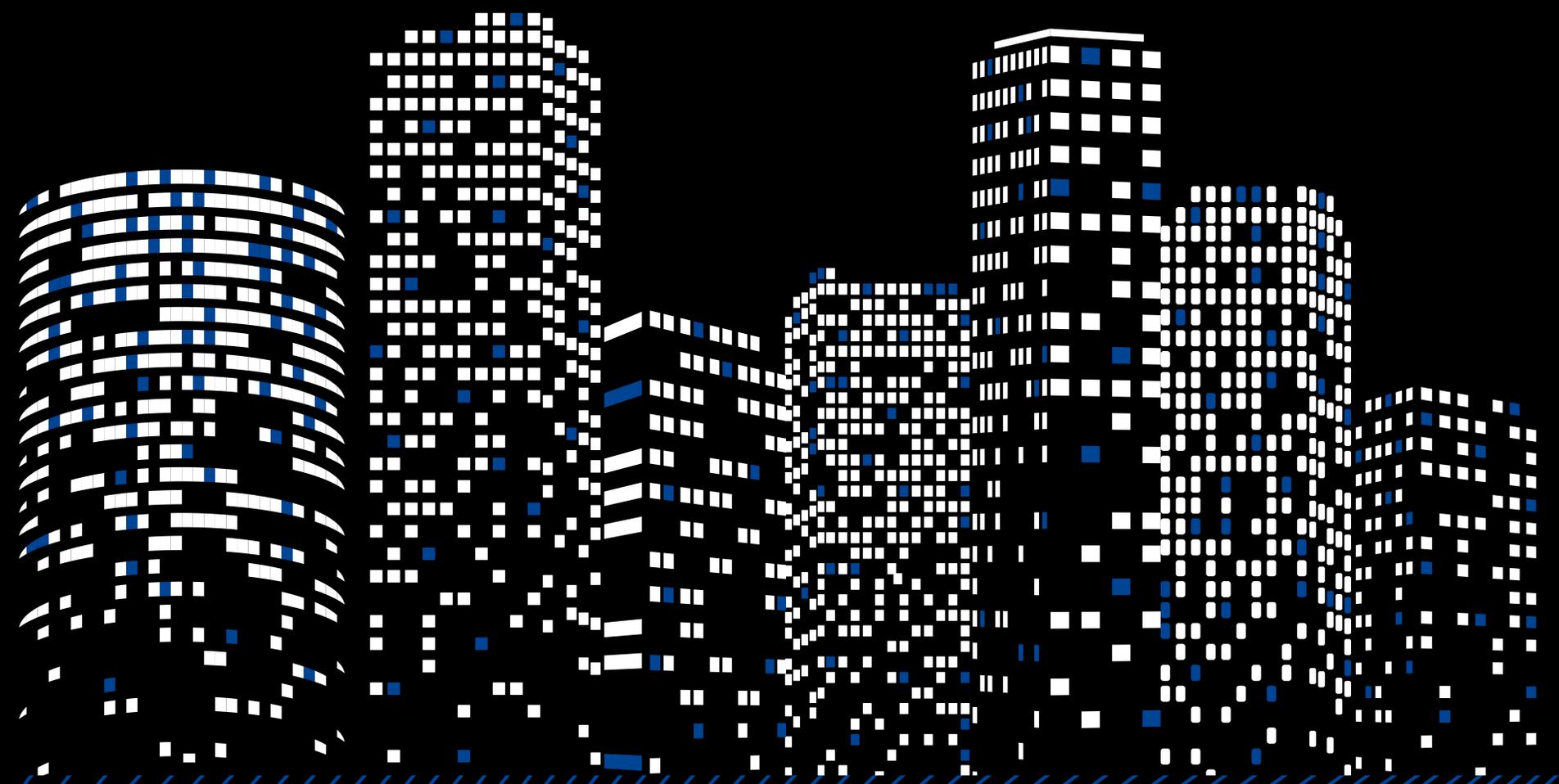




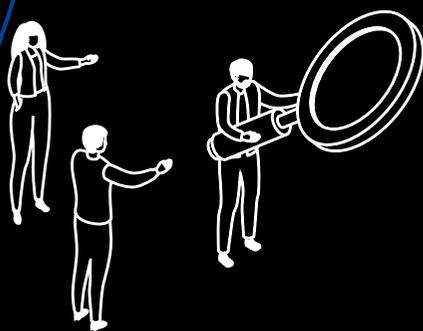
2019 ANNUAL REPORT

SAMSUNG



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2019 ANNUAL REPORT



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LETTER FROM THE PRESIDENT

Greetings,

Samsung Electronics, the company I preside over in Spain and Portugal, has again issued its Annual Report concerning our business activities in 2019. This is the third report we've published in Spain and we're quite proud because it helps demonstrate our commitment to the country, to innovation, to our users and consumers and, in short, to society at large.

As I said, this is the third year we're providing not only a summary of our results as a company, our retail offering and the progress we've made in innovation, but also an image of the impact of our activities as concerns their contributions to the country's wealth, employment and revenue raising through taxes. Despite the competitiveness of the market in which we operate and the demands we're facing

nowadays, there has been sustained growth over the last three years in these three indicators. Our commitment to contribute beyond our income statement not only continues to be strong, it's increasing and this is because of the efforts and enthusiasm shown by all of us who are a part of Samsung.

I'd like to highlight a few of the milestones reached by Samsung in 2019. First off, flexible displays have come to stay. This new development, which has involved immense investment as far as time and resources, is opening up a whole new world of possibilities for industry and, once again, our company is proving to be the leader and reference in innovation. We've maintained our commitment to innovative technologies like 5G, Artificial Intelligence and IoT which are just a natural part of our product and service

ecosystem, not to mention how safety is the main concern and responsibility with all our developments. The latest example is our commitment to 8K for the screens of the future which in our case are already a reality in many homes.

Likewise and beyond economic and financial indicators, we're continuing to develop our Technology with Purpose program. It's a project we're also immensely proud of and which expresses our commitment to society in areas such as education, culture, accessibility and employability. I'd like to point out that, in 2019, we began a project known as DesArrolladoras to train 1,000 women in the field of ICT in order to bring STEM subjects closer to a group whose contribution to improving society is as necessary as it is beneficial. We also continued collaborating with major

“ We've developed flexible displays and continue to be committed to 5G, Artificial Intelligence and IoT in addition to 8K technology which positions us as leaders in innovation ”

cultural institutions such as the Prado Museum, the National Archaeological Museum and the Royal Theatre with progress that proves just how technology can make a difference. What's more, we continue to support public schools all over Spain by offering our technology and knowledge to change how teaching is done.

In summary, we shall keep on working at Samsung Electronics to meet everyone's expectations all while being faithful to our motto: Inspire the World, Create the Future.

Warm regards,

Hoon Chung
President of
Samsung Electronics
Iberia, SAU



SAMSUNG IN SPAIN

2019 Milestones



BUSINESS

MOBILITY

- ◆ **Galaxy Fold**, the first mobile device with a folding display.
- ◆ Presentation of the **Galaxy S10 and Note10** models, which were **certified by the Spanish National Cryptologic Centre**.

TV

- ◆ All-new **HDR10+ technology** (High Dynamic Range) and the production of the first **specific content**.
- ◆ The new **Vodafone app** for Smart TV.
- ◆ **First Samsung productions in 8K**: a political debate and motorcycle racing with the HRC team.

HOME APPLIANCES

- ◆ The launch of the **Dual Flex Zone Plus8™ hob**, which includes a **decorative hood**.
- ◆ **Family Hub™** arrives in Spain.
- ◆ **Dual Cook Flex™** oven.

VISUAL DISPLAY

- ◆ The launch of **The Wall 8K**.
- ◆ First **Samsung Onyx Cinema** LED screen in Spain.
- ◆ The second generation of the **Flip** chart.

SEMICONDUCTORS

- ◆ **The launch of Exynos i T100**, a new Internet of Things solution which **features a processor and memory** in a single chip.

COMPANY

ACTIVITY

- ◆ An 8% improvement in the **results** in Spain.
- ◆ An increased **impact** on the economy, employment and tax revenue by Samsung in Spain.
- ◆ **Agreement with Iberia** to digitize airport assistance.
- ◆ **'Day Off for Check-Ups'** initiative.

CULTURE

- ◆ The Prado Museum, Royal Theatre and National Archaeological Museum **begin using Bixby**.
- ◆ Presentation of the **'MAN Aula Virtual'** virtual classroom app with the **National Archaeological Museum**.
- ◆ Collaboration with the **'Impressionists and Photography'** exhibit at the Thyssen Bornemisza Museum.
- ◆ **'My Opera Player'** for Samsung Smart TV with the Royal Theatre.

SERVICES

SAMSUNG PAY

- ◆ **Edenred, BBVA, Kutxabank, Cajasur, Liberbank, Unicaja, Ibercaja, Cecabank, Caja Ontiyent, Deutsche Bank and Bankinter** join this service.
- ◆ **Growth of 130% in consumers** and **284% in transactions**.

