the percentage of cargo moved to cleaner vessels, through green ports, or on shore power-ready ships.

The CDP report also breaks out Category 4 ("upstream") transportation and reports progress towards achieving interim benchmarks and long-term commitments. Samsung's calculations include shipping and inland transportation emissions data and it pledges to continue to increase the accuracy.

We urge Samsung to adopt science-based climate targets for reducing its Scope I, 2 and 3 emissions. These targets must include urgent action to reduce its impact on port and coastal communities through adopting maritime-specific pollution reduction targets.

Ship It Zero calls on Samsung to commit to 100% zero-emission ocean shipping by 2030 and rapidly implement shorter-term greenhouse gas and air pollution emissions reductions solutions. Examples of such steps include shipping exclusively on shore power-ready vessels, prioritizing ports with shore power availability for container ships, opting for slow steaming for its cargo, and opting for for lower emission ocean shipping — whether through Maersk's ECO delivery or some other negotiated agreement with carriers — while zero-emission fuels and technologies are brought to scale.

Ship It Zero also encourages Samsung to join business coalition efforts, such as the Zero Emission Maritime Buyers Alliance (ZEMBA) and Cargo Owners for Zero Emission Vessels (coZEV), which offer collaboration and collective power to accelerate the transition to zero-emission ocean shipping.





ZERO-EMISSION SHIPPING REPORT CARD

TOTAL SCORE: 4.5

End Port Pollution Now



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Performance Criteria	Possible Points	Company Score
End Port Pollution Now: Commitment (30% of category grade)	10.5	o
Publicly-stated air pollution reduction commitment	5	0
Commitment to shipping goods on shore power-ready vessels	<u> </u>	0
Member of corporate initiatives that reduce air pollution (coZEV, ZEMBA) Favor diagrams and an 25 V, ZEMBA	3	0
 Founding member of coZEV, ZEMBA 	1.5	0
End Port Pollution Now: Implementation Plan (20% of category grade)	7	0
 Taking steps to quantify air pollution from transport of goods on oceangoing vessels 	2	0
 Providing funding directly or indirectly for air pollution reduction measures/fuels/infrastructure in ports (ZEV, operations, drayage) 	3	0
 Have a logistics policy that prioritizes clean ports/carriers, air pollution reductions with benchmarks 	2	0
 Deducting points for LNG/CNG port operations and drayage 	-1	_
End Port Pollution Now: Advocacy (20% of category grade)	7	o
 Dedicated staff negotiating with ports for pollution reduction operational measures, infrastructure and/or fuels 	2	0
 Public support for policy or regulatory measures to reduce port pollution (climate) 	4	0
Joining coZEV	1	0
End Port Pollution Now: Transparency (30% of category grade)	10.5	4.5
 Annual reporting on overall GHG and criteria pollutant emissions (Scope I-3) reductions 	3	1.5
Only Scope I & 2	(I) (I.5)	((5)1
 Scope I & 2 + partial criteria pollutant Scope I-3 + partial criteria pollutant reporting 	(2)	(I.5) ¹
 Scope I-3 + criteria pollutants 	(3)	
Public disclosure of transport emissions	3 3.5	3
 Broken down by maritime vs. terrestrial transport type (ocean vs. land) Public reporting of routes and ports of unlading 	5.5 0.5	0 0
 Public reporting of routes and ports of diffading Public reporting of percent of cargo on cleaner and shore power-ready vessels 	A -	0
Abandon Dirty Ships TOTAL SCORE	: 2.5	
Performance Criteria	Possible Points	Company Score
Abandon Dirty Ships: Commitment (30% of category grade)	9	o
 Absolute GHG reduction targets that include Scope 3 emissions 	2	0
Transport explicit targets	2	0
Maritime targets	2	0
Commitment to move cargo to lower-emission vessels immediately	1	0
Benchmarks, including reductions by 2030 100% 75V by 2030	1.5 0.5	0
 100% ZEV by 2030 Using LNG or carbon credits as a purported solution 	0.5 -2	0
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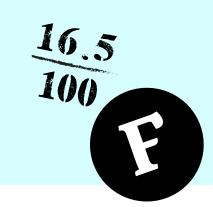
Timeline: by 2030 vs. 2040 vs. 2050

ZEMBA membershipCoZEV membership

Member of Science-Based Target Initiative (a We Mean Business Coalition commitments)

