

BUSINESS CONDUCT GUIDELINES 2016

In 2005, Samsung Electronics introduced the 'Global Code of Conduct' as a reference guide to our approach to accountable and responsible business practices. Over the years, expectations from various entities - including NGOs, governments, customers, shareholders, suppliers and employees - have grown along with our responsibility as a global corporate citizen. In this spirit, Samsung Electronics has updated and revised the 'Business Conduct Guidelines' that provide a specific direction for sustainable management, published for the first time in last year's Sustainability Report.

TABLE OF CONTENTS

	<p>Preface</p>  <ol style="list-style-type: none"> 1. Our Commitments and Policies 2. Managing Risks 3. Scope of the Guidelines 4. Using the Guidelines 5. Reporting Violations 		<p>Data Protection and Privacy</p>  <ol style="list-style-type: none"> 21. Proprietary Information 22. Protecting the Information of Others 23. Acquiring Information from Third-party 24. Handling Information 25. Insider Trading
<p>People</p> 	<p>Human Rights</p>  <ol style="list-style-type: none"> 6. Work Environment 7. Employment Conditions 8. Listening to Our Employees 9. Privacy of Our Employees 10. Equality and Diversity 11. Prevention of Child Labor 12. Prevention of Forced Labor 13. Responsible Sourcing 		<p>Responsible Asset Management</p>  <ol style="list-style-type: none"> 26. Intellectual Property 27. Using Assets and Premises
	<p>Health and Safety</p>  <ol style="list-style-type: none"> 14. Employee Health and Safety 	<p>Integrity</p> 	<p>Fair Competition</p>  <ol style="list-style-type: none"> 28. Anti-trust 29. Fair Contracts 30. Fair Trade 31. Tax Policies
<p>Excellence</p> 	<p>Customer and Quality Management</p>  <ol style="list-style-type: none"> 15. Responsible Sales and Marketing 16. Product Quality Management 		<p>Anti-Corruption</p>  <ol style="list-style-type: none"> 32. Gifts, Hospitality and Lobbying 33. Working with Governments 34. Political Activities
	<p>Green Management</p>  <ol style="list-style-type: none"> 17. Environmental Safety Policy 18. Eco-friendly Products and Technology 		<p>Conflict of Interest</p>  <ol style="list-style-type: none"> 35. Avoiding Conflicts of Interest 36. Public Statements and Social Media Usage
<p>Change</p> 	<p>Accessibility</p>  <ol style="list-style-type: none"> 19. Improving IT Accessibility 		<p>Supply Chain Management</p>  <ol style="list-style-type: none"> 37. Supplier Management 38. Co-prosperity Activities 39. Chemical Substances in Product
	<p>Innovative Technology</p>  <ol style="list-style-type: none"> 20. R&D and Innovations 	<p>Co-prosperity</p> 	<p>Corporate Citizenship</p>  <ol style="list-style-type: none"> 40. Creating Shared Value 41. Contributing to Local Communities

Preface



1. Our Commitments and Policies

We at Samsung Electronics (“Samsung”) strive to drive positive change and contribute to a better world through our innovative products and services. Our core values, [people, excellence, change, integrity and co-prosperity] demonstrate our dedication toward a brighter future for mankind, and are at the heart of every decision we make. Samsung ‘Global Code of Conduct’ is founded on five ‘Samsung Business Principles’ and ensure that we are holding ourselves to the highest standards in complying with laws and ethics.

Samsung Business Principles	1. We comply with laws and ethical standards	3. We respect customers, shareholders and employees
	2. We maintain a clean organizational culture	4. We care about the environment, health and safety
		5. We are a socially responsible corporate citizen

All of us, as Samsung employees, are responsible for maintaining high ethical standards and conducting business with integrity. Samsung’s employees are ambassadors of our brand and in everything we do, we uphold Samsung’s standards of corporate social responsibility, integrity and accountability. These ‘Business Conduct Guidelines’ were written based on our ‘Global Code of Conduct’ for this very purpose: to help guide the employees at Samsung in making sound decisions.

