

# **SAMSUNG**

## **Corporate Governance Report FY2023**

**SAMSUNG ELECTRONICS Co., Ltd.**

The Company has prepared this report in accordance with Article 24-2 of the Enforcement Decree of Disclosure Regulations in Securities Markets to provide investors with information regarding the Company's corporate governance. The information in this report is based on the corporate governance status as of December 31, 2023, and changes that occurred as of the reporting date are separately stated. Activities related to corporate governance are from January 1, 2023, to December 31, 2023. If the Korea Stock Exchange guidelines have set a specific period of time for certain information, the information is based on that period. The information for "Core Principle" and "Specific Principle" included in this report is based on the guideline set forth by the Korea Exchange.

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- Company name: Samsung Electronics Co., Ltd. (SEC)
- Reporting period: Jan 1, 2023–Dec 31, 2023
- Base date: Dec 31, 2023
- Report supervisor: EVP Daniel Oh, Head of IR Team  
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- Company outline

The major shareholder and others	Samsung Life Insurance and 14 others (including affiliates and foundations established with SEC contributions)	Portion of shares owned by major shareholders, etc.	20.70%
		Portion of shares owned by minority shareholders	67.30%
Category of business (finance/non-finance)	Non-finance	Main products	Electric and electronic products
Belonging to enterprise group in accordance with the Monopoly Regulation and Fair Trade Act	Yes	Subject to Act on the Management of Public Institutions	No
Name of enterprise group	Samsung		
Financial information highlights(KRW mil)			
	FY2023	FY2022	FY2021
Consolidated revenue	258,935,494	302,231,360	279,604,799
Consolidated operating profit	6,566,976	43,376,630	51,633,856
Consolidated net profit	15,487,100	55,654,077	39,907,450
Consolidated total assets	455,905,980	448,424,507	426,621,158
Separate total assets	296,857,289	260,083,750	251,112,184

## ■ Compliance of Corporate Governance Key Indices

Key Indices	Key Indices
① Convocation notice 4 weeks prior to the AGM*	O
② Electronic Voting*	O
③ Avoiding the date of general meeting concentration*	O
④ Providing predictability regarding cash dividends	X
⑤ Notice of dividend policy and plans to shareholders once or more a year**	O
⑥ Establishment and operation of succession plan of the CEO (emergency appointment policy included)	O
⑦ Establishment and operation of internal control policy	O
⑧ Whether an independent director is appointed as the chairperson of the board of directors.	O
⑨ Adoption of cumulative voting system	X
⑩ Establishment of a policy to prevent appointment of a Director who is accountable for damage to corporate value or infringement upon shareholder rights	O
⑪ The Board of Directors has gender diversity	O
⑫ Establishment of an internal audit team (support team for internal audit tasks)	O
⑬ Existence of an accounting expert in the Audit Committee	O
⑭ Meeting of the Audit Committee and the external auditor without the presence of the management once or more a quarter **	O
⑮ Procedure that allows access of the Audit Committee to important business matters	O

As of the disclosure date (May 31, 2024)

\*As of the most recent AGM.

\*\*In 2023.

## 1. Corporate Governance General Policy

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### (1) Operating direction and key considerations of corporate governance policy

Aiming to be a global leader that grows along with people and local communities, Samsung Electronics Co., Ltd. (the Company) operates with a philosophy that states: “We will devote our human resources and technology to create superior products and services, thereby contributing to a better global society.” Our corporate governance system is operated transparently and in accordance with laws and principles, and it forms the foundation of Company management.

The members of the Board of Directors (the Board) are elected by resolution at a general meeting of shareholders and consist of 4 Executive Directors and 6 Independent Directors as of the reporting date. The Board recommends the most suitable candidates for Executive Directors from among the Company’s management; and the Independent Director Recommendation Committee, which consists entirely of Independent Directors, recommends candidates for Independent Director via a separate procedure to ensure a more deliberate and objective consideration. Shareholders are provided with detailed information on the candidates prior to the annual general meeting (AGM) via the convocation notice/letter and the AGM reference material. During the AGM, candidates are elected through deliberation and voting, with shareholder approval.

The Board is structured in a way that ensures it makes independent decisions and judgements to promote Company growth and shareholder rights and interests. In order to enhance independence, Independent Directors comprise the majority of the Board and operate committees composed solely of Independent Directors to ensure candid and objective discussions.

We have been working continually to improve our governance: revisions to the Company’s Articles of Incorporation and regulations of the Board of Directors in March 2016 separated the roles of Board Chair and CEO. Accordingly, in March 2018, the Board elected Director Sang-hoon Lee, who was not a CEO, as a Chair. To further enhance the independence and transparency of the Board, Independent Director Jae-wan Park took the role as Board Chair in March 2020 and was succeeded by Independent Director Han-jo Kim in March 2022. This enabled Executive Directors to focus more on management activities and to strengthen the Board’s oversight of management.

Meanwhile, we have strengthened our institutional system, allowing us to avoid conflicts of interest and prevent self-interests from influencing Board decisions. Article 398 of the Commercial Act limits transactions between a Director and the Company, and, in accordance with Article 9 of the Regulations of the Board of Directors, a Director is prohibited from exercising voting rights in cases where he or she has a special interest in or even a possibility of a conflict of interest with the Company.

In a rapidly changing business environment, Directors need to have a high level of expertise, business capacity, leadership, and experience as the Board is constantly required to make strategic decisions. The Company’s mainstay business Divisions—Device eXperience (DX) and Device Solutions (DS)—are each headed by a leading professional in the relevant field, and as of reporting date, President Jong-hee Han participates on the Board and practices responsible management as CEO. In 2022, along with the CEOs, President and Head of Mobile eXperience (MX) Business Tae-moon Roh, President and CFO Hark-kyu Park, and President and Head of Memory Business Jung-bae Lee were appointed as Executive Directors based on their expertise and management and leadership capabilities. The Board needs diverse perspectives in order to make broad decisions. Independent Directors leverage their expertise and skills from various fields—such as finance, law, IT, ESG, investment, environment, energy, and international trade—to contribute to the Board’s informed and objective decision-making process.

Detailed information regarding our corporate governance is available on our website (<https://www.samsung.com/global/ir>) and in our business reports (<https://www.samsung.com/global/ir/reports-disclosures/business-report/>).

## (2) Our distinct corporate governance

### A. Ensuring responsible management through the participation of business representatives on the Board

In the rapidly changing IT industry, prompt and strategic decision making is required to remain competitive. Under such an environment, the Company needs Directors who have a high-level of expertise and fully understand our businesses. Accordingly, the Board appoints the heads of the DX Division and the DS Division as Executive Directors to participate in the decision-making process. Having expert, highly-experienced key executives from each business on the Board enables a comprehensive and long-term approach to decision making, and with heads of the business divisions taking CEO positions, we are practicing responsible management.

### B. Enhancing the Board's efficiency through the delegation of authorities

The Board makes resolutions on matters provided for by the relevant laws and regulations or the Articles of Incorporation, matters delegated by a general meeting of shareholders, as well as on important matters concerning basic policies and execution of the Company's business. While some matters require the review and resolution of the entire Board, others can be reviewed more efficiently by committees of the Board boasting high independency and expertise in relevant fields. The Board has delegated specific responsibilities to 6 committees, in accordance with Article 28-2–28-8 of the Articles of Incorporation and Article 11-2 of the Regulations of the Board of Directors, in order to enhance its operational efficiency. Agendas approved by committees of the Board are immediately reported to all Directors, and if deemed necessary, each Director may request the Chair to call for a board meeting to put the resolutions approved by the committee (excluding the Audit Committee) forward for a vote at a meeting of the Board.

### C. Improving supervision via committees composed of a majority of Independent Directors

As the IT industry continues to evolve, the Board constantly faces increasingly complex and varied managerial matters. In response, the Board voluntarily established the Related Party Transactions Committee, Compensation Committee, and Sustainability Committee to enhance its supervisory role in each field. These committees consist entirely of Independent Directors, and they make independent and objective decisions and expand their responsibility to supervise management from a diverse perspective. In particular, the CSR Committee (currently the Sustainability Committee) commissioned research groups (e.g., Corporate Ecosystem Development Research Group, Environmental Safety Research Group) led by Independent Directors to collaborate with outside experts to provide the Company with applicable advice. The CSR(Corporate Social Responsibility) Committee in April 2017 was reorganized and expanded to the Governance Committee to further fulfill the role of reviewing matters related to enhancing shareholder value. In July 2021, the Committee was reorganized and expanded once again, with the resultant Sustainability Committee tasked with strengthening the Board's role in sustainability management, including ESG. The Board will continue its efforts to find new ways to further enhance the Company.

## 2. Shareholders

(Core Principle 1) Shareholders should have timely access to all information that is necessary to exercise their rights in a legitimate process. Shareholders should have timely access to all information that is necessary to exercise their rights in a legitimate process.

(Specific Principle 1-1) Corporations should provide timely access to information for shareholders concerning the date, location, agenda, etc., of general meetings prior to the meeting.

### (1) General meeting of shareholders

The 55<sup>th</sup> (Jan 1, 2023–Dec 31, 2023) AGM took place at 09:00 on March 20, 2024, in Suwon (where the Company's headquarters is located) at the Suwon Convention Center. Agenda items at the AGM included: the approval of audited financial statements for FY2023, including Statements of Financial Position, Statements of Profit or Loss, Statements of Appropriation of Retained Earnings; the election of Je-yoon Shin as Independent Director; the election of Hye-kyung Cho as Independent Director for Audit Committee Member; the approval of director remuneration limit; and the approval of amendments to the Articles of Incorporation, all of which were approved as submitted.