2019 Financial Results and Human Resources



348 employees and 100% permanent contracts

Turnover (revenue) 1,735,685,000 Euros

Profit for the year 28,153,000 Euros

Operating profit 33,416,000 Euros

Key Results	2019	2018	2019 vs 2018
Turnover (thousands of Euros)	1,735,685	1,706,457	+1.7%
Operating income (thousands of Euros)	33,416	32,486	+2.9%
Profit for the year (thousands of Euros)	28,153	26,057	+8.0%
Workforce (n°)	348	358	-2.7%

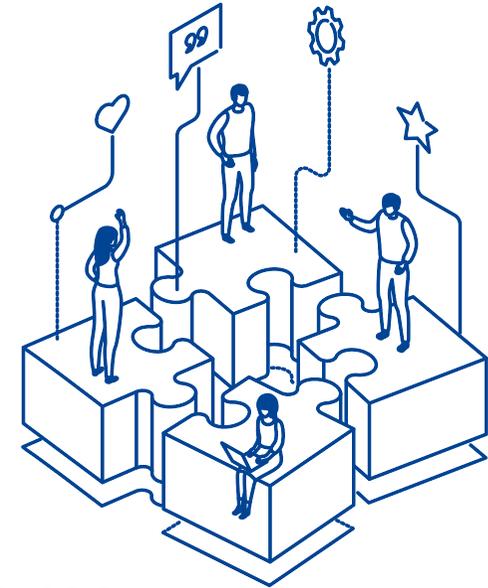
SAMSUNG IN THE WORLD



Global turnover
(revenue)
176.34 billion euros

Presence in
74 countries

2,389
suppliers



309,630
employees

R&D Expenditure:
14,337
million Euros

216 worksites throughout
the world

0.37 R&D

0.7 design

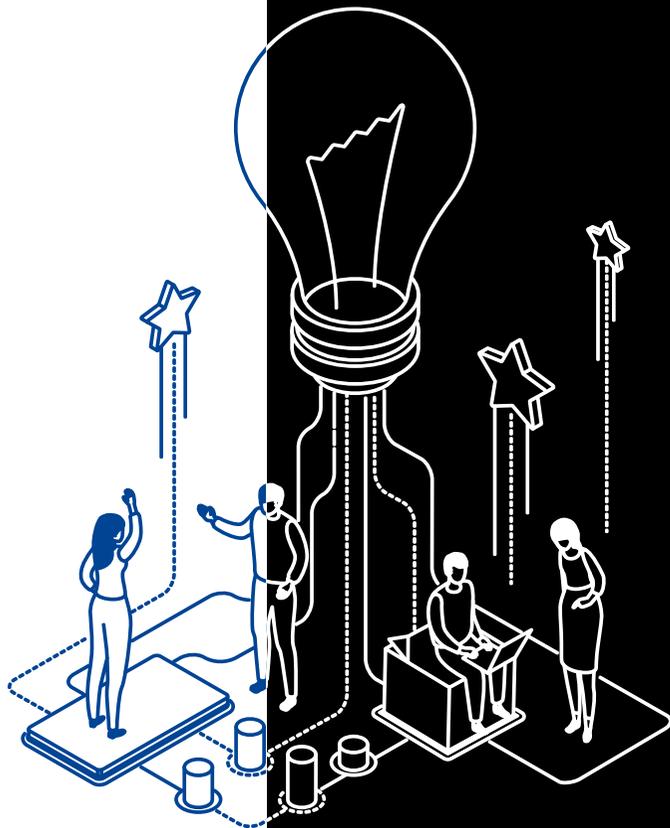
WE'RE DRIVING

SUSTAINABLE
DEVELOPMENT

THE ECONOMY

INNOVATION

SOCIETY



OUR PHILOSOPHY



WE AIM TO BE A COMPANY THAT IS

- ◆ Cherished
- ◆ Innovative
- ◆ Admired

WE'LL GET THERE WITH

- ◆ Creativity
- ◆ Alliances
- ◆ A great team



Everything we do, every decision we make, is governed by our values and our code of ethics as a guarantee for being able to react in the best possible way to changes that occur in global business as well as learning from a social perspective. This is what helps generate trust and value among all our stakeholders in order to continue moving forward with our goal of becoming one of the most ethical companies in the world.



At Samsung, we have a remarkably simple business philosophy: **dedicating our talent and technology to developing the best products and services** in order to improve society

Mission

To inspire the world with innovative technologies, products and designs which enhance people's quality of life and contribute to a socially sustainable and responsible future.

As a way to achieve this, we've developed our

VISION 2020

"INSPIRE THE WORLD, CREATE THE FUTURE"

Our commitment to create a better world full of richer digital experiences, through innovative technology and products.

All of this with our **Values** continuously present:



PEOPLE

a company is all about its people. We offer our human resources opportunities so they can reach their full potential.



EXCELLENCE

We are driven by a commitment and passion for excellence to develop the best products and services on the market.



CHANGE

We're focused on the future to be able to take our company to long-term success.



INTEGRITY

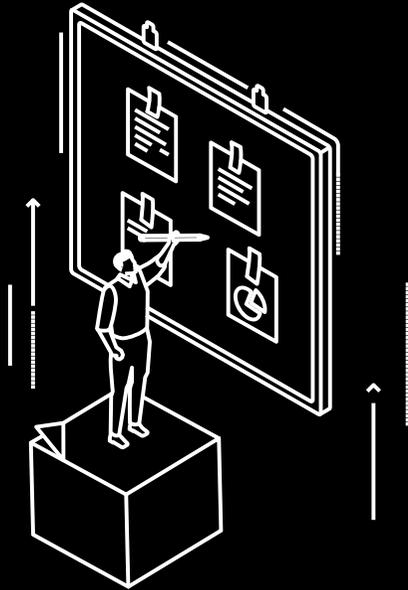
Ethics is the foundation for our business and we operate on honesty, respect and transparency.



PROSPERITY

We are committed to being a socially and environmentally responsible corporate citizen all over the world.

SUSTAINABLE DEVELOPMENT -ORIENTED



We'd like to be acknowledged for our products and services but also for their positive impact on societal development. To this end, we view sustainability as the tool for creating integrated values in the economy, society and the environment throughout our value chain.

SUSTAINABILITY MANAGEMENT SYSTEM

ECONOMIC VALUE

Getting the most out of all the benefits and values for stakeholders (innovation in products and services)



SOCIAL VALUE

Contributing to a sustainable society: the achievement of the United Nations Sustainable Development Goals



Samsung and SUSTAINABLE DEVELOPMENT GOALS

In 2015, the United Nations adopted the Agenda 2030 on Sustainable Development which includes 17 goals (SDGs) with 169 targets on which all countries in the world can work to improve the planet and, in short, everyone's lives without leaving anyone behind.

In a view to contributing to this sustainable development, Samsung has identified the SDGs which are particularly connected to our business and continuously studies new opportunities to continue to help make this world a better place.



'SAMSUNG GLOBAL GOALS' APP

With the launch of our all-new Galaxy Note 10 device, we presented the "Samsung Global goals" app in collaboration with the United Nations Development Programme (UNDP). The aim is to spread awareness through knowledge and help raise funds for UNDP. The initiative was completed with a special edition of Samsung accessories with a part of the proceeds from their sale being donated to the Programme in support of the SDGs.



Samsung and the SUSTAINABLE DEVELOPMENT GOALS



We've identified the **SDGs** that are particularly linked to our business in order to contribute to **sustainable development**

3 GOOD HEALTH AND WELL-BEING



AIM

◆ Reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and wellbeing.

HOW WE CONTRIBUTE

◆ Spreading awareness for diseases like cancer.

THROUGH

◆ FECMA. "Day Off for Check-Ups".

4 QUALITY EDUCATION



AIM

◆ Increase the number of youth and adults who have relevant skills for employment, decent jobs and entrepreneurship.

◆ Making sure all students get the theoretical and practical knowledge to promote sustainable development.

HOW WE CONTRIBUTE

◆ Ensuring ICT skills for future generations.
◆ Promoting inclusiveness and diversity in education.
◆ Motivating qualified teachers.

THROUGH

◆ Samsung Smart School.
◆ Samsung EGO.
◆ Samsung Tech Institute.
◆ Empathy as a Subject.
◆ SDG at School.

5
GENDER
EQUALITY**AIM**

◆ Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate.

HOW WE CONTRIBUTE

- ◆ Acknowledging household chores and promoting shared responsibility.

THROUGH

- ◆ #YaNoHayExcusas.
- ◆ DesArrolladoras.
- ◆ #Femtástica in collaboration with Fad.

8
DECENT WORK AND
ECONOMIC GROWTH**AIM**

◆ Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

HOW WE CONTRIBUTE

- ◆ Encouraging entrepreneurship, creativity and innovation.

THROUGH

- ◆ Samsung Dev Spain.

10
REDUCED
INEQUALITIES**AIM**

◆ By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

HOW WE CONTRIBUTE

- ◆ Improving accessibility for the disabled.

THROUGH

- ◆ Collaboration with the ONCE Foundation.
- ◆ Luzón Foundation.
- ◆ Prodis Foundation.
- ◆ A la Par Foundation.
- ◆ Corporate volunteering activities.

11
SUSTAINABLE CITIES
AND COMMUNITIES**AIM**

◆ Strengthen efforts to protect and safeguard the world's cultural and natural heritage.

HOW WE CONTRIBUTE

- ◆ Committing to cultural preservation and dissemination.
- ◆ Creating solutions to build sustainable cities and communities.

THROUGH

- ◆ Initiatives with cultural institutions: Royal Theatre, National Archaeological Museum and Prado Museum.

17
PARTNERSHIPS
FOR THE GOALS**AIM**

◆ Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries.

