

Mind the Gap

Report	Findings
<p>1. <u>Conditions of Employment</u></p> <ul style="list-style-type: none"> - Workers say it is difficult to reach these targets within an eight hour shift and therefore they have to work under considerable pressure. - In case of not achieving the production target, the apprentices will not be converted to regular employees 	<ul style="list-style-type: none"> - That is why there is a standard business process where workers and managers can discuss and agree targets together. If targets are too challenging, workers can use this process to address the issue. - The criteria for conversion of apprentices to regular employment are manpower requirement, work attitude, attendance rate & performance, not daily production target.
<p>2. <u>Working Hours and Wages</u></p> <ul style="list-style-type: none"> - Regular employees are eligible for House Rental and Conveyance allowance are but the apprentice is eligible for only Conveyance. - 4 Hours of overtime per day has become a regular practice, however, from this year, Samsung complies with the working hours of 48 hours a week, eight hours a day. - Apprentices are working for 10 hours overtime per week voluntarily to be eligible for regular employment - Management requests employees to work overtime on Sundays for which they are compensated with double the hourly rate. - Employee coming late to company is blamed by supervisor or manager, and receives verbal warning. - Some employees stated that taking paid leave for more than three days would be difficult and not aware of the leave policy. 	<ul style="list-style-type: none"> - Wages for apprentices are fixed and are higher than the legal minimum wage. - We comply with Indian Indian law and regulations, which allow maximum 10 hours of consecutive overtime a week (max. 50 hours/quarter). Overtime beyond this level is not tolerated. - Conversion from apprentices to regular employment depends on manpower requirement, work attitude, attendance & performance, not overtime. - Working on Sundays is limited to during the peak season only. As per law, since working for 10 consecutive days is prohibited, employees are provided with a day of leave in the case of working on a Sunday. Other than the case of the peak season, there is no working on Sundays. - We guide our employees to abide by the working time, and they can at any time, report verbal abuse by managers or supervisors at work per company policy. - As per regulation, all employees are notified of the leave policy and every employee can take eligible leave freely.















<p>※ Indian Factory Act 1948 Every worker who has worked for a period of 240 days or more in a factory during a previous calendar year shall be allowed a day leave in every 20days. Also. With 12 days of annual leave.</p> <ul style="list-style-type: none"> - Regular Employee is eligible for ESI(Employee State Insurance), however, it is difficult to use due to the long distance from plant to government hospital - A New apprentice joining this year has not yet received ESI. 	<ul style="list-style-type: none"> - The company operates a medical center inside the facility with doctors and nurses 24/7. - The apprentice is not eligible for ESI, however, we support Group Medical Insurance.
<p>3. <u>Freedom of Association</u></p> <ul style="list-style-type: none"> - Employees do not have the courage to form a union out of fear of dismissal - In 2012, employee remembered that employee X asking for a raise had been fired - Employees have no channel to address their personal grievances such as stress caused by work. 	<ul style="list-style-type: none"> - We respect the freedom of association assured by each and every country and international standards. - Asking for a raise is not a reason for dismissal, and no such instances occurred in the past. - We assign Employee Relations representatives per department and conduct one on one interaction on the shop floor two times or more a day. - Also, the company operates GWP committees and employee grievance boxes at various on-site locations to address employee grievances.
<p>4. Health/Safety & Social Audit</p> <ul style="list-style-type: none"> - Apprentices claim that they are not entitled to sick leave and if they are absent from work due to being ill it will be at loss of pay. 	<ul style="list-style-type: none"> - The appointment letter clearly defines the leave eligibility for every employee. Even an apprentice is eligible for 7 days paid sick leave per annum. Special sick leave for an apprentice is provided based on the submission of medical document or

<ul style="list-style-type: none"> - Audits are conducted every 6 months, however, an employee is not allowed to speak in front of investor. - A plan for the inspection is notified on the notice board in the case of external inspection. The workers were asked to wear safety gears and the cleaning condition changed 	<p>certificate in case of accidents or illnesses.</p> <ul style="list-style-type: none"> - We conduct random one on one interviews with workers as a part of audits. - We regularly educate the workers to always wear proper safety gears at work where the gears is compulsory.
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BUSINESS CONDUCT GUIDELINES 2015

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

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1. Preface



1 Our core values

We at Samsung Electronics strive to be the best of the best in everything we do - by creating innovative products and services through our talent and technology, driving changes and overall contributing to a better world. 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. These guidelines are 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
2. We maintain a clean organizational culture
3. We respect customers, shareholders and employees
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. It is paramount that you recognize, whatever you do and wherever you are, that the corporate value and reputation of Samsung are up to you to uphold. These business conduct guidelines were written for this very purpose: to help guide the employees at Samsung in making sound decisions.