The 54<sup>th</sup> Annual General Meeting of Shareholders (AGM) took place at am 9:00 on March 15, 2023 in Suwon (where the Company's headquarters is located) at the Suwon Convention Center. Agenda items at the AGM included the approval of 2022 financial statements, appointment of Executive Directors Jong-hee Han, and approval of remuneration limit for Directors, all of which were approved as submitted. The Company discloses general information regarding the AGM, including the date, location, and agenda items, on the electronic disclosure system of the Financial Supervisory Service (FSS) at least 4 weeks prior to the meeting to allow shareholders to fully review the agenda before exercising their voting rights. Previously, the AGM convocation notice had been sent to all shareholders in written form 2 weeks prior to the AGM. Starting from the 53<sup>rd</sup> AGM, the Company, pursuant to Article 542-4 of the Commercial Act and Article 17-3 of the Articles of Incorporation, disclosed the convocation notice on electronic disclosure system for shareholders holding less than 1% of the total issued shares with voting rights; and sent the convocation letter at least 2 weeks prior to the AGM for shareholders holding more than 1% of the total issued shares. In addition, in accordance with the revised Enforcement Decree of the Commercial Act, Business Report and Auditor's Report are updated at least 1 week prior to the AGM on the DART system and on the IR website.

Thus, we provide our shareholders with detailed information to enhance their understanding of the AGM agenda. For the 55<sup>th</sup> AGM, the information was offered via convocation notice 4 weeks prior to the AGM to allow shareholders to fully review the agenda.

#### <General meetings>

	Date of resolution on convocation	Date of convocation notice	Date of meeting	Days between convocation notice and AGM	Location of meeting	Reference material delivery method
The 55th AGM	Feb 20, 2024	Feb 20, 2024	Mar 20, 2024	29 days	Convention Hall (3F)/Exhibition Hall (1F), Suwon Convention Center, Suwon, Gyeonggi Province	Convocation notice on electronic disclosure system, convocation letter (sent out to shareholders who hold more than 1% of the shares outstanding), etc.
The 54th AGM	Feb 14, 2023	Feb 14, 2023	Mar 15, 2023	29 days	Convention Hall (3F)/Exhibition Hall (1F), Suwon Convention Center, Suwon, Gyeonggi Province	Convocation notice on electronic disclosure system, convocation letter (sent out to shareholders who hold more than 1% of the shares outstanding), etc.

	Notice method for non-Korean shareholders	Board members present	Audit Committee members present	Shareholder remarks
The 55th AGM	IR English website, English disclosure at respective websites for the Korea Exchange, London Stock Exchange, and Luxembourg Stock Exchange	11 of 11	3 of 3	<ul style="list-style-type: none"> <li>• 11 retail shareholders commented</li> <li>• Key remarks <ul style="list-style-type: none"> <li>- Question on operational performance and dividend policy</li> <li>- Question on measures to enhance shareholder value</li> <li>- Question on business competitiveness</li> <li>- Question on the reasons for recommending Independent Director candidates</li> <li>- Question on the recommendation of the candidate for Audit Committee member</li> <li>- Question on details of Director remuneration limit</li> <li>- Question on the reasons for amendments to the Articles of Incorporation and details of the changes</li> </ul> </li> <li>* A separate event was held for a dialogue with shareholders</li> </ul>
The 54th AGM	IR English website, English disclosure at respective websites for the Korea Exchange, London Stock Exchange, and Luxembourg Stock Exchange	10 of 11	3 of 3	<ul style="list-style-type: none"> <li>• 16 retail shareholders commented</li> <li>• Key remarks <ul style="list-style-type: none"> <li>- Question on operational performance and dividend policy</li> <li>- Question on measures to enhance shareholder value</li> <li>- Question on business competitiveness</li> <li>- Question on the reasons for recommending Executive Director candidates</li> <li>- Question on details of Director remuneration limit</li> </ul> </li> </ul>

## 2) Shareholder participation

(Specific Principle 1-2) The Company should encourage shareholder participation as much as possible and ensure shareholders can propose their opinions.

### A. Exercising voting rights

For the past 3 years, the date of our AGM has not coincided with general meeting concentration dates to ensure greater participation of our shareholders.

The Company does not allow mail-in voting. However, the Board in January 2020 resolved to adopt electronic voting to enable shareholders to more conveniently exercise their voting rights. Electronic voting has been available from the 51st AGM held in March 2020. In addition, the Company recommends the granting of proxies by distributing letter of attorney via various means—e.g., direct distribution, mail or fax, uploading the letter of attorney on the IR website (<https://www.samsung.com/sec/ir>) and DART (<https://englishdart.fss.or.kr/>) via disclosures of reference material, and sending the letter of attorney through email.

	The 55th AGM	The 54th AGM	The 53rd AGM
General meeting concentration dates	March 22/27/29, 2024	March 24/30/31, 2023	March 25/30/31, 2022
AGM date	March 20, 2024	March 15, 2023	March 16, 2022
Avoided concentration date	Yes	Yes	Yes
Mail-in voting	No	No	No
Electronic voting	Yes	Yes	Yes
Proxy voting solicitation	Yes	Yes	Yes

In the 54th and 55th general meetings, shareholders exercised voting rights directly, by proxy, or by electronic voting. The Company discloses the number of votes for and against each agenda item on the website immediately following the AGM to enhance transparency. The results of the voting are as follows:



<Voting results of agenda items in the 55th AGM>

Agenda item	Type of resolution	Details	Result	Shares with voting rights	Total votes	Shares for	
						Shares against/abstained	
1	Ordinary	Approval of FY23 financial statements, including statement of financial position, income statement, and statement for disposal of retained earnings	Approved	5,365,971,502	4,111,922,032	4,074,974,682 (99.10%)	
							36,947,350 (0.90%)
2	Ordinary	Election of Je-yoon Shin as Independent Director	Approved	5,365,963,684	4,382,978,837	3,835,669,699 (87.51%)	
							547,309,138 (12.49%)
3	Ordinary	Election of Hye-kyung Cho as Independent Director for Audit Committee Member	Approved	5,261,125,912	4,011,001,438	3,965,208,535 (98.86%)	
							45,792,903 (1.14%)
4	Ordinary	Election of Myung-hee Yoo as Audit Committee Member	Approved	5,261,125,912	4,011,001,438	3,722,446,425 (92.81%)	
							288,555,013 (7.19%)
5	Ordinary	Approval of remuneration limit for directors	Approved	5,365,971,502	4,111,921,193	4,087,505,942 (99.41%)	
							24,415,251 (0.59%)
6	Special	Approval of Amendments to the Articles of Incorporation	Approved	5,365,963,684	4,382,978,835	4,374,913,039 (99.82%)	
							8,065,796 (0.18%)

<Voting results of agenda items in the 54th AGM>

Agenda item	Type of resolution	Details	Result	Shares with voting rights	Total votes	Shares for	
						Shares against or abstained	
1	Ordinary	Approval of FY22 financial statements, including statement of financial position, income statement, and statement for disposal of retained earnings	Approved	5,365,951,641	3,935,710,407	3,916,293,020 (99.51%)	
							19,417,387 (0.49%)
2	Ordinary	Appointment of Jong-hee Han as an Executive Director	Approved	5,636,153,919	4,206,567,016	4,103,136,553 (97.54%)	
							103,430,463 (2.46%)
3	Ordinary	Approval of remuneration limit for directors	Approved	5,635,951,641	3,935,716,655	3,906,420,370 (99.26%)	
							29,296,285 (0.74%)

## B. Communication with shareholders on highly opposed or rejected items

There was no highly opposed or rejected agenda items at the AGM held between the start of the reporting period and the report submission date.

## C. Shareholder proposals

N/A

(Specific Principle 1-3) The Company should ensure shareholders can propose general meeting agenda items conveniently. Shareholders should be able to freely ask questions and receive explanations regarding shareholder suggested meeting agendas.

### A. Shareholder right to propose agenda items

In accordance with Article 363-2 and Article 542-6 Paragraph 2 of the Commercial Act, shareholders holding 3% or more of the shares outstanding or shareholders holding 0.5% or more of the shares outstanding (excluding shares not carrying voting rights) over the previous 6 months have the right to propose agenda items for a general meeting of shareholders via written or electronic form at least 6 weeks prior to a shareholders' meeting or 6 weeks prior to the day and month of the previous fiscal year's AGM in the case of an AGM.

Unless the content of a shareholder proposal is against the law or Articles of Incorporation, or it falls under one of the subparagraphs in Article 12 (Rejection of Shareholders' Proposals) of the Enforcement Decree of the Commercial Act, the Board shall include the proposal as part of the AGM agenda to be announced via convocation notice. Upon request by the shareholder, key points of the proposal shall also be included in the convocation notice. At the AGM, the shareholder will be given an opportunity to present the details on the agenda item he or she proposed.

The Board of Directors Office is responsible for tasks related to agenda proposals by shareholders. Once a proposal is submitted, the shareholder will be identified, a legal review will be conducted, and then a letter or electronic notice will be sent to the shareholder to verify submission.

Information on shareholder proposals is available on our website (<https://www.samsung.com/global/ir/governance-csr/general-meeting-of-shareholders/>).

### B. Providing information on shareholder right to propose agenda

The Company strives to protect shareholder rights. As part of Company efforts, the general process for proposing an agenda item is posted on our website to ensure shareholders are well informed of their rights to conveniently express their opinions to management. The right to propose agenda items will continue to be safeguarded: the Company will review all proposals from a legal perspective, follow due process, and if appropriate submit them as an agenda item for the AGM.

### C. Details and implementation of shareholder proposals

There were no shareholder proposals at the AGM

## 4) Shareholder return policy

(Specific Principle 1-4) Corporations should establish a mid- to long-term shareholder return policy and relevant plans, which includes those for dividends, and provide the information to shareholders.

### A. Shareholder return policy and relevant plans

In addition to strengthening our product and business competitiveness, we work to enhance shareholder value via shareholder returns. In October 2017, we announced our shareholder return program for the coming 3-year period (i.e., 2018–2020), thus increasing predictability of the scale of our shareholder return activities. Under this policy, we returned 50% of our total free cash flow for the 3-year period, which included regular dividends of KRW 28.9 trillion (KRW 9.6 trillion/year) and a special dividend of KRW 10.7 trillion that was paid out with the end-year dividend for 2020. Regarding our shareholder return program for FY2021–2023, we returned KRW 9.8 trillion annually in regular dividends as a part of a total return of 50% of 3-year free cash flow. In January 2024, the Company announced the shareholder return program covering FY2024–

2026, which will maintain the terms of the previous policy by paying an annual regular dividend of 9.8 trillion won as a part of total shareholder return of 50% of the free cash flow for the 3-year period. At the close of each year, we will consider executing an early return of capital beyond regular dividends if we forecast the potential for a significant surplus. Also, we will consider implementing a new policy flexibly before the expiration of the current policy in consideration of M&A activities and cash positions.