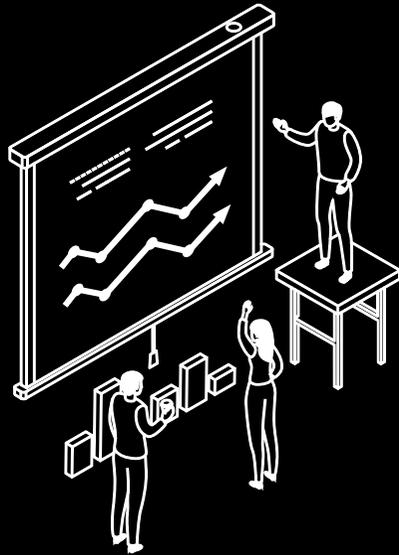
HOW WE CONTRIBUTE

- ◆ Fostering partnerships among different entities to promote inclusion and technological progress.

THROUGH

- ◆ Partnerships to develop projects: Public Administrations, Atresmedia Foundation, ONCE Foundation, Luzón Foundation, FECMA, The Red Cross, Aldeas Infantiles, Prodis Foundation, A la Par Foundation, etc.

DRIVING THE ECONOMY



IMPACT GENERATED BY SAMSUNG IN SPAIN BUSINESS

	2017	2018	2019	2019vs2018%
GDP (MILLION €)	751.7	752.3	771.0	+2.5%
Employment (FTE)	16,800	16,630	17,004	+2.2%
Tax (MILLION €)	649.3	632.2	657.9	+4.1%

As a company, our ultimate purpose is to contribute to a better society. Our products and services are the best example of this as is the positive impact of our activities in the territories where we're present. Throughout 2019 and just as we've been doing since the start of our operations in Spain, our performance has brought tangible benefits for the economic and social development of this country by contributing to collective progress through the economy, employment and taxation.

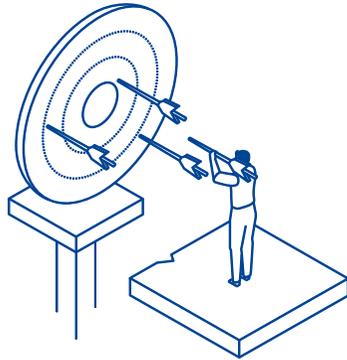
In collaboration with PwC and for the third year in a row, we have quantified these benefits in our "2019 Samsung in Spain Socio-Economic and Fiscal Impact Report" which offers a complete picture of how our business impacts the country's progress.

This document was prepared based on the financial and fiscal information provided by Samsung as well as other macroeconomic and sector data obtained from public sources such as the Spanish National Statistics Institute, the Spanish Tax Agency and the Spanish Ministry of the Tax Administration, among others.

2019 Samsung in Spain Socio-Economic and Fiscal Impact Report

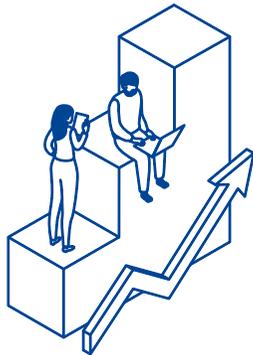
AIM

To quantify and highlight Samsung's impact on the economy, employment and tax revenue in Spain in 2019.



VARIABLES ANALYSED

Economy (GDP)
Employment
Tax revenue



IMPACT DIAGRAM

INDIRECT

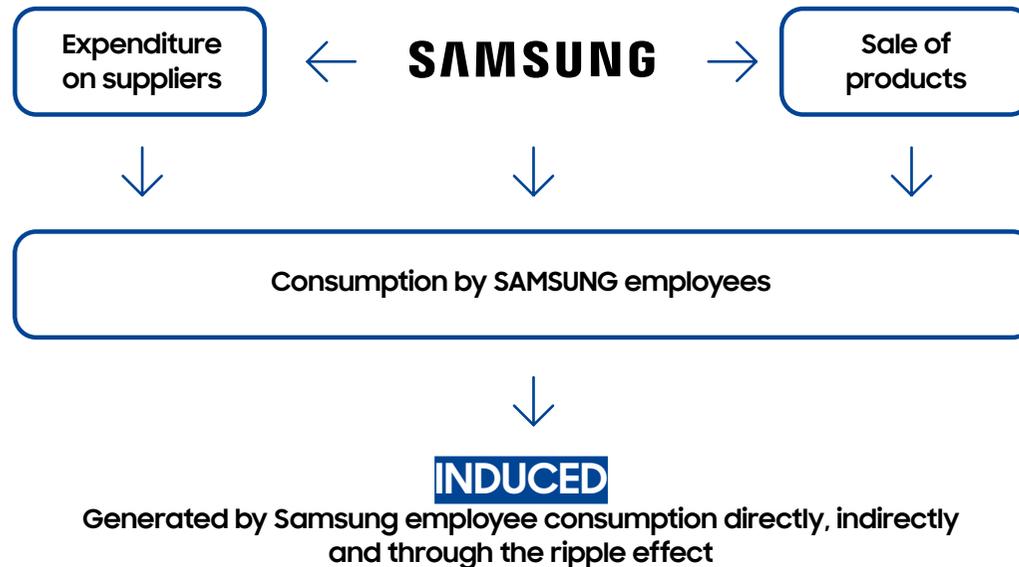
Generated through our supply chains with the expenditure and investments made

DIRECT

Generated through our direct business in Spain

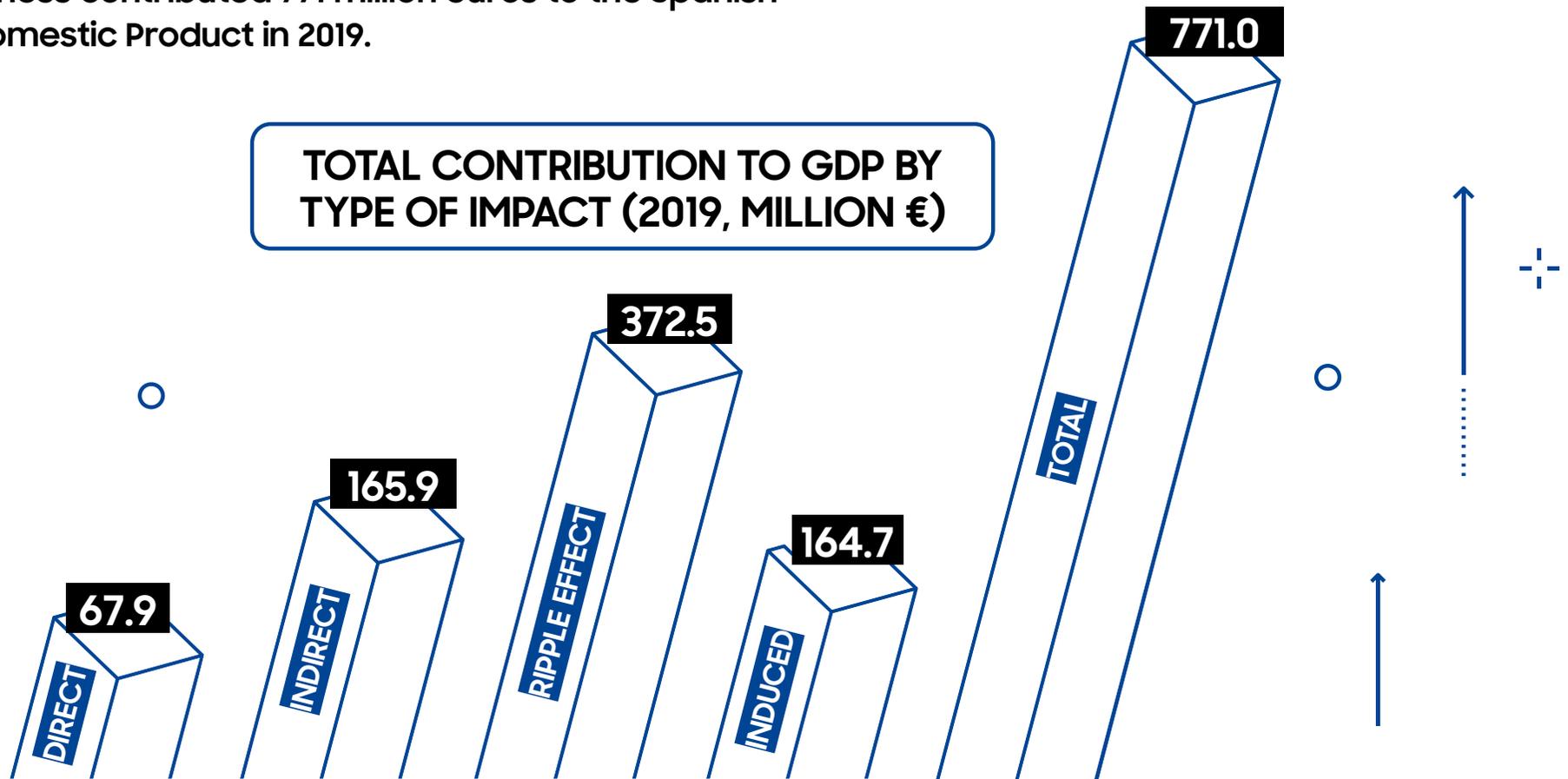
RIPPLE EFFECT

Generated in the retail sector with the sale of our products through retailers



Impact on the economy

Our business contributed 771 million euros to the Spanish Gross Domestic Product in 2019.



Every euro in profit
 we earned in 2019 became
27 euros of wealth for the Spanish economy

Our total **contribution** to the Spanish **GDP** equalled **47%** of the direct contribution from manufacturing IT, electronic and optical products

In 2019,
we spent €188.8 million
on local suppliers

DIRECT IMPACT

◆ It can be broken down as follows

- **Personnel Expenditure¹:**
33.46 million euros.
- **Gross Operating Surplus²:**
34.42 million euros.
- **Taxes³:**
0.02 million euros.