Samsung respects and protects the fundamental human rights taking into account international human rights principles and standards set forth in the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the Organization for Economic Co-operation and Development’s guidelines for multinational enterprises, the UN Convention on the Rights of the Child, the ILO Declaration on Fundamental Principles and Rights at Work, and the laws of the countries in which we operate.

Samsung is a member of the Electronic Industry Citizenship Coalition (EICC) and we conform to the EICC Code of Conduct and its implementation methods across the company and our suppliers. The EICC Code draws upon internationally recognized standards, in order to advance social and environmental responsibility and business ethics.

2. Managing Risks

- The societal and environmental challenges our world is facing bring about an uncertain business environment and the risks in our business often pertain to consequences in business performance or corporate reputation as well. Samsung approaches these risks in an effort to effectively minimize any harm to our employees and the environment, and to our global business. Samsung assesses the various factors that may become a risk to the company in an uncertain business environment and establishes countermeasures to manage risks effectively.
- In the course of business activities at Samsung, there will inevitably be risks that arise from the ever-changing global society. All employees should be prepared to face such risks swiftly and appropriately, according to their roles and responsibilities.
- It is an employee’s right and responsibility to be well-informed, using guidance from the ‘Global Code of Conduct’ and ‘Business Conduct Guidelines’. Samsung relies on the employees’ collective effort to prevent and minimize corporate risks.

3. Scope of the Guidelines

- The guidelines apply to all employees at Samsung. Employees whose job description entails purchasing, taxation, marketing, sales and environment-related activities are also expected to work in compliance with additional policies applicable to their job.
- For suppliers of Samsung, we strongly advise that they consider and implement the contents of the ‘Business Conduct Guidelines’ applicable to their business management, while enforcing the mandatory ‘Samsung Suppliers’ Code of Conduct.’

4. Using the Guidelines

- Samsung expects all employees to make the right decisions based on sufficient information.
- When making business decisions for Samsung, all employees are expected to conduct a self-diagnosis via the 'Business conduct Guidelines' to review whether the problems and outcomes involved in the decision have been adequately considered.
- Along with the guidelines, employees are recommended to refer to our 'Global Code of Conduct' and other detailed policies on the company intranet when seeking guidance in making decision.

5. Reporting Violations

- Samsung has dedicated channels through which our employees can report violations of 'Business Conduct Guidelines'. Employees may call, send a fax or submit an online report on the Ethical Management website. The website is accessible in 14 languages across 67 different websites, and reports are handled discreetly.
- If and when an employee detects instances of non-compliance, or possible non-compliance of 'Business Conduct Guidelines' the employee is responsible for reporting his or her respective concerns to the 'Reporting Wrongful Practices' tab on the Ethical Management website, the audit team (audit.sec@samsung.com), the tip-off section within the compliance support system, or the compliance team (cp.wb.sec@samsung.com). If an employee becomes subject to illegal, immoral and/or prohibited actions, the employee is required to report the situation.
- We want our employees to feel reassured in communicating with us openly and honestly, without the threat of consequences. Samsung does not, under any circumstance, tolerate retaliation against any employee who makes a good faith report and/or refuses to partake in acts in violation of these guidelines.
- Our reporter compensation system rewards employees who help to prevent significant harm to the integrity of Samsung's businesses by reporting a violation associated with internal, as well as external stakeholders such as our suppliers.
- We also have hotlines and posters with hotline e-mail addresses and phone numbers for the reporting employees to contact, posted at our supplier operation sites in order to prevent human rights violations.

Human Rights



6. Work Environment

- Samsung strives to foster a creative, culturally diverse and collaborative work environment in which rights of all employees are always respected. Samsung does not and will not tolerate discrimination based on race, culture, religion, age and any other grounds pursuant to local law, or any harassment or offensive behaviors of employees that may disrupt the workplace or interfere with works of other employees.
- Samsung provides various employee benefit systems and programs (extended telecommuting period, infertility leave, maternity/paternity leave, child care facilities and more) in order to improve the quality of our employees' lives. Our work spaces are designed to allow our employees with disabilities to work comfortably.
- When giving instructions, supervisors shall not direct subordinates to carry out work that either violates applicable laws as well as Samsung policies and procedures, or is irrelevant to business itself. Involuntary conduct of business, whether driven by physical or mental coercion, is also prohibited.