For reference, the Company started distributing quarterly dividends from 1Q17 to enhance shareholder value by providing a consistent amount of dividends throughout the year.

### B. Information on shareholder return policy

When establishing return policies, distributing dividends, or repurchasing shares, we immediately disclose the information to our shareholders and also provide details via earnings calls and our website. Additionally, we provide information on shareholder return by uploading the Letter to Shareholders on the IR website, and shareholders can conveniently check their dividends on a dividend-check service, which can be accessed via the Company's mobile app.

We are working to ensure that shareholders are well informed on our shareholder return policy, which aligns with our efforts to protect shareholder rights. The Company will continue to do our best to keep shareholders up-to-date.

### C. Predictability on dividends by deciding before the dividend record date

Since 2017, the Board has been determining and disclosing shareholder return policies on a 3-year cycle, providing our shareholders with information on shareholder returns. We distribute end-year dividends, based on the fiscal closing date, as well as quarterly dividends, based on the end of the quarter, as specified in the Commercial Act and the Capital Markets Act, respectively. Regarding quarterly dividends, the Capital Markets Act mandates that decisions on quarterly dividends are to be made by the Board following the record date, and this regulation has not been revised, unlike the relevant parts of the Commercial Act. The Capital Markets Act have also not been amended. As a result, we have been unable to provide our shareholders with full predictability regarding dividend payouts.

Month of quarterly dividend	Year-end dividend	Dividend record Date	Dividend confirmation date	Dividend predictability
Mar 2024	X	Mar 31, 2024	Apr 30, 2024	X
Dec 2023	O	Dec 31, 2023	Jan 31, 2024	X
Sep 2023	X	Sep 30, 2023	Oct 31, 2023	X
Jun 2023	X	Jun 30, 2023	Jul 27, 2023	X
Mar 202	X	Mar 31, 2023	Apr 27, 2023	X

An amendment to the Capital Markets Act concerning quarterly dividends would prompt us to revise the Company's Articles of Incorporation concerning end-year and quarterly dividends, enabling us to provide shareholders with predictability regarding dividends. The Company adopts the terms of the Capital Markets Act on quarterly dividends, so it cannot arbitrarily change the related Articles of Incorporation absent revisions to the Capital Markets Act. Under such conditions, we believe that changing the Articles of Incorporation to determine dividends prior to the record date only for end-year dividends may result in confusion due to the proximity of the end-year and 1Q dividend. Currently, our shareholder return policies are based on 3-year periods and distribute consistent quarterly dividends, thus providing our shareholders with as much predictability as possible. We will further strengthen shareholder predictability by changing the Articles of Incorporation following revisions to the Capital Markets Act regarding quarterly dividends.

## 5) Shareholder return status

(Specific Principle 1-5) Shareholders' rights to receive dividends in accordance with shareholder return policy and relevant plans should be respected.

## A. Dividend payouts

Despite the challenging domestic and global business environment, Samsung paid regular, annual dividends of KRW 9.6 trillion according to the shareholder return policy for the 3-year term from 2018 to 2020. In 2020, the last year of the 3-year term, a special dividend of KRW 10.7 trillion (KRW 1,578 per share) was paid with the end-year dividend for 2020 as part of the policy. Since 2021, we have been distributing regular, annual dividends worth KRW 9.8 trillion in accordance with the policy for the 3-year term from 2021 to 2023. In January 2024, we announced the shareholder return policy for FY2024–2026. The Company will pay an annual regular dividend of KRW 9.8 trillion as a part of total shareholder returns of 50% of the free cash flow for the covered period. At the close of each year, we will consider executing an early return of capital beyond regular dividends if we forecast potential for a significant surplus. We will also consider implementing a new policy flexibly before the expiration of the current policy in consideration of M&A activities and cash positions.

(KRW)

Year	Settlement month	Share type	Stock dividend	Cash dividend				
				Dividend per share	Total dividends	Yield*	Payout ratio	
							Consolidated	Separate
2023	December	Common	-	1,444	8,620,366,002,200	1.9%	67.8%	38.6%
		Preferred	-	1,445	1,189,071,281,500	2.4%		
2022	December	Common	-	1,444	8,620,366,002,200	2.5%	17.9%	38.6%
		Preferred	-	1,445	1,189,071,281,500	2.7%		
2021	December	Common	-	1,444	8,620,366,002,200	1.8%	25.0%	31.7%
		Preferred	-	1,445	1,189,071,281,500	2.0%		

Yield is based on the average closing price of the week prior to 2 days before the date of record.

Excluding dividend payouts, there were no measures implemented by the Company regarding shareholder return.

(Core Principle 2) Equitable treatment of shareholders

■ All shareholders should be provided equal voting rights in accordance with the type and number of their shares. Corporations should make efforts to build a system that makes corporate information available to all shareholders equally.

(Specific Principle 2-1) Shareholders' voting rights should not be violated. Corporations should provide sufficient information in a timely and equal manner to all shareholders.

### 1) Equitable provision of information

#### A. Issued shares and categories of shares

The number of authorized shares in accordance with our Articles of Incorporation is 25 billion, including 5 billion preferred shares. The total number of shares outstanding as of the reporting date was 6,792,669,250, including 5,969,782,550 common shares and 822,886,700 preferred shares. The issuance ratios of common shares and preferred shares are 29.85% and 16.46%, respectively.

Preferred shares do not carry voting rights and receive an annual cash dividend that is 1% higher than common shares do based on face value. If dividends are not distributed for common shares, preferred shares may not receive dividends. In the past 3 years, a general meeting of a specific class of shareholders has not been held as the requirements for convocation have not been met.

Share type	Number of authorized shares	Number of issued shares*	Issuance ratio
Common	20,000,000,000	5,969,782,550	29.85%
Preferred	5,000,000,000	822,886,700	16.46%

\*As of December 31, 2023

## B. Voting rights

We continue to work to ensure our shareholders receive fair treatment and the rights of minority shareholders are protected. The Company adheres to the 1-share-1-vote rule and strives to secure equitable voting rights in accordance with the Commercial Act and relevant laws.

## C. Communication with shareholders

### (i) Investors Relations (IR) events

The Company holds earnings conference calls at the end of January, April, July, and October to report its financial results for the preceding year, first quarter, second quarter and third quarter, respectively. Also, we conduct our Investor Forum at least once a year to help shareholders better understand our business by providing information in areas of high investor interest.

In addition, we continue to engage in and strengthen communication with our shareholders by participating in IR events such as conferences organized by brokerages, investor meetings, etc. Information on IR events is presented below and is also available on our website (<https://www.samsung.com/global/ir/ir-events-presentations/events/>).

Date	Participants	Form	Contents	Note
<b>2024</b>				
May 29-30	Foreign institutional investors	Broker Conference	Business performance and outlook	Citi Conference
May 27	Foreign institutional investors	Broker Conference	Business performance and outlook	UBS Conference
May 23	Domestic institutional investors	Broker Conference	Business performance and outlook	NH Securities Conference
May 22	Foreign institutional investors	Broker Conference	Business performance and outlook	BofA Conference
May 9	Domestic institutional investors	Broker Conference	Business performance and outlook	Samsung Securities Conference
Apr 30–May 2	Domestic institutional investors	NDR	Business performance and outlook	Domestic roadshow
Apr 30	Domestic/foreign institutional investors	Conference call	1Q24 Business results and Q&A	1Q24 earnings release
Mar 21	Foreign institutional investors	Broker Conference	Business performance and outlook	BofA Conference
Mar 19	Foreign institutional investors	Broker Conference	Business performance and outlook	Jefferies Conference
Mar 8	Foreign institutional investors	Broker Conference	Business performance and outlook	Citi Conference
Feb 22	Foreign institutional investors	Broker Conference	Business performance and outlook	JP Morgan Conference
Feb 5–16	Foreign institutional investors	NDR	Business performance and outlook	Overseas roadshow
Jan 31–Feb 2	Domestic institutional investors	NDR	Business performance and outlook	Domestic roadshow
Jan 31	Domestic/foreign institutional investors	Conference call	4Q23 Business results and Q&A	4Q23 earnings release
<b>2023</b>				
Dec 1	Domestic institutional investors	Broker Conference	Business performance and outlook	Yuanta Securities Conference
Nov 22	Domestic institutional investors	Broker Conference	Business performance and outlook	NH Securities Conference
Nov 15–16	Foreign institutional investors	Broker Conference	Business performance and outlook	Morgan Stanley Conference
Nov 14	Foreign institutional investors	Broker Conference	Business performance and outlook	JP Morgan Conference
Nov 13	Domestic/foreign institutional investors	Investors Forum	Business performance and outlook	2023 Investors Forum
Nov 8–10	Foreign institutional investors	NDR	Business performance and outlook	Overseas roadshow
Nov 6–7	Foreign institutional investors	Broker Conference	Business performance and outlook	HSBC Conference