¹ Includes wages and salaries paid to employees, social benefit contributions paid by the company and employees as well as personal income tax.

² Corresponds to the SAMSUNG EBITDA which includes the sum paid for corporate tax.

³ Includes all taxes not included under other items (economic activity tax, property tax, etc.).

INDIRECT IMPACT

◆ The expenditure on Spanish suppliers generated an impact on the GDP of €165.9 million,

benefitting a large number of **sectors**, particularly including advertising and marketing (€60.3 million) and equipment repair (€19.4 million).

◆ This impact generated a total of €74.2 million in wages and salaries for Spanish households.

RIPPLE EFFECT IMPACT

◆ The sale of our products caused a powerful ripple effect in the retail sector accounting for an **impact on the GDP of €372.5 million.**

◆ This includes the following **retail sub-sectors:**

- **Specialists in electronics:**
€293.2 million (79%).
- **Specialists in household appliances:**
€8.6 million (2%).
- **Non-specialists:** €70.7 million (19%).

INDUCED IMPACT

◆ The direct, indirect and ripple effect impacts led to a total of **€324.2 million in wages and salaries in 2019**, which fostered an increase in consumption and, thus, an additional impact on the Spanish GDP of €164.7 million.

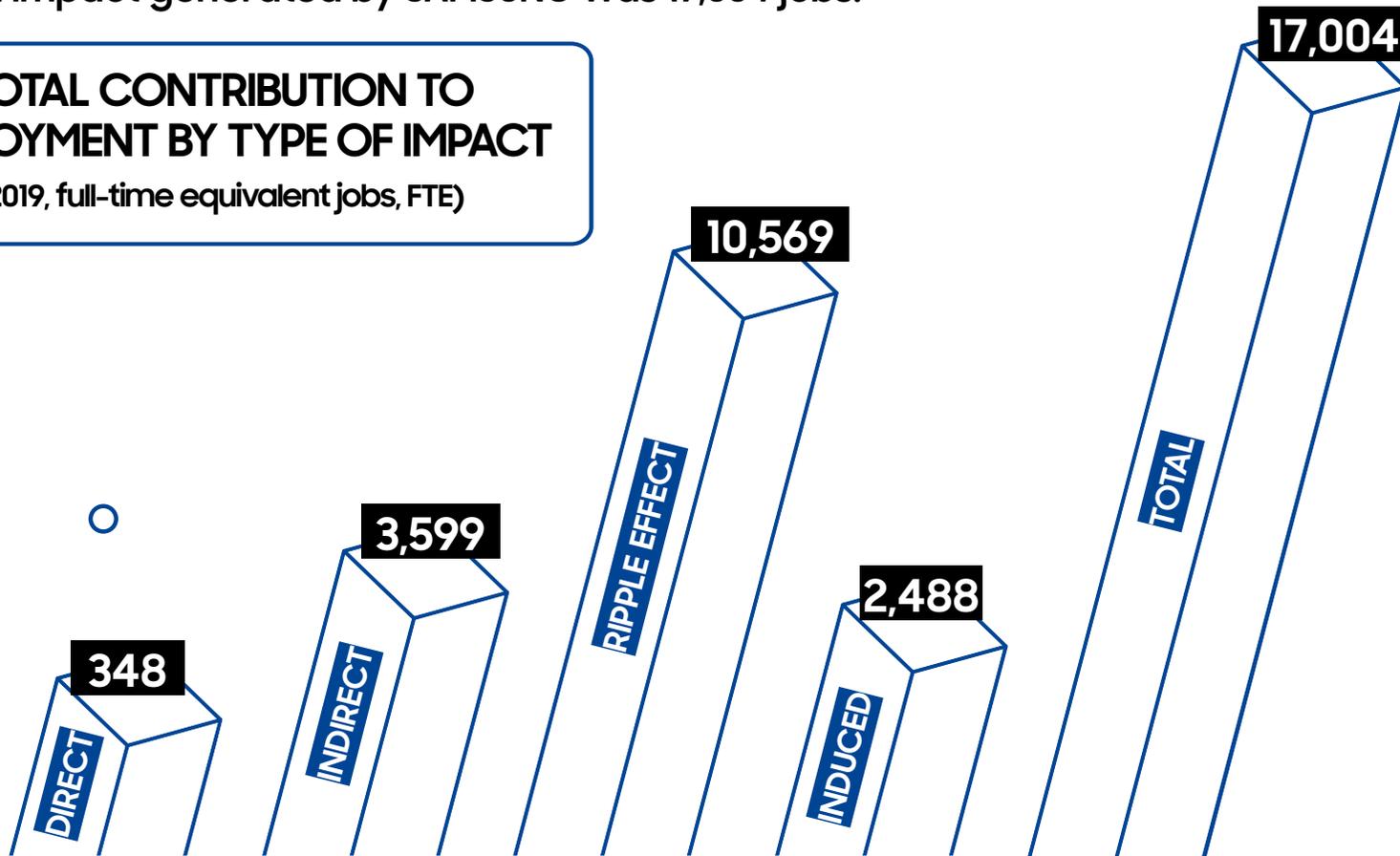
◆ **The sectors that most benefited were:** real estate (€40.2 million), food service (€21.1 million) and retail (€11.1 million).



Impact on employment

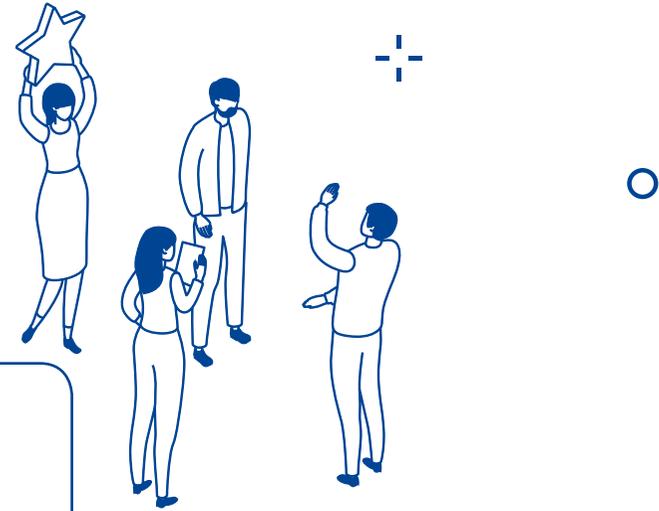
The total impact generated by SAMSUNG was 17,004 jobs.

**TOTAL CONTRIBUTION TO
EMPLOYMENT BY TYPE OF IMPACT**
(2019, full-time equivalent jobs, FTE)



For **every SAMSUNG employee** in the workforce, **49 jobs** measured as **full-time** equivalent were created in Spain

The **total impact on employment** we generate in Spain equals more than **14%** of the **direct jobs** in the **Spanish chemical industry**



DIRECT IMPACT

- ◆ We continue to maintain our commitment to **stable and quality jobs**, as proven by the fact that 100% of our employees in Spain had permanent contracts in 2019.

INDIRECT IMPACT

- ◆ The **sectors that most benefitted**, include advertising and market studies (1,452 jobs) and electronic equipment and similar repairs (774 jobs).

RIPPLE EFFECT IMPACT

- ◆ In all, we generated 10,569 jobs with the sale of our products at retail outlets throughout Spain.

◆ Breakdown by sub-sector:

- **Specialists in electronics:** 8,433 (80%).
- **Specialists in household appliances:** 243 (2%).
- **Non-specialists:** 1,893 (18%).