7. Employment Conditions

- Working hours are decided according to the characteristics of each work area and the related regulations in each country. Wages are determined reasonably and fairly in accordance with relevant laws and standards.
- Samsung's internal 'Regulation on Salaries and Benefits' complies with applicable labor laws and regulations concerning wage, overtime allowance, social insurance, and vacation.
- We adopt globally recognized standards on performance evaluation to ensure that our employees are treated fairly according to their competence and achievement thereby providing talented individuals with a better chance to excel as professionals.

8. Listening to Our Employees

- Samsung endeavors to create the best work environment for our employees. We regularly listen to employee concerns through the communication channels we maintain at every operation site. Moreover, the management attentively listens to employees on the basis of an open communication culture.
- Our objective is to maintain and develop a mutually cooperative and coexisting employer-employee relationship based on faith and trust. To this end, we recognize and respect our employees' right to freedom of association in accordance with local laws.
- When experiencing discomfort during work, our employees may use the grievance resolution channel provided at each of our sites. Samsung guarantees the anonymity of employees using the grievance resolution channel and the secrecy of the information collected through the channel.

9. Privacy of Our Employees

- Samsung respects the privacy of current and former employees and treats all information with confidentiality and integrity.
- With the exception of the following three occasions, employee consent shall always be required prior to disclosure of personal information:
 - When required due to a particular legal regulation or obligation.
 - When required in performing tasks decided upon by a public authority.
 - When a legal representative cannot express intention or give prior consent, and when the information is deemed necessary for the imminent benefit of one's life and property.

10. Equality and Diversity

- To respect each individual's human rights, Samsung provides equal opportunities to all qualified employees and applicants per the 'Anti-Discrimination Policy.' We do not discriminate on the basis of gender, skin color, race, ethnicity, nationality, religion, age, marital status, sexual preference, sexual identity, social status, disability, pregnancy, military status, protected genetic information, or political affiliation in all processes such as work, promotion, compensation and disciplinary measures.

11. Prevention of Child Labor

- Our policy against child labor is based on the UN Convention on the Rights of the Child, The Children's Rights and Business Principles, and ILO Convention. It requires all of our subsidiaries, as well as all of our suppliers, to comply with the policy.
- Accordingly, all of our subsidiaries and suppliers must comply with the strict employment process and age verification. Our policy against child labor operates under the "zero tolerance" principle, meaning that child labor at any stage of our business is unacceptable and intolerable. Our policy against child labor supports the best interest of children.

12. Prevention of Forced Labor

- Samsung strongly supports the right of voluntary labor and is committed to banning participation in, or imposition of, forced labor by means of mental or physical bondage in accordance with the California Transparency in Supply Chains Act and the UK Modern Slavery Act. Samsung ensures that its suppliers do not in any way support the illegal activity of slave labor and human trafficking.
- As a member of EICC, Samsung Electronics is committed to the EICC Code of Conduct (Section A. 1) Freely Chosen Employment. This code of conduct strictly prohibits forced labor and protects voluntary labor within Samsung Electronics Corporation as well as in our suppliers.

13. Responsible Sourcing

- We recognize the seriousness of human rights violations and environmental pollution problems caused by the mining of minerals. We strive to provide our customers with products using minerals sourced in an ethical manner based on the responsible management of the supply chain, and strongly prohibit using conflict minerals.

Health and Safety



14. Employee Health and Safety

- Our highest priority is to ensure the health and safety of our employees and communities. We strive to provide a safe working environment for all Samsung employees.
- Samsung focuses on responsible chemical management strategies and measures to safeguard workers from occupational health hazards in accordance with our 'Chemical Substance Management Guidelines.'
- In order to eliminate potential risks caused by the deterioration of equipment, our equipment goes through a life expectancy program. Regular safety trainings also contribute to the compliance of safety rules and the health and safety of our employees.
- Samsung complies with international standards, related laws and our 'Environmental Safety Policy' on enhancing the safety, health and security of our employees. We follow security guidelines and maintain our work sites on a daily basis.
- According to our 'Work Environment Management Guidelines,' Samsung designs a safe work environment, establishes work procedures, provides personal protection equipment, and conducts regular safety training to prevent workers from being exposed to potential risks. We also refer to the 'Emergency Preparedness and Response Guidelines' to understand and evaluate potential emergencies and accidents such as fire, weather, and leakage of hazardous material in order to be prepared with adequate response procedures.