Date	Participants	Form	Contents	Note
Oct 31–Nov 2	Domestic institutional investors	NDR	Business performance and outlook	Domestic roadshow
Oct 31	Domestic/foreign institutional investors	Conference call	3Q23 Business results and Q&A	3Q23 earnings release
Sep 21	Foreign institutional investors	Broker Conference	Business performance and outlook	UBS Conference
Sep 18	Domestic institutional investors	Broker Conference	Business performance and outlook	Kiwoom Securities Conference
Sep 13	Domestic institutional investors	Broker Conference	Business performance and outlook	KB Securities Conference
Sep 11–13	Foreign institutional investors	Broker Conference	Business performance and outlook	CLSA Conference
Sep 7–8	Foreign institutional investors	Broker Conference	Business performance and outlook	Jefferies Conference
Sep 5	Foreign institutional investors	Broker Conference	Business performance and outlook	JP Morgan Conference
Aug 28–31	Domestic institutional investors	Broker Conference	Business performance and outlook	Samsung Securities Conference
Aug 22	Foreign institutional investors	Broker Conference	Business performance and outlook	Korea Investment & Securities Conference
Jul 27–Aug 4	Domestic/foreign institutional investors	NDR	Business performance and outlook	Domestic/Overseas roadshow
Jul 27	Domestic/foreign institutional investors	Conference call	2Q23 Business results and Q&A	2Q23 earnings release
Jun 21–23	Foreign institutional investors	Broker Conference	Business performance and outlook	Macquarie Conference
Jun 14	Domestic institutional investors	Broker Conference	Business performance and outlook	NH Securities Conference
Jun 13	Foreign institutional investors	Broker Conference	Business performance and outlook	UBS Conference
Jun 12	Domestic institutional investors	Broker Conference	Business performance and outlook	Yoojin Investment & Securities Conference
Jun 5–9	Foreign institutional investors	Broker Conference	Business performance and outlook	Nomura Conference
May 31–Jun 2	Foreign institutional investors	Broker Conference	Business performance and outlook	Citi Conference
May 30	Domestic institutional investors	Broker Conference	Business performance and outlook	Hana Securities Conference
May 25	Domestic institutional investors	Broker Conference	Business performance and outlook	Samsung Securities Conference
May 23	Foreign institutional investors	Broker Conference	Business performance and outlook	Goldman Sachs Conference
May 18	Foreign institutional investors	Broker Conference	Business performance and outlook	Macquarie Conference
May 16	Foreign institutional investors	Broker Conference	Business performance and outlook	BofA Conference
Apr 27–May 2	Domestic institutional investors	NDR	Business performance and outlook	Domestic roadshow
Apr 27	Domestic/foreign institutional investors	Conference call	1Q23 Business results and Q&A	1Q23 earnings release
Mar 29	Foreign institutional investors	Conference call	Business performance and outlook	CIMB Conference
Mar 20–22	Foreign institutional investors	Broker Conference	Business performance and outlook	Credit Suisse Conference
Mar 17	Domestic institutional investors	Broker Conference	Business performance and outlook	KB Securities Conference
Mar 15-17	Foreign institutional investors	Broker Conference	Business performance and outlook	BofA Conference
Mar 9	Foreign institutional investors	Broker Conference	Business performance and outlook	Citi Conference
Mar 2–3	Foreign institutional investors	Broker Conference	Business performance and outlook	Daiwa Conference

Date	Participants	Form	Contents	Note
Feb 23–24	Foreign institutional investors	Broker Conference	Business performance and outlook	JP Morgan Conference
Feb 15	Foreign institutional investors	Conference call	Business performance and outlook	Goldman Sachs Conference
Feb 2–10	Foreign institutional investors	NDR	Business performance and outlook	Overseas roadshow
Jan 31–Feb 1	Domestic institutional investors	NDR	Business performance and outlook	Domestic roadshow
Jan 31	Domestic/foreign institutional investors	Conference call	4Q22 Business results and Q&A	4Q22 earnings release

#### (ii) Communication with minority shareholders

We maintain communication through numerous channels. First, we provide minority shareholders with access to key events (e.g., earnings calls and our Investor Forum) via live webcasts. The Head of IR and executives from each business unit attend the earnings presentation and communicate with investors during the Investor Forum. Other means to actively communicate with minority shareholders include tasking an employee with the exclusive responsibility of taking phone calls from minority shareholders; disclosing an email address (on our website) dedicated to answering questions; and using our website to collect questions prior to key events. In particular, after closing the 55th AGM in March 2024, we held an event to share our 2024 business strategy and have dialogues with shareholders. Minority shareholders actively participated and asked questions about the Company's business issues and overall management, receiving valuable time to share their opinions, with executives from each business unit answering the questions directly.

#### (iii) Communication with foreign investors

As shown in the table above, we hold conferences and roadshows and communicate with foreign institutional investors on a regular basis, and Company executives attend most of the meetings.

#### (iv) IR website

To meet increasing shareholder demand for information, we provide a wide range of in-depth IR material to enhance the understanding of and confidence in the Company. We have worked to increase ease of access to necessary and useful information via our user-friendly website, which provides details on public disclosures, IR events, financial information, stock information, ESG, etc. Also, our Articles of Incorporation, business reports, financial information, and corporate information materials can be downloaded and major events are broadcast live on the website as part of our ongoing efforts to help investors access Company information. In addition, we provide the contact information (phone number and email address) of the IR team on our website (<https://www.samsung.com/sec/ir/ir-resources/contact/>) to enable convenient communication with shareholders.

#### (v) Provision of English material

All materials are provided on our English website (<https://www.samsung.com/global/ir/>) to provide shareholders with easy access to necessary information. We also provide the contact information (phone number and email address) of the IR team on our global website (<https://www.samsung.com/global/ir/ir-resources/contact/>) to enable convenient communication for non-Korean shareholders.

As we list GDRs on the London Stock Exchange (LSE) and the Luxembourg Stock Exchange (LuxSE), we submit English disclosures via both the LSE and LuxSE system. In addition, we submit a separate English disclosure via the Korea Exchange's (KRX) Korea Investor's Network for Disclosure System (KIND) and provide disclosures on our English website for the convenience of non-Korean shareholders.

· LSE website: <http://www.londonstockexchange.com/>

· LuxSE website: <https://www.bourse.lu/>

· KRX: <https://engkind.krx.co.kr/>

· English IR website: <https://www.samsung.com/global/ir/reports-disclosures/public-disclosure/>

The following is the list of English disclosures submitted via KIND since the beginning of FY23 as of the disclosure date.

Disclosure date	Title	Content
Apr 30, 2024	Decision on Cash Dividends and Dividends in Kind	1Q24 dividend payout
Apr 30, 2024	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	1Q24 earnings release
Apr 5, 2024	Organization of Investor Relations Event	Information on 1Q24 earnings call
Apr 5, 2024	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	1Q24 pre-earnings guidance
Mar 25, 2024	Outcome of Annual Shareholders' Meeting	Annual shareholders' meeting results
Feb 23, 2024	Decision on Calling Shareholders' Meeting	Convocation notice for Annual Shareholders' Meeting
Feb 21, 2024	Submission of Audit Report	FY23 Financial Statements etc.
Jan 31, 2024	15% or More in the Case of Large-sized Corporations	Changes in expected profit/loss
Jan 31, 2024	Matters Related to Ad Hoc Public Disclosure Obligation	Shareholder return policy
Jan 31, 2024	Decision on Cash Dividends and Dividends in Kind	4Q23 dividend payout
Jan 31, 2024	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	4Q23 earnings release
Jan 9, 2024	Organization of Investor Relations Event	Information on 4Q23 earnings call
Jan 9, 2024	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	4Q23 pre-earnings guidance
Oct 31, 2023	Decision on Cash Dividends and Dividends in Kind	3Q23 dividend payout
Oct 31, 2023	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	3Q23 earnings release
Oct 11, 2023	Organization of Investor Relations Event	Information on 3Q23 earnings call
Oct 11, 2023	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	3Q23 pre-earnings guidance
Jul 27, 2023	Decision on Cash Dividends and Dividends in Kind	2Q23 dividend payout
Jul 27, 2023	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	2Q23 earnings release
Jul 7, 2023	Organization of Investor Relations Event	Information on 2Q23 earnings call
Jul 7, 2023	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	2Q23 pre-earnings guidance
Apr 27, 2023	Decision on Cash Dividends and Dividends in Kind	1Q23 dividend payout
Apr 27, 2023	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	1Q23 earnings release
Apr 13, 2023	Organization of Investor Relations Event	Information on 1Q23 earnings call
Apr 7, 2023	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	1Q23 pre-earnings guidance
Mar 15, 2023	Outcome of Annual Shareholders' Meeting	Annual shareholders' meeting results
Feb 14, 2023	Decision on Calling Shareholders' Meeting	Convocation notice for Annual Shareholders' Meeting
Jan 31, 2023	Decision on Cash Dividends and Dividends in Kind	4Q22 dividend payout



Jan 31, 2023	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	4Q22 earnings release
Jan 6, 2023	Organization of Investor Relations Event	Information on 4Q22 earnings call
Jan 6, 2023	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	4Q22 pre-earnings guidance

**(vi) Unfaithful disclosure corporation designation**

The Company is committed to legal and regulatory compliance. We deliver information promptly and accurately via thorough planning and reviews, awareness of the need for public disclosures in advance, and regular inspections. Thanks to these efforts, the Company has never received an ‘unfaithful disclosure corporation designation’.

(Specific Principle 2-2) The Company should establish and operate a system to protect shareholders from wrongful related-party and self-dealing transactions of other shareholders, including controlling shareholders.

**A. Internal control system for related-party and self-dealing transactions**

The Company has internal regulations to prevent related-party or self-dealing transactions that are in management’s or a controlling shareholder’s own interests.

In accordance with Article 40 of the Articles of Incorporation, the Board has the authority over approval of related party transactions; and Article 10 Paragraph 3 of the Regulations of the Board provides that approval of related party transactions and approval of transactions between the Company and director shall be approved by the Board.

The Company has voluntarily established the Related Party Transaction Committee within the Board to review related party transactions, aiming to enhance corporate transparency by building a compliance system that promotes fair transactions. The Committee, consisting entirely of Independent Directors, conducts preliminary reviews and approves related party transactions that are worth KRW 10 billion or above in accordance with the Monopoly Regulation and Fair Trade Act, and other transactions that are deemed significant. Also, the Committee receives reports on related party transactions with affiliates and can request a detailed investigation. For related party transactions that materially violate relevant laws or regulations of the Company, the Committee has the right to propose corrective measures to the Board. Meanwhile, internal transactions of more than KRW 3 billion to less than KRW 10 billion won are reviewed and approved by the Management Committee.

In addition, the Board in February 2017 reinforced procedures related to executing external financial donations. We created an External Sponsorship Council to conduct preliminary reviews of donations of over KRW 10 million, while donations exceeding KRW 1 billion require the approval of the Board and are voluntarily disclosed. Details of the Company’s donations are reported quarterly to the Audit Committee, which consists entirely of Independent Directors.