INDUCED IMPACT

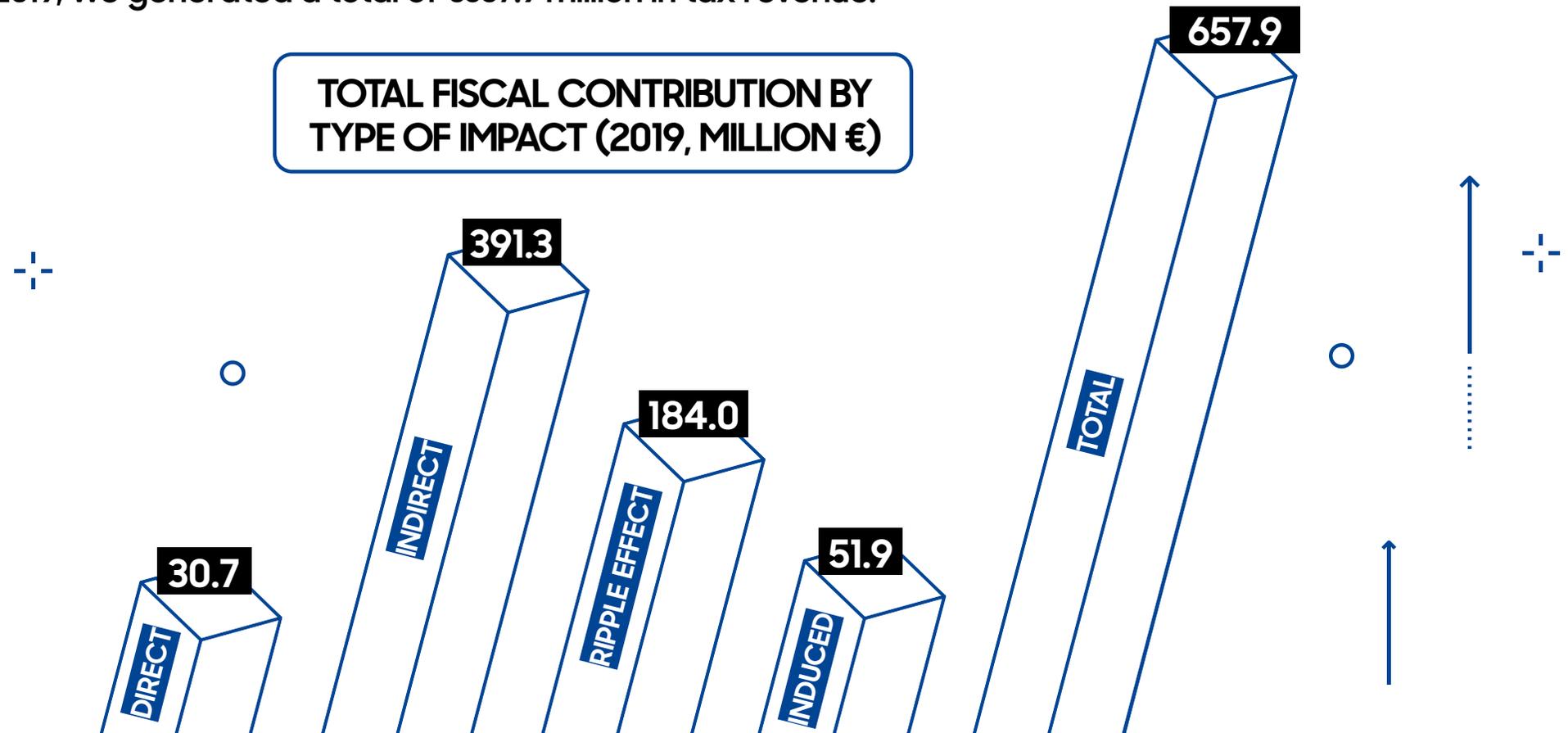
- ◆ We induced a total of 2,488 jobs in a **large variety of sectors**.
- ◆ Some of the most benefitted sectors include retail (395 jobs), hospitality (385) and wholesale (179).

Our **workforce in 2019** was comprised of **36% women** and **64% men**

65% are university graduates, technical and administrative personnel; 32% sales representatives; and the remaining 3%, key personnel and directors

Tax Impact

In 2019, we generated a total of €657.9 million in tax revenue.



Each euro we earned as profit (for the year) generated **23 euros** in tax revenue for Spain

Our **tax impact** equals **74%** of the funds earmarked for Culture in the Spanish government's budget

Each product we sold generated an average of **61 euros in revenue** for the public treasury

Our **total tax contribution** in Spain equalled **12%** of the **funds for Infrastructure** allocated in the Spanish government's budget

DIRECT IMPACT

- ◆ The sum of the VAT generated (€12 million), employment-related taxes, personal income taxes and social welfare contributions (€13.4 million) as well as corporate tax (€5.3 million).

INDIRECT IMPACT

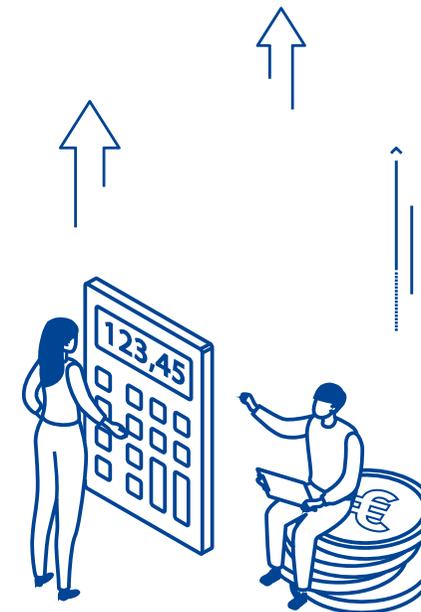
- ◆ Accounted for **59.5% of the total fiscal impact**.
- ◆ By type of tax, **VAT stands out** in particular (€350 million). This corresponds to the VAT generated by procurement from Spanish and EU and non-EU suppliers.

RIPPLE EFFECT IMPACT

- ◆ Generated with the sale of our products through retailers.
- ◆ Of the total ripple effect impact, **40% was generated in social welfare contributions** while 39% corresponds to VAT.

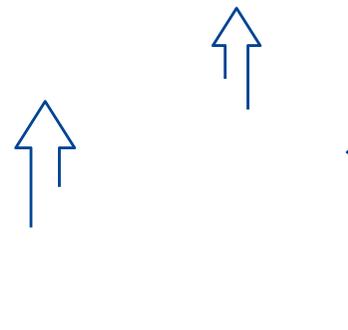
INDUCED IMPACT

- ◆ At 17.4 million euros, VAT was the most relevant tax as concerns this impact.
- ◆ The impact on **employment-related taxes** (social welfare contributions and personal income tax) was also increased, specifically by €23.9 million which accounted for **46% of the total impact induced**.



DRIVING INNOVATION BY ADVANCING TOWARDS THE FUTURE

Through our products Samsung is building a more technological, innovative and connected future. All of this is for the sole purpose of enriching consumers' lives. Throughout 2019, we continued overhauling and updating our catalogue of products. What follows are some of the major new developments.



Information Mobile (IM)

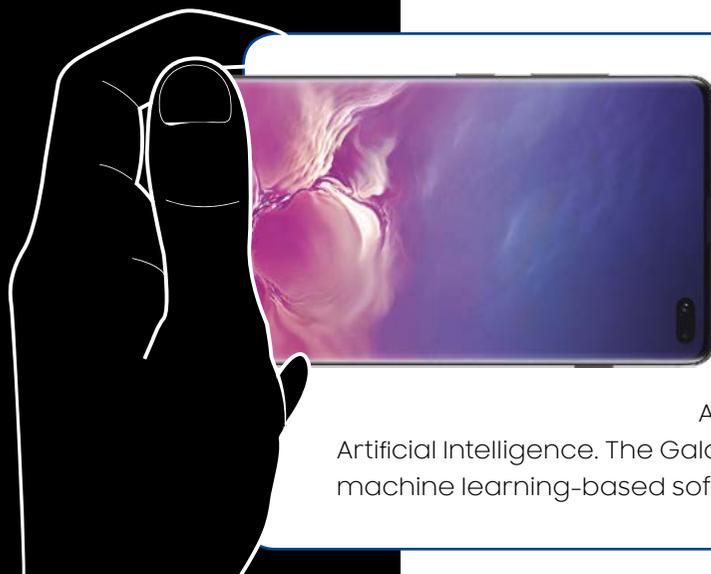
MOBILE DEVICES



GALAXY S10

A device that commemorates the **tenth anniversary of the launch of the first Galaxy**. It's become the new standard for premium smartphones as it includes **5G** for the first time ever in devices in this line. It also stands out because of its powerful performance, all-new Dynamic AMOLED display and state-of-the-art camera with

Artificial Intelligence. The Galaxy S10 is designed with high-range hardware and machine learning-based software.





Galaxy Fold

Our **first device with a folding display**. It was designed to enjoy any type of immersive content and provides a truly innovative experience due to the flexible 7.3 inch Infinity Flex Display. Plus, the Multi-Active window allows users to handle multiple tasks at the same time and the continuous application provides the perfect transition from the cover to the home screen. It includes a set of high-powered state-of-the-art AP chips, up to 12 GB RAM and a dual-battery system.



Galaxy A and M

New models for the smartphone mid-range. The reference is the Galaxy A90, the first in the line with built-in 5G which offers the best innovations such as a captivating screen, the first Samsung reversible camera and a smart battery. It was followed by the A80, A70 and A50, which use Bixby just like the first. The line was completed with the A40, A20 and A10 models. We also launched Galaxy M, our most affordable line.

Our Galaxy A50 was the top-selling mobile phone in its segment in 2019.



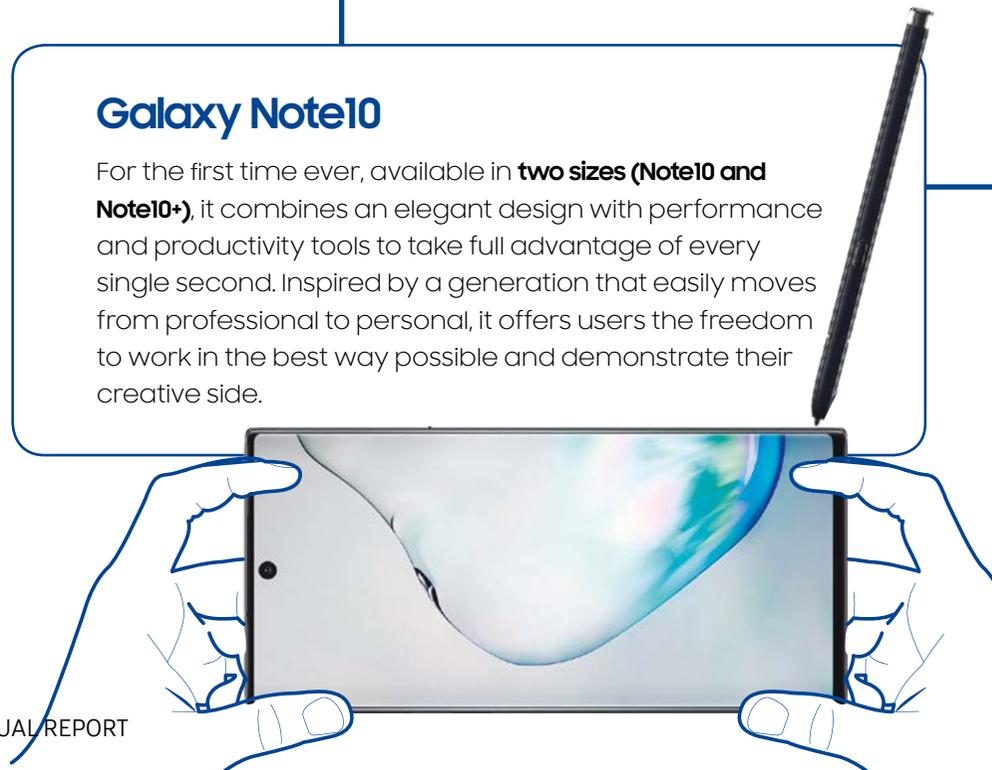
Tab S6

The all-new model that allows users to create, connect and have fun with immersive entertainment. It includes some truly outstanding features such as a **dual camera (the first ultra-wide angle lens for Samsung on a tablet)** and a fingerprint scanner which is also pioneer in these devices. It has a 10.5 inch Super AMOLED screen combined with four AKG and Dolby Atmos® speakers to offer a sensational viewing experience.