Customer and Quality Management



15. Responsible Sales and Marketing

- All employees are expected to comply with Samsung's 'Guidelines on Indication and Advertisement.' The company brand and logo are to be protected at all times, and should only be used when appropriately authorized.
- Samsung neither engages in nor tolerates false, misleading and exaggerated advertisements. Employees must always make sure to only disclose product and service information that can be substantiated.
- In all of our advertising, marketing, sales and general presentation materials, Samsung avoids false and misleading statements about the quality or performance of our product. We also do not make false and illegal claims about our competitors and/or their products and services.

16. Product Quality Management

- Samsung's drive to create superior products and services means that quality and customer satisfaction are part of everything we do at Samsung.
- All employees are encouraged to gain an in-depth understanding of the needs, lifestyle and behavioral changes of our customers. Therefore, we embrace the requests and suggestions made by our customers and partners by reflecting them to improve product design, distribution and services.

Green Management



17. Environmental Safety Policy

- As a global company, we at Samsung put equal efforts into our environmental protection activities at both domestic and international facilities. We established and comply with the 'Environmental Safety Policy' for environmental issues that are related to Samsung, and use this policy to instruct our activities on site and overseas locations, at suppliers facilities, and in local communities.

18. Eco-friendly Products and Technology

- Samsung develops eco-friendly products by endorsing 'Product Stewardship' to minimize the environmental impact that our products have throughout their lifecycles, specifically during the manufacturing, distribution, usage, and disposal. By analyzing the environmental data at each stage of the product lifecycle, we comply with global environmental regulations and voluntary industry standards and have been recognized for the environmental leadership of our products.
- Through the 'Eco-design Process' and 'Eco-Rating System,' Samsung aims to increase the energy efficiency and recyclability of our products while continuously reducing the amount of sensitive and hazardous substances used throughout the planning, designing and developing stages.

Accessibility



19. Improving IT Accessibility

- Samsung endeavors to increase the accessibility of IT devices and technologies so that everyone can benefit from advanced technology. All of Samsung's products, content, and services are built around a human-centered philosophy that recognizes diversity and embraces difference. Samsung pursues technological innovation that is available to all users.
- To make our products and services more accessible to people with disabilities, we perform an analysis on the different challenges that people with disabilities may face in using IT products and use the results to develop more intuitive interfaces and interaction methods.

Innovative Technology



20. R&D and Innovation

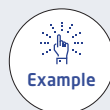
- Samsung innovates today to create a better tomorrow based on a deep understanding of what people want. We continue to make bold and sustained investments in R&D at facilities around the world, pushing the boundaries of science and technology and exploring culture and lifestyle trends.
- Based on our "Make it Meaningful" design ethos, we develop products that enable more people to interact with technology in new ways.

Data Protection and Privacy



21. Proprietary Information

- It is paramount that all employees follow the safeguards for managing and protecting proprietary information. We only use and disclose sensitive information when deemed necessary (need-to-know basis).
- We take cautionary measures against inadvertent or intentional disclosure of proprietary information. If an employee ceases to work for Samsung for any reason, the employee must continue to maintain confidentiality on information gained during his or her employment.
- The proprietary information of others shall not be obtained through illegitimate means. Any deeds that may instigate or encourage illegal acts are strictly prohibited.
- All employees maintain confidentiality on sensitive information pertaining to customers, business partners, and suppliers.



Proprietary Information

- Includes: earnings and other financial data, business plans and projections, information about current and future products and services, software in object or source code form, personnel information including executive and organizational changes etc.

Cautionary Cases of Information Leakage

- We do not share proprietary information with friends, family, or former Samsung employees.
- We do not discuss proprietary information in public places (offline) or on social networks (online).
- We do not work on documents containing proprietary information in public places.