**B. Comprehensive resolutions of the Board on related party transactions with subsidiaries, etc. and self-dealing transactions with executives or controlling shareholders, etc.)**

Pursuant to Article 542-9 of the Commercial Act and Article 35 of the Enforcement Decree of the same Act, “Transactions with Interested Persons Including Major Shareholders”, the Company obtains comprehensive approval of the Board in advance for the estimated total amount of transactions with a subsidiary during the business year that are anticipated to take up 5% or more of the total assets or gross sales of the Company as at the end of the latest business year. In 2023, the Board made 2 and 10 comprehensive approval of transactions with overseas subsidiaries to be made in 2024.

Pursuant to Article 26 of the Monopoly Regulation And Fair Trade Act and Article 33 of the Enforcement Decree of the same Act, “Resolutions by Board of Directors on Large-Scale Internal Trading and Disclosure”, transaction with an affiliate at least 20% of the total number of shares issued by which is held by the same person, either alone or together with his or her relatives or an affiliate that is a subsidiary, as provided for in the Commercial Act, of said affiliate in which the quarterly trading amount of goods and services is KRW 10 billion or more is subject to approval by the board of directors and disclosure. However, in accordance with Article 9-2 of the Regulation on resolution by the board of directors and disclosure on large-scale internal trading, transactions within the designated period of within a year may be approved at once so the Company

receives the Board's approval of the estimated transaction amount for next year beforehand and discloses the details.

(i) Transactions with stakeholders (controlling shareholders, etc.)

① Credit offerings for affiliates and subsidiaries

As of December 31, 2023, SEC's payment guarantees for affiliates, including Samsung Electronics America, Inc. (SEA) for financing purposes are shown below.

(USD thousand)

Company	Creditor	Guarantee start date	Guarantee expiry date	Limit of guarantee		Transactions			Interest Rate (%)
				Period start	Period end	Period start	Change	Period end	
SEA	BOA etc.	Apr 16, 2023	Dec 16 2024	1,278,000	1,278,000	-	-	-	
SEM	BBVA etc.	Mar 28 2023	Dec 16 2024	715,000	715,000	-	-	-	
SAMCOL	Citibank etc.	Jun 14 2023	Dec 16 2024	210,000	210,000	-	-	-	
SEDA	BRADESCO etc.	Oct 1 2023	Dec 16 2024	409,000	329,000	-	-	-	
SECH	Citibank etc.	Jun 14 2023	Dec 16 2024	62,000	62,000	-	-	-	
SEPR	BBVA etc.	Jun 1 2023	Dec 16 2024	150,000	150,000	-	-	-	
SSA	SCB etc.	Jun 14 2023	Dec 16 2024	318,000	318,000	-	-	-	
SEMAG	SocGen etc.	Nov 9 2023	Dec 16 2024	110,000	96,000	-	8,065	8,065	5.00%
SETK	BNP etc.	Jun 14 2023	Dec 16 2024	777,000	917,000	239,395	81,498	320,893	48.80%
SETK-P	BNP etc.	Nov 9 2023	Dec 16 2024	130,000	70,000	25,649	△25,649	-	
SECE	Citibank	Dec 17 2023	Dec 16 2024	60,000	114,000	-	-	-	
SEEG	HSBC	Jun 14 2023	Jun 13 2024	85,000	85,000	-	-	-	
SEIN	BNP etc.	Jun 14 2023	Nov 8 2024	70,000	70,000	-	-	-	
SJC	Mizuho Bank etc.	Apr 28 2023	Dec 16 2024	832,572	835,508	-	-	-	
SEUC	Credit Agricole etc.	Jun 14 2023	Dec 16 2024	150,000	125,000	-	-	-	
SEDAM	Citibank etc.	Jun 14 2023	Dec 16 2024	537,000	537,000	155,768	△155,768	-	
SECA	BOA	Nov 9 2023	Nov 8 2024	70,000	70,000	-	-	-	
SELA	Citibank	Dec 17 2023	Dec 16 2024	60,000	60,000	-	-	-	
SEEH	HSBC etc.	Jun 14 2023	Dec 16 2024	888,400	888,400	-	-	-	
SERK	SMBC	Jun 14 2023	Dec 16 2024	45,000	-	-	-	-	
SELV	Citibank	Dec 17 2023	Dec 16 2024	10,000	10,000	-	-	-	
SEIL	Citibank	Dec 17 2023	Dec 16 2024	15,600	15,600	9,664	△9,664	-	
SAPL	BOA etc.	Jun 14 2023	Dec 16 2024	404,000	404,000	-	-	-	
SAVINA	HSBC	Jun 14 2023	Jun 13 2024	51,000	51,000	-	-	-	
SCIC	HSBC etc.	Jun 14 2023	Dec 16 2024	300,000	270,000	-	-	-	
SESP	SCB	Nov 9 2023	Nov 8 2024	-	30,000	-	-	-	
SME	SCB	Nov 9 2023	Nov 8 2024	110,000	110,000	-	-	-	
SAMEX	Citibank	Dec 17 2023	Dec 16 2024	5,000	5,000	-	-	-	
SEASA	Citibank	Dec 17 2023	Dec 16 2024	2,000	2,000	-	-	-	
SSAP	SCB	Nov 9 2023	Nov 8 2024	35,000	35,000	-	-	-	
SEPM	HSBC	Jun 14 2023	Jun 13 2024	35,000	35,000	-	-	-	
SESAR	HSBC	Jun 14 2023	Jun 13 2024	20,000	20,000	-	-	-	
SEUZ	Citibank	Dec 17 2023	Dec 16 2024	-	10,000	-	-	-	

Company	Creditor	Guarantee start date	Guarantee expiry date	Limit of guarantee		Transactions			Interest Rate (%)
				Period start	Period end	Period start	Change	Period end	
AdGear Technologies Inc.	BOA	Nov 9 2023	Nov 8 2024	2,000	2,000	-	-	-	
Harman International Industries, Inc.	JP Morgan	Jun 14 2023	Jun 13 2024	100,000	100,000	-	-	-	
Harman International Japan Co., Ltd.	MUFG	Nov 9 2023	Nov 8 2024	25,000	25,000	-	-	-	
Harman Holding Limited	HSBC	Jun 14 2023	Jun 13 2024	30,000	30,000	-	-	-	
Harman do Brasil Industria Eletronica e Participacoes Ltda.	SocGen	Nov 9 2023	Nov 8 2024	15,000	15,000	-	-	-	
Harman da Amazonia Industria Eletronica e Participacoes Ltda.									
Harman International Industries, Limited	HSBC	Jun 14 2023	Jun 13 2024	30,000	30,000	-	-	-	
Total				8,146,572	8,129,508	430,476	△101,518	328,958	

On a separate basis.

SEC claims fees on the debt guarantees depending on the maturity date of each debt guarantee, general loan interest rate, etc. In 2023, the Company claimed approximately USD 141,000 as guarantee fee and, as of the reporting date, has not collected the amount.

## ② Acquisitions and disposals of assets with affiliates and subsidiaries

In 2023, the Company sold assets to affiliates, including to Samsung China Semiconductor LLC. (SCS) for its facility equipment expansion, while acquiring assets from affiliates to improve efficiency of domestic production.

(KRW mil)

Company	Relationship	Transaction type	Transaction date <sup>1)</sup>	Asset	Transaction purpose	Amount <sup>2)</sup>	Gain or loss on disposal
SCS	Affiliates	Asset sale/purchase	Oct 31, 2023	Machinery, etc.	Enhance capacity and production efficiency	50,521	26,222
SDC	Affiliates	Asset purchase	Nov 1, 2023	Machinery, etc.	Enhance capacity and production efficiency	10,406	-
SESS	Affiliates	Asset sale/purchase	Dec 24, 2023	Machinery, etc.	Enhance capacity and production efficiency	6,285	785
SAS	Affiliates	Asset sale/purchase	Dec 19, 2023	Machinery, etc.	Enhance capacity and production efficiency	6,267	2,014
SEHC	Affiliates	Asset sale	Nov 21, 2023	Machinery, etc.	Enhance capacity and production efficiency	4,102	77
TSLED	Affiliates	Asset sale/purchase	Nov 23, 2023	Machinery, etc.	Enhance capacity and production efficiency	973	601
SEV	Affiliates	Asset sale/purchase	Oct 30, 2023	Machinery, etc.	Enhance capacity and production efficiency	792	△4
SEVT	Affiliates	Asset sale/purchase	Dec 19, 2023	Machinery, etc.	Enhance capacity and production efficiency	787	148
SIEL	Affiliates	Asset sale	Aug 4, 2023	Machinery, etc.	Enhance capacity and production efficiency	210	38
SESK	Affiliates	Asset sale	Jul 5, 2023	Machinery, etc.	Enhance capacity and production efficiency	153	-

On a separate basis.

1) Most recent transaction.

2) Calculated by an appropriate method based upon market value assessment. Transaction was made under normal conditions (e.g., terms of cash payment within the 15th, 30th of the following month of transaction).

③ Business transactions with affiliates and subsidiaries

In 2023, SEC conducted the following business transactions, including purchase and sales with Samsung Electronics America, Inc. (SEA), etc.

(KRW mil)

Subsidiary	Type of transaction	Transaction date	Items/assets	Transaction value
SEA	Sales, purchases, etc.	Jan–Dec 2023	Smartphones and home appliances, etc.	30,103,325
SEVT	Sales, purchases, etc.	Jan–Dec 2023	Smartphones, etc.	24,383,553
SSI	Sales, purchases, etc.	Jan–Dec 2023	Semiconductors, etc.	22,270,145
SEV	Sales, purchases, etc.	Jan–Dec 2023	Smartphones, etc.	15,686,195
SSS	Sales, purchases, etc.	Jan–Dec 2023	Semiconductors, etc.	13,520,403

On a separate basis.

Transactions worth 5% and above of revenue.

④ Transactions with stakeholders other than affiliates and subsidiaries

As of December 31, 2023, the Company's outstanding loan amount is approximately KRW 135.3 billion for obligations related to support for supplier companies for product competitiveness and mutual development as well as home loan and educational expenses for employee welfare.