Galaxy Note10

For the first time ever, available in **two sizes (Note10 and Note10+)**, it combines an elegant design with performance and productivity tools to take full advantage of every single second. Inspired by a generation that easily moves from professional to personal, it offers users the freedom to work in the best way possible and demonstrate their creative side.



ALL-NEW WEARABLES

Galaxy Watch Active2

This new model was added to our smartwatch portfolio to **take personal wellbeing to a whole new level** and enjoy more mobility with 4G connectivity.

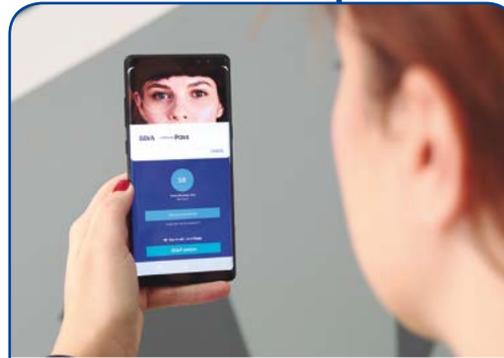


Galaxy Buds

Wireless earplugs for those looking for an **impeccable connection experience** with no interruptions. Given the truly comfortable format, simple commands, clear and intelligent sound and compact size, they're ideal for everyday use.



SERVICES AND SECURITY



Samsung Pay

Our mobile payment service has added **new associated banks**. Edenred, BBVA, Kutxabank, Cajasur, Liberbank, Unicaja, Ibercaja, Cecabank, Caja Ontiyent, Deutsche Bank and Bankinter all joined in 2019 to give their customers smartphone and smartwatch payment options. This year, we improved the service by including smartwatch payments in our Rewards program and the possibility of using Samsung Pay for **in-app and online purchases**. Additionally, Samsung Pay saw 130% growth in the number of users and 284% in transactions in 2019.

Safety Study

With the report 'Study on Safety and Privacy' prepared by the company IPSOS, we once again made clear our commitment to fostering **safe and responsible use of technology**. Some of the main conclusions include:

- ◆ **74%** of all parents are concerned about their **children's safety** when using mobile devices, primarily due to:
 - Access to inappropriate content (59%).
 - Children may be subject to cyberbullying or unhealthy relationships (48%).
- ◆ **72%** show a concern for **mobile device safety**, particularly because of:
 - Access to sensitive information (87%).
 - Security failures in servers with data and passwords (82%).
 - Access to card PIN numbers (79%).



B2B

Galaxy S10 Enterprise Edition

This all-new version of our Galaxy S10e and S10 was designed to **meet the needs of businesses and professionals** requiring specific features in terms of security, customization and quality technical support.



Samsung Mobile Business Summit

A significant number of technology leaders and influential executives from all over Europe attended the 'Samsung Mobile Business Summit' in Madrid. During the event, they shared their views on **what companies and institutions should do in digitization** considering the growing concern for corporate security in a digital world.



More digital airports with Iberia

Our technology is enabling Iberia Airport Service to take their airport assistance service to a whole new level. The airline is streamlining operations on the runway and in their check-in and boarding areas with **800 devices equipped with our latest mobile technology**. In addition to the integration of operating apps, this makes it possible to optimize resources and centralize information in a single general system.

Our Galaxy S10 and Galaxy Note10 were **certified by the Spanish National Cryptologic Centre**, which proves the security offered by the devices and guarantees users' privacy and safety

CONSUMER ELECTRONICS (CE)

TELEVISION AND AUDIO



HDR 10+ 8K technology for the QLED 8K line

Enhanced brightness and the greatest of contrast through deeper blacks and shinier whites bring a **much higher image quality**. This is offered by the new technology HDR10+ (High Dynamic Range), which is available in all our 2019 UHD TV and 8K models including our QLED TV line.

First content: in collaboration with the main European streaming services, we've developed the first HDR10+ content in 8K in the world.

Specific content:

- ◆ The Repsol Honda Team and Samsung, as the technical supplier, joined forces to make the **first ever 8K production** for a motorcycle trial in Spain.
- ◆ Along with Atresmedia, Samsung offered users with QLED 8K TVs the possibility of watching a **political debate** with the absolute best image quality.

The Frame

The Frame 2019 line, available in 43, 49, 55 and 65 inches, continues to combine design, art and technology to bring works of art from some of the most important museums in the world right into people's homes. They include **eleven new items from the Prado Museum** in addition to the 37 that were already available as a means to celebrate the painting museum's bicentennial.



Soundbars with Harman Kardon technology

We launched the Q90, Q70 and Q60 models onto the market featuring Harman Kardon quality and technology certification to provide the **very best sound quality** as well as smart compatibility.



APPS



Vodafone TV. Samsung Smart TV users who are Vodafone TV customers can now enjoy this app which gives access to complete series, thousands of films and a long list of on-demand content.



DAZN. The sports channel and Samsung presented the TV app that offers the possibility of viewing live and à-la-carte content from two devices at the same time.



LaLigaSportsTV. As part of our strategic partnership with La Liga, we presented this app for mobile phones, tablets and as an exclusive for Samsung Smart TVs.

In 2019, we also launched **Planet Horror**, dedicated to horror films as well as **À Punt Mèdia**, which offers all the content available from the Valencian-based channel À Punt.

HOME APPLIANCES

All-new kitchen range

The new offering in household appliances has arrived to complete the Samsung kitchen line:



Family Hub™ Refrigerator™. Interactive and smart, it can be connected to other devices in the home such as a washing machine, TV or mobile phone via Wi-Fi to see the contents anywhere you are. It features the Twin Cooling Plus refrigeration system as well as Precise Cooling and Metal Cooling technologies for better food preservation in addition to a 21.5 inch touchscreen with speakers to enjoy music and video.



Oven Dual Cook Flex™. It allows consumers to cook in less time with immense energy savings

due to the two separate cooking compartments enabling time and temperature adjustments. It features the Auto Cook and Steam Clean functions in addition to 75 litres in capacity.



Placa Dual Flex Zone Plus™. The multi-purpose surface makes cooking easier as a greater variety of pots and pans can be used as far as size and shape. The burners can be monitored using the SmartThings™ app. The hob includes an **all-new sloped decorative hood**, with a LED panel for easier settings control and a self-sensor that regulates the speed of the fan as needed.



VISUAL DISPLAY

The Wall 8K

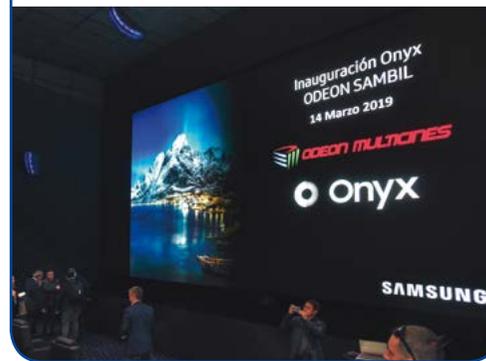


We presented a **292 inch 8K version** of The Wall, a modular large-size screen that is configurable and customizable with a large variety of sizes and ratios.

Onyx Cinema LED

Odeon Multicines already has the **first Samsung Onyx Cinema LED screens in Spain** in their theatres in Leganés (Madrid) and Seville.

The model installed combines 4K resolution, supports HDR content and has a maximum shine level of 146fL, for a spectacular image.



Space Monitor and CRG5



The all-new Space Monitor stands out due to its **elegant design and functionality**, but also because of its high performance and generous features. The 27-inch model offers QHD resolution while the 32-inch model presents content in 4K UHD. On the other hand, the CRG5 is our most



recent curved gaming monitor. It provides a powerful combination of an **ultra-rapid refresh rate** at 240Hz, which is pioneer in the sector, with a 27-inch curved NVIDIA G-SYNC screen. This model was added to other gaming screen innovations such as our Space Gaming Monitor (SR75Q) and the 49" Super Ultra-Wide CRG9.

Flip 2

The **new version of our interactive digital flip chart** simplifies workspace by offering a large number of possibilities for generating and sharing ideas at meetings. It features an Ultra HD screen with a 6.8 millisecond response time for fluid writing in a variety of styles and colours without delay.