22. Protecting the Information of Others

- Given the course of our day-to-day businesses, it is not unusual to acquire personal information of our customers, suppliers, job seekers, website visitors and so on. There are, however, limits to how such information may be used and/or stored. All employees must use the information only when necessary for legitimate business purposes and in terms of pursuant to Samsung's internal policies and applicable laws. It is not permissible to change one's personal information without a legitimate right or reason, nor can an employee disclose such information to another party without the necessary legal rights.
- When personal information is needed for business activities, employees must provide specific and clear reasons why it is needed, in addition to checking whether it is consistent with the business purpose, relevant laws and Samsung's policies.
- We also take extra care in protecting personal information within our products and services that connect to online platform in accordance with the 'Global Privacy Policy.'
- All employees are expected to comply with data privacy laws in each of the countries we conduct business in, and to keep familiar with the 'Global Privacy Policy' on the Samsung website.

23. Acquiring Information from Third-party

- Information about competitors or external institutions is collected through legal means and in accordance with the 'Guidelines on Competitive Information.'
- Improper or illegal acts can be illustrated as below:
 - Surveillance, wiretapping, hacking, bribery, trespassing or theft
 - Acquiring a competitor's confidential information through an employee of the competitor



Legitimate Means of Collecting Information

Market research institutions, media outlets (newspapers, industry magazines etc.), publicly disclosed information (annual reports, audit reports etc.)

24. Handling Information

- Samsung and our affiliates know how important privacy is to our customers, and we strive to be clear and transparent about how we collect, use, disclose, transfer and store information. Our 'Privacy Policy' provides an overview of our information practices. The Privacy Policy applies to Samsung devices, websites or online applications that refer to or link to the Privacy Policy.
- In the course of our day-to-day businesses, everyone at Samsung creates, stores and disposes of records and information assets. As such, Samsung provides the 'Guidelines on Information Management' for all employees to manage information legitimately and appropriately.
- All employees must manage information accurately, completely and honestly according to the Guidelines on Information Management. Samsung prohibits disclosure of inaccurate or incomplete information that could potentially mislead the recipients of such information.
- Samsung complies with the disclosure regulations of countries in which our securities are registered and regulated. In addition, we follow accounting/finance manuals, policies and reporting guidelines in disclosing key managerial information, such as changes in our financial statements, to our shareholders and stakeholders in a timely manner. Furthermore, transaction information is reported and managed accurately based on international standards, national accounting regulations, company standards and regulations. We undergo external audits on a regular basis as well.
- When inspections or inquiries by regulatory authorities take place, we expect our employees to fully cooperate with authorities with the help of our legal department.

25. Insider Trading

- Using and/or disclosing material information about Samsung or a third party for personal advantage (financial or otherwise) is strictly prohibited.
- 'Material information' refers to non-public information that may have significant influence on an investor's decision to trade in the public securities of a company.



Example

Types of Material Information

- Samsung's financial performances such as revenue and dividend
- Organizational changes such as acquisitions and mergers
- The release of new products and services, breakthroughs in research etc.

- We do not tolerate unjust use of insider information in any of the countries where we conduct business.
- We are prohibited to trade securities based on insider information. On the same note, should we become aware of the establishment of a new facility or the expansion of a pre-existing facility, we will not invest in property located near by the facility.

Responsible Asset Management



26. Intellectual Property

- Samsung respects and complies with the laws and/or regulations that govern both the rights to, and protection of intellectual property.
- All employees are urged to protect Samsung's intellectual property and trade secrets according to the 'Guidelines on Trade Secrets.'
- Employees must disclose all intellectual property created in a business capacity. If an employee wishes to file for a patent other than through Samsung, we advise him or her to seek advice and direction from the department in charge of intellectual property prior to filing the patent.
- Prior to installing software from any source onto any computer or digital device provided by Samsung, or prior to use for Samsung business purposes, employees are advised to follow the applicable procedure of the department in charge. Also, through the 'Prohibition of Using Illegal S/W Policy', we protect our customers, employees and company from illegal software. When using the Internet, employees shall refrain from actions that may violate IT security or make their device more susceptible to viruses.
- In case where an employee is excused from his or her employment at Samsung, the employee is to return all properties holding information regarding Samsung and avoid disclosing or using the information at all costs. Samsung has ownership of the intellectual property created during an employee's time as a Samsung employee, even after he or she leaves the position.