(KRW mil)

Company	Relation	Loans			
		Account title	Transaction		
			Period start	Change	Period end
Elentec Co., Ltd., etc.	Partner company and employee	Short-term loans	47,161	△1,092	46,069
Daeduk Elect., etc.	Partner company and employee	Long-term loans	92,898	△3,645	89,253
Total			140,059	△4,737	135,322

On a separate basis.

(Specific Principle 2-3) Corporations should devise measures to protect shareholders, including collecting opinions of minority shareholders and protecting the rights of dissident shareholders, when there is a change in the corporation's ownership structure or main businesses, such as merger, transfer of business, spin-off, and comprehensive exchange and transfer of stock.

**A. Policies to protect shareholders on issues that cause significant changes to the company's ownership structure or business**

The Company continues its efforts to protect the interests and rights of minority shareholders, including by actively collecting feedback from minority shareholders and improving access to information. First, we operate a hotline through which minority shareholders can conveniently ask questions, and we provide an email address on our website to ensure they can easily submit questions and receive feedback. Moreover, we established a system to allow shareholders to make inquiries online prior to quarterly earnings calls and the AGM; and questions on topics that garner a high level of interest are answered during the corresponding event. Thus, we are endeavoring to actively communicate with shareholders and collect their opinions for consideration in our major policies. In addition, we provide a webcast of our key events to enhance access to information, a livestream of the AGM to ensure shareholders have an option to watch the proceedings without physically participating in the event, as well as various information on our revamped website in which the design, headings, etc. have been adjusted to user convenience.

We have various channels to collect the opinions of shareholders on issues that cause significant changes to the Company's ownership structure or business. And, we will remain committed to actively communicating with and reflecting the voices of our shareholders before making important decisions.

**B. Outcome of implementing the policies to protect shareholders against the occurrence of significant issues and future plans**

No merger, crucial transfer of business, spin-off (including physical spin-off), or comprehensive exchange and transfer of stock that causes a significant change in the Company's ownership structure or main businesses occurred during the reporting period, and we do not have detailed plans on such issues. If such issues arise in the future, Samsung will ensure we collect various opinions from shareholders beforehand and work to produce measures to protect the rights of dissident shareholders to maximize shareholder value.

**C. There are no capital financing activities that involve the conversion into stocks.**

## 3. Board of Directors

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(Core Principle 3) The Board of Directors should establish business goals and strategies for the interests of the corporation and shareholders and supervise management effectively.

(Specific Principle 3-1) The Board of Directors should perform the decision-making and supervisory functions effectively.

### A. Board system

In line with the relevant laws, Articles of Incorporation, and Regulations of the Board of Directors, the Board makes resolutions on important matters related to the Company's management policies and business operations, and it also oversees the execution of the Directors' duties.

The Board deliberates on and resolves important matters concerning business operations, and the following items are to be submitted to the Board in accordance with the Articles of Incorporation.

#### **[Matters to be resolved by the Board in accordance with the Articles of Incorporation]**

1. Establishment of factories, branches, representative offices or business offices in and outside the country
2. Preferred dividend yield on newly issued preferred shares
3. Retirement of treasury shares
4. Transfer agent, the location of its services and the scope of its operation
5. Matters related to issuance of new shares
  - Disposal of forfeited and fractional shares
  - Allocation of new shares to persons other than shareholders
6. Issuing new shares via public offering related conditions
7. Matters related to stock options
  - Granting stock options to officers and employees (excluding directors)
  - Cancellation of grant of stock options
8. The record date for occasions such as a convocation of a special meeting of shareholders
9. Matters related to issuance of convertible bonds
  - Disposal of forfeited and fractional shares
  - Issuance of convertible bonds to persons other than shareholders
  - Convertible bonds issued on the condition that rights will be attached to only a portion of convertible bonds
  - Conversion price when issuing convertible bonds to persons other than shareholders
  - Adjustment of conversion period
10. Matters related to issuance of bonds with warrants
  - Disposal of forfeited and fractional shares
  - Issuance of bonds with warrants to persons other than shareholders and the face value
  - Amount of new shares which can be subscribed for by the holders of the bonds
  - Face value when issuing bonds with warrants to persons other than shareholders
  - Adjustment of the period during which the warrant holder may exercise his/her right to subscribe for new shares
11. Convocation of a general meeting of shareholders
12. Chair of the general meeting of shareholders when a CEO is imprisoned
13. Appointment of CEOs
14. Selection of Chair, Vice-Chair, President, Executive Vice President, Senior Vice President, Vice President
15. Responsibilities of President, Executive Vice President, Senior Vice President, Vice President
16. How proxy works when a CEO is unable to perform the role
17. Establishing committees within the Board

18. Matters related to the rights and operations of each committee
19. Appointment of the Board Chair
20. Approval of concurrent positions held by Directors
21. Distribution of profit
22. Approval of related party transactions, etc.
  - Transactions made with related parties as defined in the Monopoly Regulation and Fair Trade Act or large-scale internal transactions for related parties
  - Transactions listed in Article 542-9 Section 3 of the Commercial Act with majority shareholders (including their related parties in accordance with the Commercial Act) or related parties (excluding transactions of which the total value has been approved by the Board, in accordance with Section 5 Clause 2 of the Article)
23. Establishment and execution of specific rules needed for promotion and management of business

In accordance with Article 10 of the Regulations of the Board of Directors, matters to be submitted to the Board are as follows:

**[Matters to be resolved by the Board in accordance with the regulations of the Board]**

1. Convocation of a general meeting of shareholders and matters to be submitted to the meetings
  - Convocation of a general meeting of shareholders
  - Approval of business reports and financial statements
  - Amendment to the Articles of Incorporation
  - Reduction of capital
  - Dissolution, merger, and continuance of the Company
  - Transfer of the whole or an important part of the Company's business, or acquisition of the whole or an important part of other companies that has a material impact on the Company's business
  - Conclusion, alteration, or rescission of contracts regarding leasing the whole business, giving a mandate to manage such business or sharing with another party the entire profits and losses from the business or any similar contract
  - Ex post facto incorporation
  - Appointment or dismissal of directors
  - Issuance of stock below par value
  - Exemption of director's liabilities
  - Stock dividends
  - Decision to offer stock options
  - Remuneration of directors
  - Election of Chair of the general meeting of shareholders (in the case when the Board is required to appoint the Chair of the meeting)
  - Appointment of a person to convoke the general meeting of shareholders (in the case when the Board is required to appoint the Chair of the meeting)
  - Other matters to submit to the general meeting of shareholders
2. Matters related to management
  - Establishment of basic principles of the Company's management
  - Approval of management plans, quarterly reports, and semi-annual reports
  - Appointment or dismissal of compliance officers, and establishment, revision, or abolishment of compliance guidelines
3. Matters related to assets or financial affairs
  - Transfer of legal reserve to capital
  - Matters related to issuance of shares
    - Issuance of new shares
    - Issuance of convertible bonds and bonds with rights to subscribe for new shares
  - Acquisition, disposition, or retirement of treasury stocks
  - Approval of related party transactions, etc.
    - Transactions made with related parties as defined in the Monopoly Regulation and Fair Trade Act or large-scale internal transactions for related parties as designated in Article 26 of the same Act
    - Transactions listed in Article 542-9 Section 3 of the Commercial Act with majority shareholders (including their related parties) or related parties (excluding transactions of which the total value has been approved by the Board, in accordance with Section 5 Clause 2 of the Article)

- Decision to offer stock options (excluding directors)
  - Investment in or disposal of equity in other companies with a value of 2.5% of the total equity
  - Direct overseas investments with a value of over 2.5% of the total equity
  - Asset revaluation
  - Stock split or reverse split
  - Material changes of accounting standards
  - New debt guarantees or collateral issuances with a value of over 2.5% of the total equity
    - Collateral: Only in the case of providing collateral for others
    - Guarantee: Excludes performance guarantee (e.g., bid, contract, defect, difference guarantee) and tax payment guarantee
  - Loan contract with a value of over 5% of the total equity
  - Listing of its securities on overseas stock exchange
  - Important matters when setting up or withdrawing from a fund for stock buyback
  - Shares forfeited in a capital increase
  - Provisional payment or loan with a value of over 0.5% of the total equity
  - Donation, contribution, or sponsorship of over KRW 1 billion per year
4. Matters related to the Board, Board committees, etc.
- Approval of Director holding a position in another company of a competitive and/or similar business field to the Company, and approval of transactions between a Director and the Company
  - Appointment of the Board Chair
  - Appointment of the CEO and decision to appoint of co-CEOs
  - Appointment and removal of directors to positions and responsibilities
  - Establishment of committees and appointment or removal of committee members
5. Others
- Amendment and abolishment of the Regulations of the Board of Directors and the regulations of each committee
  - Other matters provided for by relevant laws and regulations or the Articles of Incorporation, matters delegated by general meeting of shareholders, and matters deemed necessary by the CEO

The Company's Articles of Incorporation and regulations of the Board of Directors stipulate that important matters, in addition to matters that are mandated by law, to be reviewed and approved by the Board.

A prime example is the approval process for business management plans for the next year. The plan receives final approval at the Board so that the direction of the business is sufficiently discussed and opinions are collected. It is approved before quarterly and half-year reports are submitted, enabling a review on the implementation of management plans. In addition, all donations and social contributions over KRW 1 billion are to be resolved by the Board, enhancing the transparency of operating donations and social contribution funds and compliance of our management.

Moreover, matters delegated at the general meeting of shareholders or deemed necessary by a CEO can be added to the subject of deliberation at the Board, ensuring that the Board reviews a variety of matters other than what is included in the Articles of Incorporation and regulations of the Board.