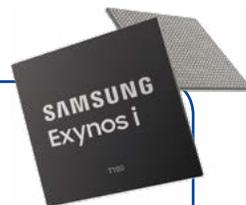
OTHER BUSINESS

V-NAND SSD Memory Devices

The launch of the all-new 250GB SATAIII Solid State Drive (SSD) which includes the sixth-generation of 256 GB Samsung V-NAND for PC manufacturers confirms our **leadership in storage technology**. It provides the highest transfer speed in the industry, taking the 3D Memory market to new heights.

Exynos i T100

The new Internet of Things (IoT) solution featuring a **processor and memory in a single chip** is compatible with Bluetooth Low Energy and Zigbee protocols.



OTHERS (TBC)

Samsung Experience Store Valencia

El Corte Inglés on Colón in Valencia already has a Samsung Experience Store. This **experimental area allows interaction with our technology** to demonstrate all the possibilities offered by the latest Samsung products in the market. It's the third store of this kind following openings in Madrid and Bilbao.

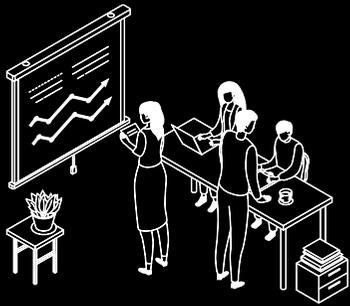


Samsung Galaxy Studio

Barcelona hosted the second edition of this event dedicated to **the Galaxy experience**, with excellent attendance numbers and visits by artists and influencers of the likes of Fortfast, Héctor Merienda, Beauty Brain, Delantero 09 and Rebeca Khamlichi, who was responsible for designing and painting the fantastic photocall.



DRIVING SOCIETY TECHNOLOGY WITH PURPOSE



EDUCATION

With our technology, we've been able to democratize education and training as two essential tools for societal progress by facilitating learning and equal opportunities.

At Samsung, we develop products and services in an effort to improve people's lives and break barriers with technology. This commitment is present in all the actions and initiatives we carry out for the ultimate purpose of improving society. And we do this in areas as important as education and culture, accessibility and wellbeing as well as entrepreneurship and employability, always seeking partnerships with public administrations and the corresponding institutions to make an even greater impact and benefit the largest number of people.



SDG at School

This initiative combined our corporate volunteer program with an educational activity for schools. Specifically, primary school teachers in the Autonomous Region of Madrid were trained to work with students and **teach them about the Sustainable Development Goals (SDGs)** and why their contributions are so important. In 2019, we donated 3,000 "SDG at School" kits to reach all schools in the Autonomous Region of Madrid.

Empathy as a Subject

Developed in collaboration with the Spanish Ministry of Education and Vocational Training, this project aims to **spread awareness and try to reduce bullying** by getting students involved in resolving the problem. Over 22,000 secondary students from all over Spain have already participated in the program.

Samsung Smart School

At Samsung, we know technology plays a fundamental role in 21st century education by offering opportunities that foster learning and, as a result, knowledge acquisition. This is the context in which we came up with Samsung Smart School, a program we developed in conjunction with the Spanish Ministry of Education and Vocational Training and the regional education ministries in 17 autonomous regions. The aim is to **include technology in classrooms as an integrating element to channel a change in methodology** so we may get children ready for tomorrow's challenges. Since it was begun five years ago, the initiative has focused on public schools in areas at risk of a digital gap, isolated areas and other urban areas with a high level of immigration and unemployment. It has already been implemented at a total of 108 schools with more than 4,000 participating students.



Great Teachers

Along with the Atresmedia Foundation and Santillana, we wanted to join efforts to **pay homage to teachers** by celebrating the annual Great Teachers event. It's an event where teachers are the stars and emphasis is placed on their work as essential stakeholders in societal change. The objective is to spread their enthusiasm and passion for teaching so as to improve the education system. Along these same lines, **'Great Teachers, Great Initiatives' awards** are granted in recognition and to bring visibility for the best teaching practices and schools in Spain.

Unexpected Auditors and Future Professions Campaign

Due to the success of the Samsung Smart School project, we launched two communication campaigns to gain visibility and disseminate the project. Through 'Unexpected Auditors', Finnish students from one of our partner schools **evaluated the Samsung Smart School system for three days** at the public school CRA Villayón (Asturias). To do so, they had to join the classes, pay attention to all the details and score all the sections on the audit. We encourage you to have a look at the results!

Following this first campaign, we developed 'Future Professions' after conducting a study along with IPSOS on the **professional aspirations of students aged 15-18 for the future**. Did you know that 85% of all 2030 professions still have not been invented? Our Smart School students already know jobs will be quite different in the future thanks to technology. With this initiative, we spent time with them in the classroom to find out how they imagine it all.

CULTURE

Since 2013, we've been supporting Spanish culture with more than seven million euros for all sorts of initiatives. Our support and contributions to their development to enrich society is absolutely clear.



Prado Museum

Our relationship with the main Spanish painting museum began in 2013 and will continue until 2021 following the **renewal of our collaboration agreement**. This public/private alliance is an opportunity to continue improving the experience in and outside the museum by **developing interactive multimedia projects**. One example is **the integration of Bixby**, the Samsung Artificial Intelligence assistant who offers visitors information on timetables, prices and ticket types, memberships and custom itineraries based on their available time.

Our collaboration in the area of education is reflected in **"Prado for All, a program of activities that are accessible for schools groups and organizations linked to diversity**. More than a thousand enjoy initiatives such as 'Sui Géneris. Art, Advertising and Stereotypes' which aims to use the museum collections to explore the way in which art has created and perpetuated certain gender stereotypes such as women as objects, mothers and wives or men who are strong, powerful and well-educated. Another outstanding activity is 'I Love You in Painting', which suggests a look at the work of artists such as Tiziano, Rubens and Velázquez to understand them first as people and then gaining more insight into their personal lives and emotions through paintings they made to immortalize loved ones.

On the occasion of the **museum's bicentennial**, the Prado Museum digital gallery available on our TV **The Frame was expanded from 37 to 48 works of art**. The 11 new exclusive pieces highlight famous paintings in art history such as Granada and The 'Riva degli Schiavoni' in Venice by Martín Rico y Ortega; Saint Michael by Miguel Ximénez, and The Virgin with the Pomegranate by Fra Angelico, among others.



National Archaeological Museum

2019 also saw the **integration of Bixby** in this museum with which we've had an agreement to **collaborate since 2016**. During this time, we've helped renovate the institution by providing several mobile devices, digital content and virtual reality technology in an effort to transform the visitor experience in and outside the museum.

Particularly standing out is the **'MAN Virtual Classroom' app, a pedagogical tool for teachers and students** which enables access from classrooms to exclusive content along with additional all-new information prepared for the museum. There are two different modes of use for students: one with which they may access more than 20 itineraries prepared by the museum (with **more than 3,000 illustrations and 2,000 archaeology objects** adapted to different education levels) and another to visit the museum following a specific teacher-designed route for each class.

Royal Theatre

We're the technology partners for this institution which took one more step in 2019 towards innovation and technology by integrating Bixby to offer users complete information on all performances. Through our collaboration with the Royal Theatre, we've also set up digital tools such as the **'Royal Theatre VR' and 'My Opera Player' apps** for a real evolution on the 'Digital Box Seat' that previously offered access to the theatre's major operas via Samsung Smart TV. This app is one more example of our **collaboration since 2015** aimed at bringing culture closer to Spanish society, on the one hand, and encouraging digitization in art institutions on the other.



Book Fair

For the seventh year running, we again participated in 2019 as a **technology partner for this international publishing event** and the most important cultural gathering in Spain. We carried out a complete schedule of educational, entertainment and cultural activities at the Samsung Pavilion for all audiences and always connected to education.

Thyssen Bornemisza Museum

We joined forces with this institution to expand the horizons of art through technology. Thus, our Samsung The Frame was used for the **'Impressionists and Photography' exhibit**. With six of the pieces presented in this exhibit, the Museum has now also become **a part of the Art Gallery included in The Frame** already featuring work from some of the most prestigious museums and galleries in the world.



ACCESSIBILITY AND WELLBEING

We're breaking barriers with our innovations to achieve universal access to technology and enhance people's lives.

UN DÍA LIBRE PARA QUE
NUNCA FALTES A UNA
REVISION MEDICA

¡ÚNETE
A
ESTOY EN UN
TIEMPO PUEDE
RAJAR MICHAS
VEJAS



FECMA

We've been collaborating with the Spanish Breast Cancer Federation (FECMA) for 11 years now, offering **support for research and social awareness** of this disease. In 2019, we created an unprecedented initiative in Spain known as **Day Off for a Check-Up** to emphasize the importance of prevention. This project has made us the first company to give employees a day off to undergo any check-ups with doctors or specialists they've been recommended.

Technology for All

Throughout our specific accessibility webpage (www.samsung.com/es/accesibilidad), we offer users information on the characteristics and features of our smartphones. They may find various resources in several categories –vision, hearing, skills and interaction and voice– so the people with disabilities can take maximum advantage of all the options Samsung includes in its mobile devices.



We make our Annual Report accessible

In line with our commitment to bringing technology closer to those with disabilities, **we've made our 2019 Annual Report accessible** with a digital Spanish-language version (PDF). In other words, it's been designed so the content can be read by the largest number of people possible including those with some type of disability or difficulty with reading and comprehension.

EMPLOYABILITY AND ENTREPRENEURSHIP

We encourage entrepreneurship and improve access to the job market using technology.