27. Using Assets and Premises

- Samsung's assets and premises shall be used for the sole purpose of conducting business as authorized by management. We do not allow theft, damage or unauthorized use of Samsung's assets and premises. We also prohibit improper use of Samsung's assets and premises by external parties such as friends or family.
- Samsung's assets and premises include physical, financial, intellectual and human resource assets; communication systems; equipment; corporate charge cards; and other supplies.
- Employees shall not use Samsung's assets and premises for personal reasons. However, incidental personal use may be permitted by management, provided that it does not violate laws or company policies, create a conflict of interest, incur additional costs or interfere with the employee's work.

Fair Competition



28. Anti-trust

- Samsung complies with all laws and regulations that promote sound and healthy competition, which are commonly known as competition laws, monopoly and fair trade laws. Our 'Fair Trade Policy' prohibits the fixing of prices, bid rigging, distributing markets, abusing market-dominant positions and binding conditional transactions.
- Not only Samsung employees but also contractors and suppliers, are subject to applicable laws and regulations on fair competition. There is a strict zero tolerance policy in regard to bid rigging and similar conflicts.

29. Fair Contracts

- Samsung complies with relevant laws in the process of making purchase decisions, negotiating, drawing up contracts and managing contracts. Samsung's suppliers are also subject to the same laws and regulations.
- Without appropriate authorization, all employees are prohibited from making informal agreements regarding Samsung's business. Employees must prepare written contracts in accordance with Samsung's standard contract process, for every relationship formed and maintained with business partners and suppliers on behalf of Samsung.
- Without authorization, employees are not entitled to make new agreements or alter clauses on existing contracts, verbally or in written form. When an update is necessary in terms of the price or the conditions of the contract and/or service, employees must receive approval from management or the department with the proper authority.
- Contracts are not to be entered into or manipulated for the personal and improper benefit of an employee or third party.
- We do not deal with any suspicious entity and we do not compromise our integrity by getting involved in false or irregular deals that are potentially illegal.

30. Fair Trade

- Samsung abides by the related laws and regulations of each country when engaging in international trade. In order to export our products, services and technology, we comply with the export controls of each country.
- Our customers and business partners are included and excluded or otherwise updated according to the list of trade embargoes and governmental restrictions. Samsung encourages all of our suppliers and business partners to follow regulations.

31. Tax Policies

- Samsung complies with the laws and regulations of every country we operate in. We keep honest and transparent relationship with local tax authorities and if appropriate readily disclose information such upon request.
- As a multinational company operating in many countries, Samsung prevents tax risks by identifying the differences in various local tax laws, and analyzes applicable laws and customs with every deal and transaction. We only conduct business within the parameters of the law.
- All employees with tax-related positions at Samsung must perform their tasks in compliance with both the law and Samsung's specific tax policies, and through a transparent relationship with local tax authorities.

Anti-Corruption



32. Gifts, Hospitality and Lobbying

- Samsung complies with the local anti-corruption laws and regulations according to the 'Anti-Corruption and Bribery Policy.'
- All employees may not give or take a bribe, directly or through others. Mere indications such as suggestions, promises and approval of bribery are also prohibited. Gifts and acts of hospitality initiated as a consequence of business are impermissible at Samsung.
- When employees become aware of a violation of the guidelines, applicable policies or anti-corruption laws, they must seek out methods to report the issue at hand.

33. Working with Governments

- Samsung complies with local laws that apply to government-associated activities, and prohibits acts of improperly influencing government officials.
- In the process of competing for contracts from government entities and government-owned businesses, Samsung's employees do so ethically, transparently, honestly and accurately in compliance with all applicable laws and regulations.
- Employees must follow Samsung's procurement guidelines in dealing with the government and others in the public sector. Should employees become concerned about any real or potential violation of procurement-related law or regulation, they are urged to immediately notify leadership and the compliance department through the aforementioned reporting channels.