Matters to be reviewed and resolved by the Board in accordance with the Company's Articles of Incorporation and regulation of the Board, although not mandated by the laws, are as follows:



1. Matters related to management, etc.
  - Resolution and revision of basic policy for business management
  - Approval of business plans, and quarterly and half-year reports
  - Establishment of factories, branches, representative offices or business offices in and outside the country
2. Matters related to finance, etc.
  - Acquisitions or disposals of equity investments with a value over 2.5% of the total equity
  - Direct overseas investments with a value over 2.5% of the total equity
  - Re-evaluation of asset
  - Significant changes in accounting standard
  - New debt guarantee or collateral issuance with a value over 2.5% of the total equity
    - Collateral: Only in the case of providing collateral for others
    - Guarantee: Excludes performance guarantee (e.g., bid, contract, defect, difference guarantee) and tax payment guarantee
  - New credit agreement contract with a value over 5% of the total equity
  - Listing in overseas stock market
  - Important matters regarding application for or termination of treasury fund at investment and trust company
  - Loans and provisional payments over 0.5% of total equity
  - Annual donation, contribution, sponsorship over KRW 1 billion
3. Other matters delegated at the general meeting of shareholders and matters deemed necessary by a CEO

The Board can establish committees under the Board and delegate certain responsibilities to the committees in accordance with Article 28-2 of the Articles of Incorporation and Article 11-2 of the Regulations of the Board of Directors. Also, in accordance with Article 11 of the regulations of the Board, the decision can be delegated to a committee within the Board through a Board resolution, except as stipulated by relevant laws or Articles of Incorporation. Execution of matters resolved at board meetings is led by the Company's CEO.

#### **[Management Committee]**

1. General management
  - Annual or mid- to long-term management policy and strategy
  - Key management strategy
  - Business planning and restructuring
  - Establishment, relocation, and withdrawal of overseas branches and corporations
  - Initiating cooperative efforts, such as strategic partnerships with foreign companies
  - Acquisition or disposal of domestic and overseas subsidiaries (provided the value of the transaction exceeds 0.1% of total equity)
  - Other major management matters
  - Establishment, relocation, and withdrawal of branches and operations
  - Appointment or dismissal of supervisors
  - Suspension or shutdown of production over 5% of the total production in the recent year
  - Licensing agreements, technology transfers, and technology partnerships of over 0.5% of the total equity
  - Acquisitions and transfers of patents related to new material and new technology of over 0.5% of the total equity
  - Collection and destruction of products corresponding to over 5% of the total sales in the recent business year
  - Contracting for over 5% of the total sales in the recent business year
  - Contracting or canceling of single sales agencies and suppliers over 5% of the total sales in the recent business year
  - Setting basic principles of organization management
  - Decision making on basic principles and any changes related to wages, bonuses, and fringe benefits
  - Appointments, dismissals, and changes of transfer agents
  - Closing of the shareholder register and setting the reference date
  - Establishing corporate guidelines for business and management related activities

2. Matters related to finance
  - Acquisitions or disposals of equity investments with a value no less than 0.1% and less than 2.5% of the total equity
  - Direct overseas investments with a value no less than 0.1% and less than 2.5% of the total equity
  - New debt guarantee (excluding extension of period) or collateral issuance with a value no less than 0.1% and less than 2.5% of the total equity
    - Collateral: Only in the case of providing collateral for others
    - Guarantee: Excludes performance guarantee (e.g., bid, contract, defect, difference guarantee) and tax payment guarantee
  - New credit agreement contract (excluding extension of period) with a value no less than 0.1% and less than 5% of the total equity
  - Approval of related party transactions:
 

Related party transactions with affiliates involving cash (loans and provisional payments), equity (stocks and bonds) or assets (such as real estate and intangible property rights) with a value no less than KRW 3 billion and less than 5 billion, as defined in the Monopoly Regulation and Fair Trade Act

※ Excluding cases where existing contracts are renewed without significant changes.
  - Insurance of Corporate Bond
  - Acquisition and disposal of real estate with a value of over 0.1% of the total equity, provided the transaction is with the third party
  - Any matters that the CEO deems necessary and important for the business (e.g., capex)
3. All other matters except for those delegated to the Board and other committees in accordance with regulations of the Board.

**[Audit Committee]**

1. Audit overall business of the Company, including tasks performed by the Board and the CEOs.
2. Request Directors or employees to submit reports on the business operated by the Company or investigate the businesses or assets of the Company.
3. Directors shall report to the committee immediately if they find any risks that can have a material impact on the Company.
4. Any other authority granted to the committee by relevant laws and regulations, the Articles of Incorporation or a Board resolution

**[Independent Director Recommendation Committee]**

1. Recommends Independent Director candidates to the Board to be presented at a general meeting of shareholders.

**[Related Party Transactions Committee]**

1. Receives reports on related party transactions; conducts preliminary reviews on large-scale related party transactions, as stipulated in the Monopoly Regulation and Fair Trade Act, prior to the submission to the Board; and makes resolutions on transactions deemed significant by the secretary of the Committee.
2. Right to order investigation of details on related party transactions
3. Right to propose corrective measures for related party transactions that are subject to serious violations of the law and regulations of the Company

**[Compensation Committee]**

1. Propose a remuneration limit for Directors at the AGM
2. Establish a Director remuneration system
3. Other matters delegated by the Board

**[Sustainability Committee]**

1. Matters related to sustainability management

- Key strategies and policies on sustainability management
  - Report on key activities for sustainability management including environment, society, and governance
  - Plans for publishing the Company's Sustainability Report
2. Matters related to enhancing shareholder value
    - Preliminary review on shareholder return policies
    - Report on key issues related to shareholder rights and interest
  3. Other matters that may significantly impact sustainability management and shareholder value that are deemed necessary for the Committee to discuss
  4. Matters related to the establishment, composition, and operation of organizations under the Committee, including research groups, councils, etc.
  5. Other matters delegated by the Board

(Specific Principle 3-2) The Board of Directors should establish and implement a policy on the succession of chief executive officers (including an emergency nomination policy) and continue to improve these policies.

#### **A. Establishing CEO succession plan and executor of the plan**

The Company's CEOs must possess excellent management skills; have abundant business experience and related knowledge; provide leadership that enables setting a clear vision for Company employees as well as external stakeholders, including shareholders; demonstrate an innovative mindset; and not fall under criteria for disqualification in accordance with the law—e.g., the Commercial Act. Considering these qualities cannot be developed in the short term, our People Team, under CEO supervision, operates a system to nurture candidates and systematically expand their roles based on high-level evaluation processes and training strategies. In order to promptly respond to unexpected events or changes in the business environment, we manage a pool of candidates from various backgrounds.

The CEO succession procedure is as follows: From the pool of CEO candidates, who have been receiving training, the person best fitting the position with management and leadership competencies is recommended to the Board of Directors. Then the Board reviews the eligibility and confirms the candidate. Once the candidate is appointed as an Executive Director at the general meeting of shareholders, the Board conducts a final review and elects the person as CEO.

If the CEO is unable to carry on with the position for any reason, including personal affairs, an acting CEO will be designated immediately as per the Articles of Incorporation. If it is necessary to appoint a new CEO based on the management environment, the succession procedure will be promptly implemented. Former CEOs may work as a non-registered executive, or sign a contract as an on-site advisor or consultant after retiring, to support succession activities.

#### **B. Selection, management, training of candidates**

The Company selects individuals to be included in the CEO candidate pool from our executives through an eligibility review every year. The 2 categories of the pool are: 'Ready now' for candidates able to assume the role of CEO after 1-2 years of training; and 'Ready Later' for candidates who will be ready in 3-5 years. The candidate pool is put together through discussions among key executives, including the CEOs. A candidate considered the best fit for a vacant CEO position, based on the strategic role the person has to play at the time, is recommended to the Board of Directors.

Executives who are selected to the CEO candidate pool receive training in the Samsung business Leader Program (SLP). The program includes basic training to nurture the comprehensive competency necessary for the next-generation CEO, such as management strategies, leadership, and global competencies. On top of the basic training, candidates are provided with customized training, including job rotation to strengthen business experience and knowledge.

#### **C. Training Sessions**

In 2023, 13 executives in the pool of next-generation CEO candidates participated in the SLP and gathered to receive 4, different week-long training sessions from April to October 2023.

(Specific Principle 3-3) The Board of Directors should establish and implement internal control systems (risk management, compliance, internal accounting management, disclosure information management, etc.) and continue to improve these policies.

#### **A. Risk management**

As a leading company in the increasingly competitive global IT market, we aim to maintain our position and competitiveness by establishing organizations and processes that swiftly sense and systematically respond to risks, including regulatory changes, legal disputes, data security, supply chain issues, climate change, and international issues that may arise during the course of our global business operations. When an issue is sensed by a business unit, our Business Risk Management (BRM) organization, which is under the Corporate Management Office at our global headquarters, analyzes the related regulations and policies of various countries, local disputes and other unexpected issues occurring globally. The results are promptly reported to management, and the BRM together with relevant departments analyze potential impacts and establish countermeasures. For significant matters, the Board and its Committees determine and implement mid- to long-term strategies, including the Company's response, concentrating the Company's capabilities in risk management.

The Board of Directors and its Committees are assigned different risk management tasks according to the Commercial Act, relevant laws, and Articles of Incorporation. The Board comprehensively manages major risks related to the overall business and business status; the Management Committee reviews business operations; the Audit Committee is in charge of financial reviews, including accounting transparency; the Related Party Transactions Committee manages compliance with laws and ethics in transactions between affiliates; the Sustainability Committee manages risks related to ESG and the shareholder return policy. In particular, to strengthen the roles and responsibilities of the Committees on sustainable management, including managing non-financial risks, the Company in July 2021 reorganized the Governance Committee and changed its name to the Sustainability Committee. The Sustainability Committee suggests directions for sustainable management and checks performance results in areas such as climate change, circular economy, labor rights, diversity, supply chain, and ethical management. The committee also assumed some roles and responsibility of the previous Governance Committee in managing corporate social responsibility and working to enhance shareholder value.

#### **B. Compliance, internal accounting, and disclosure**

Since 2012, we establish compliance standards and appoint the Head of Compliance Team as a Compliance Officer through a resolution of the Board, enabling compliance activities, in accordance with the Article 542-13 of the Commercial Act. In 2020, we completely revised compliance control criteria to further strengthen compliance monitoring. In accordance with the compliance control criteria, the Compliance Officer attends all Board meetings and carries out compliance education, inspections, report handling, compliance infringement investigations, and legal risk assessments. The Compliance officer reports major inspection results to the Board annually. Furthermore, the Compliance Officer assesses the effectiveness of the compliance control system on an annual basis based on the mandatory requirements of the compliance control criteria. The results are reported to the Board, enabling practical operation of the compliance control criteria.