2 Managing our risks

- Risks in our business often pertain to consequences not only in business performance or corporate reputation, but also in terms of environmental, safety and social issues. 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 Samsung code of conduct and business conduct guidelines. We rely on our employees' collective effort to prevent and minimize corporate risks.

3 Scope of the guidelines

- The guidelines apply to all employees at Samsung. For employees whose job description entails purchasing, taxation, marketing, sales and environment-related activities, they are also expected to work in compliance with policies applicable to their job.
- The guidelines apply to all employees at Samsung's subsidiaries and controlled affiliates.
- 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 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 code of conduct and other detailed policies on the company intranet when seeking guidance in making decision.

5 Reporting violations

- Samsung has dedicated reporting channels in Korea and overseas for reporting business violations. 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 sites, and reports are handled discreetly.
- If and when an employee detects instances of non-compliance, or possible non-compliance 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 encouraged to report the situation.
- We want our employees to feel reassured in communicating with us openly and honestly, without the threat of conse-

quences. Samsung does not, under any circumstance, tolerate penalization against any employee who makes a good faith report and/or refuses to partake in violating acts of these guidelines.

- Our reporter compensation system rewards employees who help to prevent significant loss in Samsung's businesses by reporting a violation associated with external stakeholders such as our suppliers.
- We also have hotlines operating around the clock, as well as posters, which include information such as hotline e-mail addresses and phone numbers, posted at our supplier operation sites in order to prevent human rights violations.

2. Work Environment



6 Responsible workplace

- Samsung's 'Policy on Salaries and Benefits' complies with minimum wage laws and overtime allowance, in addition to social insurance, holidays and vacations.
- We adopt the global standard on performance evaluation to ensure that our employees are treated fairly according to their abilities and achievements, thereby providing talented individuals with a likely chance to develop as professionals.
- When giving directions, supervisors shall not direct subordinates to carry out work that either violates Samsung's rules and processes, or is irrelevant to business itself. Involuntary conduct of business, whether driven by physical or mental coercion, is also prohibited.
- Samsung strives to foster an environment in which employees' physical and mental health are always protected. As such, Samsung does not tolerate any deed that may instigate or encourage an inappropriate work environment, including but not limited to sexual advances (both verbal and physical), sexual harassment and/or abuse, corporal punishment, mental or physical coercion and insult.
- Samsung continuously expands the scope of various welfare systems and programs (extended telecommuting period, infertility leave, maternity/paternity leave, operation of child care facilities and more) in order to improve the quality of our employees' lives. Our work spaces are designed above legal standards, allowing our employees with disabilities to work comfortably.

7 Listening to our employees

- Samsung endeavors to create the best work environment for our employees. We regularly listen to employee VOCs through the online and offline communities we run at every operation site. When experiencing discomfort during work, our employees may use the grievance resolution channel provided at each of our sites. Moreover, Samsung's leadership team attentively listens to employees on the basis of an open communication culture. All information received through our various channels is kept anonymous.

8 Respecting human rights

- Samsung respects individuals' human rights, abides by all labor and human rights laws in each region in which we operate, and strictly enforces a zero-tolerance policy on child labor and forced labor.
- Samsung respects local laws and customs. We take measures to prevent any violation of human rights caused during business. Should a violation occur, we conduct swift investigation and analysis to alleviate any negative effects on human rights.
- In accordance with our 'Samsung Suppliers' Code of Conduct', our suppliers are mandated to strictly abide by a zero tolerance policy on child labor. We do not hesitate to cease dealing with any suppliers violating this policy. When recruiting new employees, we comply with the due processes involved in age validation and identification, as well as local laws that prohibit underage workers (from the statutory minimum age to under 18 years old) from entering into night shifts and harmful work.
- Forced, bonded or indentured labor such as human redemption and trafficking are strictly forbidden. Employees will not be required to surrender any government-issued identification as a condition of employment.
- 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 the freedom of association in accordance with local laws.
- Working hours are decided upon according to the characteristics of each work area and the related regulations in each country. We do not, however, force overtime work without a mutual agreement to do so. Wage and employment conditions are determined reasonably and fairly in accordance with relevant laws and international standards.
- Our policy on working conditions is documented in various languages so that employees from different parts of the world are able to understand it.

9 Respecting diversity

- To foster a work environment that procures and maintains various talents, Samsung provides equal employment opportunities to all qualified employees and applicants per the 'Anti-Discrimination Policy.' We do not discriminate employees or applicants

for their 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.