Samsung DEV Spain

In 2019, we successfully held the **tenth edition** of Samsung DEV Spain, the annual gathering for the Spanish Samsung community of developers. The event was an opportunity for professionals and renowned international and Spanish experts to discuss new challenges in technology. Plus, those attending had the chance to learn and find out about all the new developments in the most outstanding technologies today such as Blockchain, Artificial Intelligence and Bixby capsules. **The Samsung DEV Spain community currently has more than 6,000 registered members** from all over Spain.

Samsung DesArrolladoras

We ran the second edition of the program Samsung DesArrolladoras in 2019. **It's a free programming course for women** that offers training in technologies such as Big Data, Artificial Intelligence and web programming. The aim is to enhance their skills and **help them enter the job market**.

The success of the pilot program encouraged us to organize a new opportunity in 2019 with more content and including different training levels. To do so, we joined forces with Bejob, a Santillana Group company with expertise in training. Samsung DesArrolladoras, therefore, made it possible this year for more than 1,000 women to get free training without needing any prior programming knowledge.



Samsung Tech Institute

Our new technologies training project is designed to **foster learning and enhance the employability of young people** in Spain. Focusing on people aged 18-25 looking for a job, Samsung Tech Institute works to offer new opportunities to future professionals and make a high-tech qualified job force available to companies capable of adapting to the new needs in the job market. Over the last six years, the program has trained **more than 2,000 students with a 45% employability rate**.

EQUALITY

#YaNoHayExcusas

This initiative aims to spread awareness for **equal distribution of household work** through creativity and participation to eradicate any arguments justifying inequality in this context.



#Femtástica

This movement, which was created in collaboration with Fad (a drug addiction assistance foundation) aims to **highlight female talent and give a voice to women** in areas where they've traditionally been invisible such as women who work in the tech sector as well as entertainment. Thus, #Femtástica brings together a community of leaders who use their own experience to **inspire many other women** that they can do anything they wish.

OTHER COLLABORATION

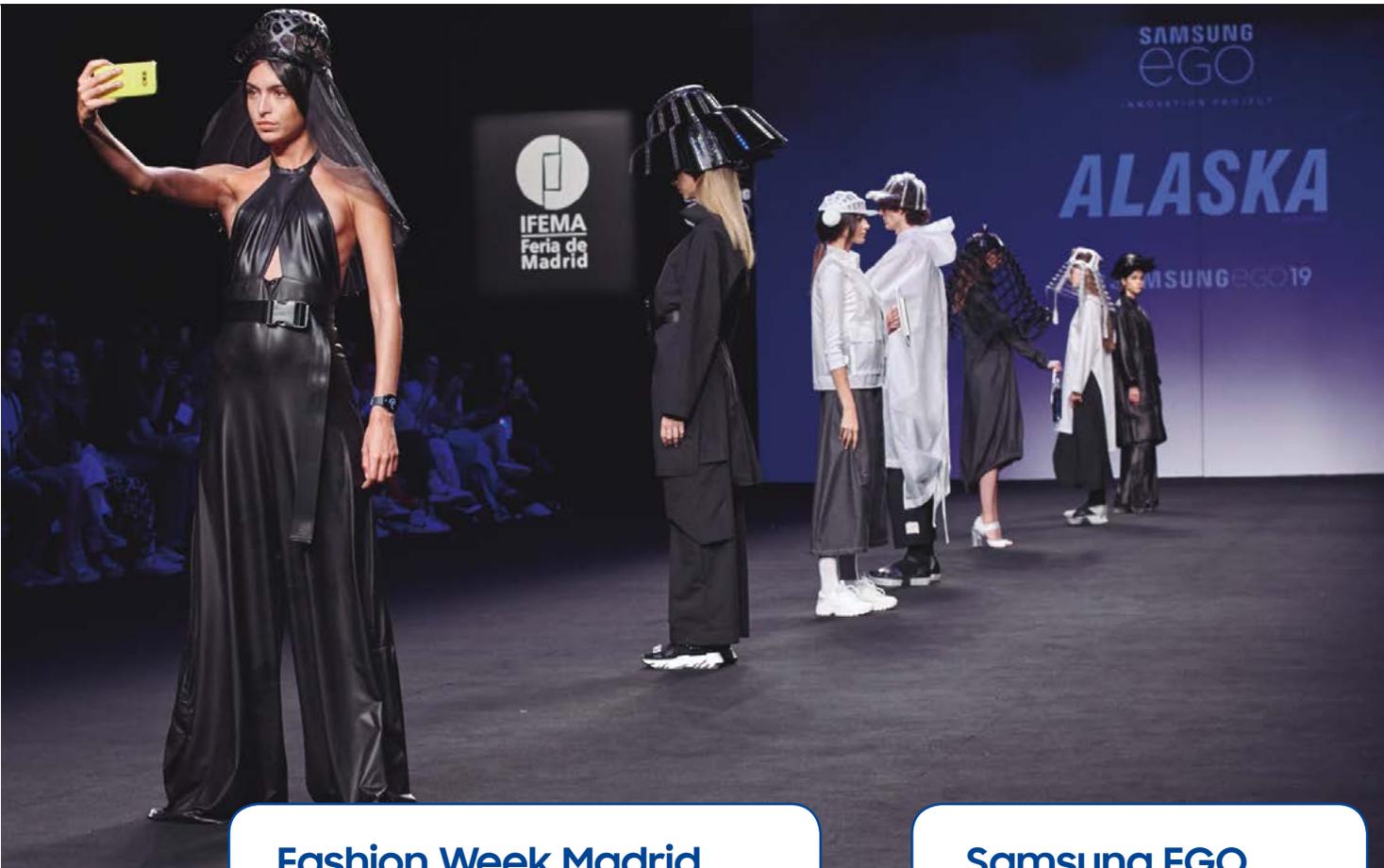
Mutua Madrid Open

For the eighth consecutive year, we were once again an **Official Sponsor** of the Mutua Madrid Open tennis tournament in 2019. **Our brand was present in premium positions** on the court such as on the ball boys' and girls' uniforms designed by 'Outsiders Division' (the winners of the 'Mercedes Benz Fashion Talent' at 'Samsung Ego') and behind the players' benches. We also had several spaces for those in attendance to be able to try out unique Samsung experiences.



The Red Cross

In line with our commitment to society, we participated in the Red Cross campaign '**Smiles for Toys**' to raise funds to **purchase toys for girls and boys in situations of need**. **Our more than 60 customer service centres and more than 260 repair specialists got involved in promoting the initiative, allowing more than 600 families to enjoy some toys last Christmas.**



Fashion Week Madrid

Once again, we continued supporting the fashion world and were present at MBFWMadrid, one of the most important events in the country. With help from young designers and emerging talents, **we took Samsung technology and products to the runway**, turning them into elements of fashion and design.

Samsung EGO

This competition, which has already been held 11 times, allows us to **support and promote the work of young talents in fashion** who integrate technology in their creations. The winner in 2019 was Barcelona native Betiana Pavón for her project Desconstructive Heads.

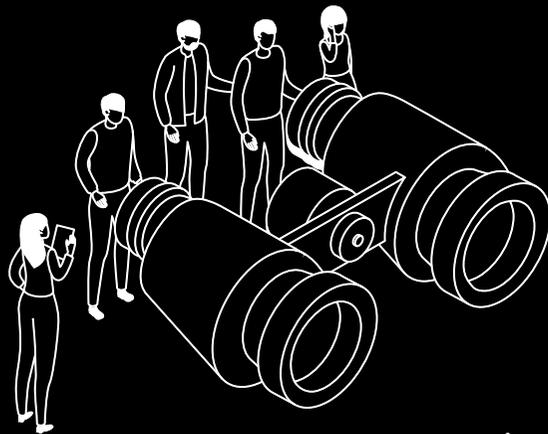
Charity 'Rewards'

Our Samsung Pay service makes **charity campaigns to help those most in need** available to mobile payment users so people can exchange their points with donations to foundations, NGOs...

A campaign was carried out in 2019 with Prodis Foundation to promote the sale of a promotional gift produced by people with disabilities who work at the foundation's special employment centre (ProdArtis). An action was also implemented with Aldeas Infantiles through which people could exchange their points for Christmas toys so no child would be left without one.



CHALLENGES FOR THE FUTURE



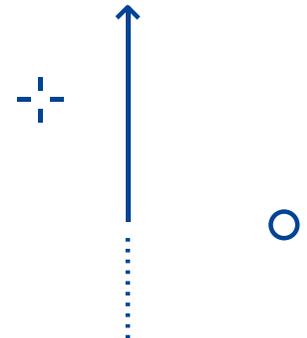
2020 is an incredibly special year for Samsung in Spain as we're celebrating 30 years in this country. At Samsung, we'll be putting all our efforts into contributing to society as best we can through innovation. In 2020, we're working on:

↳ Making progress with our vision of a connected world by developing innovative technologies like **5G, Artificial Intelligence and IoT**

⊕
○

↳ As far as screens, committing to **8K** and **flexible displays** to offer the best user experience

↳ Working on **connected homes** to make people's day-to-day easier and offer users unique and immersive experiences with cutting edge innovations adapted to each consumer



Taking the conversation of thinking about **Security** both publicly and privately to the highest level

Contributing our **technology Education** to help teachers and students develop digital skills and competencies

Continuing to fulfil our environmental responsibilities by not only working on managing the environmental impact of our products but also by developing **ecological packaging** to be more and more sustainable so as to reduce our carbon footprint

Encouraging entrepreneurship, talent, innovation and equality through projects like **DesArrolladoras**, which has already trained more than **1,000 women** in ICT

Offering **"Technology with Purpose"**

We'll continue to inspire the world to create the future





SAMSUNG