Other

ZERO-EMISSION SHIPPING REPORT CARD



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Performance Criteria	Possible Points	Company Score
Abandon Dirty Ships: Implementation Plan (20% of category grade)	6	-2
 Contracts for lower-emission maritime transportation or goods transported on lower-emission maritime transportation and/or use of lower-emission vessels in cargo owner owned or chartered vessels 	4	0
RFP for lower-emission shipping	2	0
 Absolute emissions increases from transportation/ failure to disclose 	-2	-2
transport emissions Absolute emissions reductions from transport	Bonus +2	_
Abandon Dirty Ships: Advocacy (20% of category grade)	6	O
 Publicly support strengthening the level of ambition of the GHG reduction policies 	4	0
 Advocate against fossil fuel bunkering infrastructure expansions/for ZEV infrastructure with legislators, regulators, and/or ports 	2	0
Abandon Dirty Ships: Transparency (30% of category grade)	9	4.5
Annual public disclosure of maritime cargo carriers and volumes of goods per carrier	0.5	0
 Annual public reporting of modes of product transport by percentage of goods 	1	0
 Annual public reporting of transport emissions 	4.5	4.5
Annual public reporting of maritime emissions	2	0
 Annual reporting of percentage of goods on lower & ZEV emission vessels Annual disclosure of fuels or technologies employed by reported lower emission and ZEVs 	0.5 0.5	0
Put Zero at the Helm TOTAL SCORE	: 9.5	
Performance Criteria	Possible Points	Company Score
Put Zero at the Helm: Commitment (30% of category grade)	10.5	1
 General climate commitment Commitment applies to Scope 3 	3	0.5
 Scope 3 commitment applies to 3cope 3 Scope 3 commitment mentions logistics, distribution, upstream transportation, supply chain 2040 vs. 2050 		
Upstream transport-specific commitment	3	0
 Maritime-specific reduction commitment "100% zero-emission maritime shipping by 2030" — with benchmark absolute GHG reduction targets Publicly commit to 100% ZEV by 2030 Commitment to move freight onto low- and zero-emission vessels (with time-bound 	2	0
targets) Set short-term targets for moving increasing volumes of cargo on cleaner ships, i.e., MGO/Hybrid powered vessels, shore power-equipped vessels Mentions low- and zero-emission vessels		



ZERO-EMISSION SHIPPING REPORT CARD



Performance Criteria	Possible Points	Company Score
Put Zero at the Helm: Implementation Plan (20% of category grade)	7	0.5
• ZEMBA	2	0
Benchmarks for moving cargo onto ZEVs	1	0
 Working with carriers, ports, regulators and policymakers and/or entering partnerships or investing financially in the development of ZEV shipping corridors and/or ZEV technologies, ZEV infrastructure projects and newbuilds 	2	0
Engage suppliers and urge them to adopt the SBTi (Science-Based Targets initiative)	1	0
 Efficiency and optimization (e.g., reducing packaging size and weight) 	1	0.5 ²
Put Zero at the Helm: Advocacy (20% of category grade)	7	1
First Movers Coalition	1.5	0
 CoZEV 	1.5	0
 Sustainable Freight Buyers Alliance, "Clean Cargo" (hosted by Smart Freight Centre), Clean Energy Buyers Association, Carbon Disclosure Project's Supply Chain program, REI00, Ceres, LEO coalition, or WWF's Climate Business Network 	I	l
 Publicly demanding and/or advocating carriers incorporate existing or future GHG reduction technologies and operational measures Public support for green corridors Expressions of public support for zero-emission shipping development Zero-emission, fossil-free cargo ships Cleaner fuels Fossil-free propulsion technologies Efficiency retrofits such as wind-assisted propulsion, hull coatings, slow steaming, and route planning, shore power, and offshore zero-emission charging stations 	3	0
Put Zero at the Helm: Transparency (30% of category grade)	10.5	7
 CDP Climate report Annual CSR report with GHG and air pollution disclosure 	2 8.5	2 5
 Includes Scope 3 Mentions more than CO₂ (NOX, SOX, PM, HC₄, NFCs, etc.) Discloses Category 4 ("upstream") transportation or "distribution" Mentions maritime shipping specifically Methodology underlying calculations 3rd party verification of calculations Reporting progress toward achieving interim benchmarks and long-term commitment Uses and/or requires vendors to use the Global Logistics Emissions Council Framework 	(1.5) (1.5) (1) (1.5) (0.5) (0.5) (1.5) (0.5)	(1.5) (0) (1) (0) (0.5) (0.5) (1.5) (0)
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