34. Political Activities

- Samsung respects and advocates an employee's right to participate in political activities. Nonetheless, any decision to become involved in political activities is entirely personal and voluntary, and therefore should be managed on the employee's own time and with his or her own resources.
- Visiting government officials may be considered-and often encouraged-as a means to promote Samsung's products and share Samsung's views on public policies; but employees should note that, unless authorized by the legal affairs department, it is not advised to visit a government official who is running for election 60 days before the election occurs, as it may misconstrue intentions.

Conflict of Interest



35. Avoiding Conflicts of Interest

- When an employee's personal interest clashes with Samsung's and creates a conflict of interest, the employee is expected to act in the best interests of Samsung as opposed to pursuing personal interests or become divided in loyalty. In such a situation, the employee should first disclose and seek guidance where necessary from his or her manager or the human resources department.
- A conflict of interest can arise in a situation related to activities outside of work. In some cases, an employee may be permitted to engage in the activity if he or she obtains approval of the manager and take steps to address the conflict. Also, we do not work for an organization that has interests in or with Samsung.

36. Public Statements and Social Media Usage

- When employees must disclose their affiliation with Samsung, or disclose any other information regarding Samsung at a public event such as a seminar or an interview, they are always expected to receive prior authorization from the related department.
- The opinions that an employee voices in a public forum or post on social media belong only to the individual employee. We advise employees to not give the appearance that they are speaking or acting on behalf of Samsung and other employees as a whole.
- Especially when using social media sites and blogs, we take extra care to follow the 'Employee Guidelines for Using Social Media' in order to prevent the leakage of confidential corporate information.

Supply Chain Management



37. Supplier Management

- Samsung mandates that suppliers with whom we do business must adhere to 'Samsung Suppliers' Code of Conduct' published on our website and referenced in the terms of our agreements.
- Under the Suppliers' Code of Conduct, our suppliers are required to comply with international standards and local laws related to human rights, child labor, working hours, forced labor, discrimination and environment.
- Samsung incorporates compliance management into our comprehensive supplier evaluation, along with other basic competencies such as technology, quality, and on-time delivery. Samsung includes CSR elements such as environment and human rights in the comprehensive supplier evaluations to ensure strict compliance to our policies and related laws and international standards are in place. We also monitor continuous compliance through supplier self-check sheets and assessments from internal and third party experts.
- In the case of a violation by a supplier, Samsung responds immediately and helps establish measures to prevent reoccurrence. Moreover, our employees are required to evaluate compliance management of new suppliers and are permitted to do business with suppliers operating with the same high standards that we expect of ourselves.
- Samsung recognizes our suppliers and business partners as strategic allies pursuing the shared value of customer satisfaction. Therefore, our employees shall not exert or attempt to exert influence to obtain special treatment.

38. Co-prosperity Activities

- Samsung endeavors to mutually strengthen competitiveness through the support of our suppliers. We therefore establish action plans for co-prosperity, establish a healthy co-prosperity system and ultimately create shared value among Samsung and stakeholders.

39. Chemical Substances in Product

- Samsung rigorously monitors the chemical substances used in our products through the management of our supply chain. We follow the provisions of 'Samsung Electronics Standards for Control of Substances concerning Product Environment' to handle legally controlled and voluntarily controlled substances. We also strictly check and control the components and final products to prevent misuse of such substances.

Corporate Citizenship



40. Creating Shared Value

- Samsung employees, wherever they are located, are expected to carry out their duties and responsibilities as a member of the local community.
- Samsung continuously develops and implements programs that are custom-fit to each community. Our technologies, services and experts provide local youth with the necessary skills and job training needed to build a better future. We actively encourage employees to participate in community service projects in the form of volunteer work, disaster relief and more.

41. Contributing to Local Communities

- We see it as our responsibility to help enhance the quality of life for the people we serve and the local communities in which we operate.
- By creating employment opportunities in these areas and providing employee training opportunities through business activities, Samsung contributes to the development of the talent in local communities, resulting in greater long-term impact.