3 . Health and Safety



10 Employee health and safety

- Samsung's highest priority is to ensure the health and safety of our employees and communities. People are our most important asset, and we strive to provide a safe working environment for all Samsung employees.
- Samsung complies with international standards, related laws and the '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 the '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 (electricity, fire). We also refer to the 'Emergency Preparedness and Response Guidelines' to understand and evaluate potential emergencies and accidents such as fire inclement, weather, and leakage of hazardous material in order to be prepared with adequate response procedures.
- Samsung focuses on responsible chemical management strategies and measures to safeguard workers from occupational health hazards in accordance with the '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.

4. Customer and Quality Management



11 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 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 refrain from making false and illegal claims about our competitors and/or their products and services.

12 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.

5. Green Management



13 Environmental Safety Policy

- As a global company, we at Samsung do not limit our environmental protection activities to the domestic domain. Our activities take place at sites located overseas, on site at suppliers, and in local communities. We have also established and comply with the 'Environmental Safety Policy' for environmental issues that directly related to Samsung.

14 Eco-friendly products and technology

- Samsung develops eco-friendly products by endorsing 'Product Stewardship' to minimize the environmental impacts that our products have throughout their lifecycles, specifically during the manufacturing, selling, usage, and disposal. By analyzing the environmental data at each stage of the product lifecycle, we respond to global environmental regulations and have been recognized for carbon labelling and the environmental declaration 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 hazardous substances used throughout the planning, designing and developing stages.

6. IT Accessibility



15 Improving IT accessibility

- Samsung endeavors to increase the accessibility of IT devices and technologies so that everyone can benefit from advanced technology.
- 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.

7. Innovative Technology



16 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.

8. Data Protection and Privacy



17 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 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, former Samsung employees.
- We do not discuss proprietary information in public places (offline) nor on social networks (online).
- We do not work on documents containing proprietary information in public places.

18 Protecting the 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 organization.

- When a legal representative cannot express intention nor give prior consent, and when the information is deemed necessary for the imminent benefit of one's life and property.

19 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. All employees are to use the information only when necessary for valid business purposes and in terms of Samsung's internal policies. 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, 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 'Privacy Policy.'
- All employees are expected to comply with data privacy laws in each of the countries we engage, and to keep familiar with the 'Global Policy on Personal Information' via the Samsung website.

20 Acquiring information from a third-party

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



Example

Legitimate Means of Collecting Information

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

21 Handling information

- In the course of our day-to-day businesses, everyone at Samsung creates, stores and disposes of records and information assets whether in hard or soft copy. As such, Samsung provides the 'Guidelines on Information Management' for all employees to manage information legitimately and appropriately.
- All employees are to record and manage information accurately, completely and honestly according to the Guidelines on Information Management. Samsung prohibits disclosure of inaccurate or incomplete information, that could potentially lead to misunderstandings by recipients.
- 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 from our employees full cooperation with the legal department.

22 Insider trading

- Using and/or disclosing material information about Samsung or an external party for our 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 our businesses are located.
- 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 anywhere near the facility.

9. Responsible Asset Management



23 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, we prevent our customers, employees and company to be affected by illegal software through the 'Prohibition of Using Illegal S/W Policy.' 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 of worth to 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.

24 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 the law nor company policies, does not create a conflict of interest, does not issue additional costs and does not interfere with the employee's work.

10. Fair Competition



25 Antitrust

- 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. There is a strict zero tolerance policy in regard to unethical and unlawful bid rigging and similar conflicts.

26 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.

27 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 trade controls of each country.
- Our customers and business partners are included and excluded according to the list of trade embargoes and governmental restrictions. Samsung encourages all of our suppliers and business partners to follow regulations.

28 Tax policies

- Samsung complies with the laws and regulations of every country we operate in. We keep an honest and open relationship with local tax authorities and 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.

11. Anti-Corruption

**29 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 pay 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.

30 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.

31 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.

12. Conflict of Interest

**32 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 loyalties. 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 situation related to outside work activities. In some cases, you may be permitted to engage in the activity if you obtain approval of your manager and take steps to address the conflict. Also, we do not work as an employee of an organization that has interests in or with Samsung.

33 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.

13. Supplier Management**34 Managing our supply chain**

- Samsung mandates that suppliers with whom we do business must adhere to 'Samsung Suppliers' Code of Conduct' referenced in the terms of our agreements.
- Our suppliers are also 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 serious violation by a supplier, Samsung responds immediately and helps establish measures to prevent re-occurrence. 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 for a particular.

35 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.

36 Responsible sourcing

- Samsung rigorously monitors the chemical substances used in our products through the management of our supply chain. We follow the provisions of 'Regulations on Managing Controlled Substances in 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.
- Samsung recognizes the seriousness of human rights violations and environmental pollution problems of mineral mining in the Democratic Republic of Congo and neighboring countries. Accordingly, we strongly prohibit the use of conflict minerals.

14. Corporate Citizenship**37 Social contribution**

- Samsung employees, no matter the location, 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.

38 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.