



## **Samsung Introduces Measures to Enhance Transparency in Financial Donations**

**Seoul, Korea – Feb. 24, 2017** – Samsung Electronics Co., Ltd., today announced a series of measures to bring greater transparency and accountability in managing financial donations and monetary support for corporate social responsibility (CSR)-related activities and funds.

The measures are aimed at strengthening the review and approval process for donations and payments to CSR projects. The company will also enhance the review of how these projects are being executed.

### **Board Approval for Donations Over 1 Billion Won**

All financial donations and CSR funding amounting to more than 1 billion won will require the approval from the company's Board of Directors.

This is to enhance the transparency of the management of such donations and funds and to strengthen the compliance by requiring the approval of the Board, which is comprised of a majority of outside directors.

To date, the company only required board approval for endowments that were more than 0.5% of the company's shareholder equity. Currently, 0.5% of the shareholder equity is approximately 680 billion won.

### **Public Disclosure of the Resolution**

Samsung Electronics will disclose details of the financial donations and CSR funding agreed at the Board of Directors through the DART – the electronic disclosure system operated by the Financial Supervisory Service.

Related details will also be made available in quarterly business reports, as well as the annual sustainability report.

### **Establishment of the Review Council for Preliminary Review**

In order to strengthen the preliminary review process, Samsung Electronics will establish a Review Council comprised of the head executives of legal, financial, human resources and communication departments. The council will meet once a week to review the proposed projects.

Any financial donation or CSR funding amounting to more than 10 million won will be subject to review, and will be transferred to the next process only after approval from the Review Council.

### **Quarterly Review of Project Execution**

The operation of approved financial donations and CSR funding will be reviewed every quarter not only by the Review Council and the management, but also the audit committee of the Board of Directors.

The review by the Board's audit committee, comprised solely of outside directors, will help toward improving transparency related to the execution of financial donations and CSR funding.

**About Samsung Electronics Co., Ltd.**

Samsung Electronics Co., Ltd. inspires the world and shapes the future with transformative ideas and technologies. The company is redefining the worlds of TVs, smartphones, wearable devices, tablets, cameras, digital appliances, medical equipment, network systems, and semiconductor and LED solutions. For the latest news, please visit Samsung Newsroom at <http://news.samsung.com>.