In order to ensure credibility in the Company's financial information and disclosures, we established an internal accounting management regulation in accordance with the Act on External Audit of Stock Companies, resolved by the Board in December 2001; and we operate an internal accounting management system to prepare and disclose financial information on the separate financial statement. From the Business Year 2023, we operate an internal accounting management system that includes matters necessary to prepare and disclose financial information on the consolidated financial statement in line with the implementation of the Enforcement Decree of the Act on External Audit of Stock Companies. To comply with the Act, the Company revised its internal accounting management regulations through a board resolution in January 2019; established a department that oversees the internal accounting management system activities and a department that supports tasks of the Audit Committee, such as assessing the internal accounting management system; and has CEOs and internal accounting managers conduct annual reviews on the effectiveness of the internal accounting management system and report the results at a general meeting of shareholders and to the Management Committee and the Board.

The IR team and the Corporate Finance & Accounting Team, being responsible for disclosure activities, designate 1 supervisor and 2 deputy supervisors for public disclosure who participate in training sessions to continuously enhance their expertise. In addition, in order to strengthen the internal management structure, SEC established a regulation regarding management of publicly disclosed information, which determines the procedures of public disclosure and details relevant to managing publicly disclosed information. The responsible teams run weekly checks based on an internal disclosure management system to see if disclosures are required and notify the persons responsible for public disclosure activities if necessary.

### C. Other internal control policies

We appointed a separate Chief Safety Officer (CSO) for the DX Division and the DS Division in December 2021 and February 2022, respectively, and as of the disclosure date, the CSOs oversee matters related to health and safety. Based on the health and safety regulations established by the Board of Directors, the CSO has authority to make independent decisions, supervise, execute budgets, and appoint personnel on matters related to health and safety to create a safe environment for each worksite, prevent defects in products and equipment, and protect the health and safety of workers.

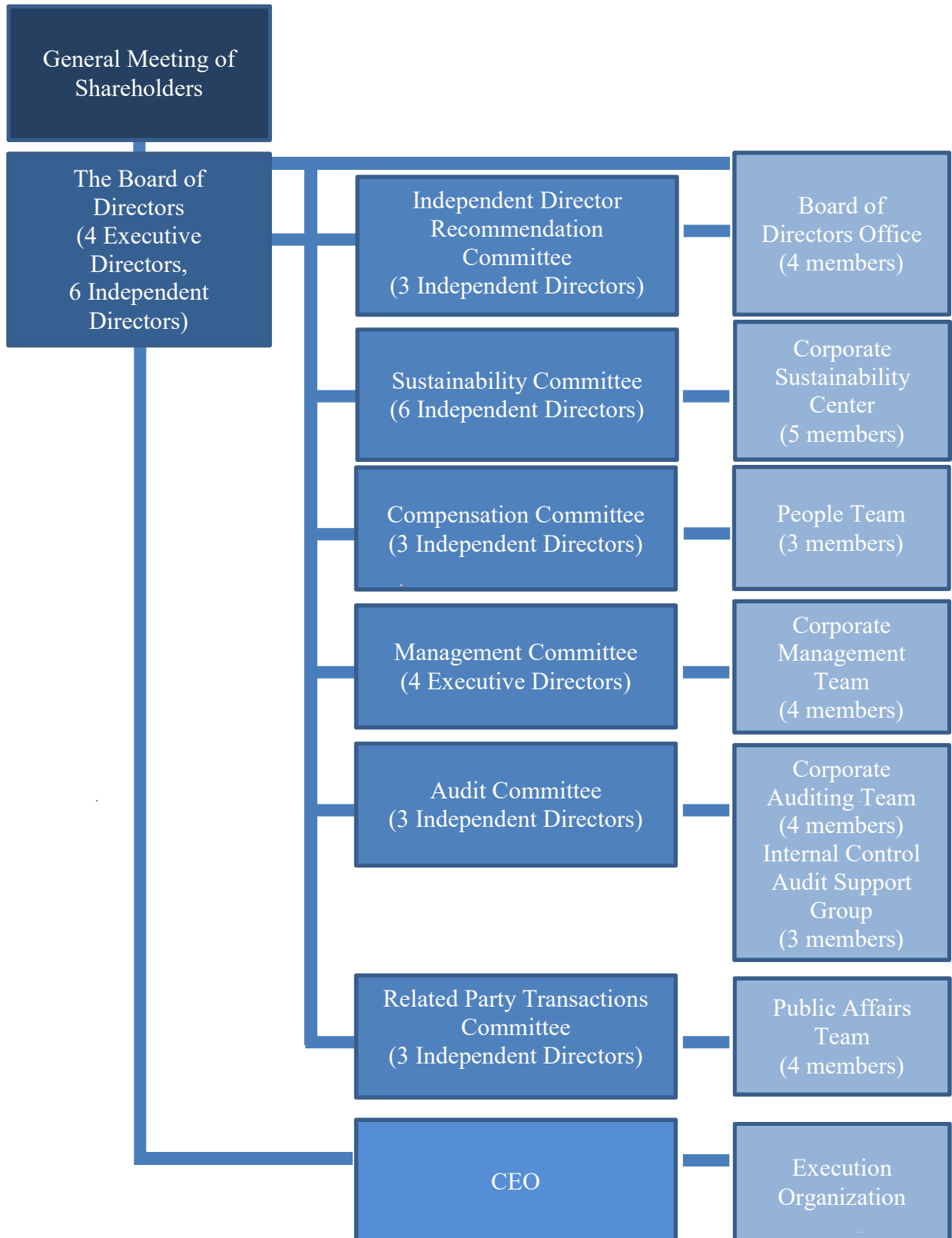
#### (Core Principle 4) Composition of the Board

The Board of Directors should be constituted to enable efficient decision making and oversight of management. Directors should be appointed in a transparent manner to reflect the opinions of shareholders.

(Specific Principle 4-1) The Board of Directors should be constituted to enable effective and thorough discussions and decision making, and should have a sufficient number of Independent Directors to be able to work independently from executives and controlling shareholders.

### A. Board composition

<Organization of the Board and relevant committees and teams as of the disclosure date>



## B. Board Composition

The Board shall have at least 3 but no more than 14 Directors, in accordance with the Articles of Incorporation. While having more than 3 Directors is in accordance with Article 383 of the Commercial Act, given the size of the Company, we believe the maximum number should not exceed 14 to ensure efficiency in meeting management and decision making. As of the disclosure date, the Board consists of 4 Executive Directors (i.e., the CEOs of the DX, the Heads of MX and Memory businesses, and the corporate CFO) and 6 Independent Directors, with the latter accounting for 60% of the Board. Each director serves a 3-year term, and Independent Directors are able to serve 2 consecutive terms. Kye-hyun Kyung resigned from CEO and executive director as of May 21, 2024. Han-jo Kim was reappointed and Jun-sung Kim was newly appointed as Independent Directors at the AGM in 2022; Eun-nyeong Heo and Myung-hee Yoon were newly appointed as Independent Directors at the EGM in November 2022; and Je-yoon Shin and Hye-kung Cho were newly appointed as Independent Directors at the AGM in 2024.

When appointing Independent Directors, we consider diversity in areas such as expertise, gender, and nationality. Candidates are selected for their expertise and experience in finance, law, IT (robotics and AI), ESG, environment, energy, international trade, and risk management. The candidates are required to meet the qualifications specified in the Commercial Act and relevant laws, and have the ability to oversee company management objectively from an independent point of view.

< Directors of Samsung Electronics >

Name	Sex (Age)	Position/role	Date of term expiry	Expertise	Career
Jong-hee Han	M (62)	Executive Director • Head of Management Committee	Mar 17, 2026	DX Division	• Vice Chair & CEO • Head of DX(Device eXperience) Division
Tae-moon Roh	M (56)	Executive Director • Management Committee	Mar 15, 2025	MX Business	• President & CEO • Head of MX(Mobile eXperience) Business
Hark-kyu Park	M (61)	Executive Director • Management Committee	Mar 15, 2025	Corporate management	• President & Head of Corporate Management Office
Jung-bae Lee	M (57)	Executive Director • Management Committee	Mar 15, 2025	Memory Business	• President & Head of Memory Business
Han-jo Kim	M (68)	Board Chair, Independent Director • Head of Audit Committee • Head of Sustainability Committee • Related Party Transactions Committee • Compensation Committee	Mar 19, 2025	Finance, social contribution	• Chair of Hana Nanum Foundation • Former Vice-Chair of Hana Financial Group
Jun-sung Kim	M (57)	Independent Director • Compensation Committee • Sustainability Committee	Mar 15, 2025	Finance, investment	• CIO of National University of Singapore Endowment Fund • Former Managing Director of Government of Singapore Investment Corporation (GIC)
Eun-nyeong Heo	M (60)	Independent Director • Independent Director Recommendation Committee • Head of Related Party Transactions Committee • Sustainability Committee	Nov 2, 2025	Environment, energy	• Professor of College of Engineering at Seoul National University • Former Vice President of International Association for Energy Economics (IAEE)
Myung-hee Yoo	F (57)	Independent Director • Independent Director Recommendation Committee • Audit Committee • Related Party Transactions Committee • Sustainability Committee	Nov 2, 2025	International trade	• Visiting Professor of Graduate School of International Studies at Seoul National University • Former Trade Minister at the Ministry of Trade, Industry and Energy (MOTIE)
Je-yoon Shin	M (66)	Independent Director • Independent Director Recommendation Committee • Compensation Committee • Sustainability Committee	Mar 28, 2027	Finance, risk management	• Senior Advisor at Bae, Kim & Lee LLC • Former Chair of FSC
Hye-kyung Cho	F (60)	Independent Director • Audit Committee • Sustainability Committee	March 19, 2027	Robotics, AI	• Professor of AI applications at Hansung University • Former president of Korea Robotics Society

Age is as of May 31, 2024.



< Composition of Board Committees >

Committee	Composition					Main role of the committee	Note
	Title	Executive/Independent	Name	Sex	Concurrent		
Management Committee (A)	Head	Executive	Jong-hee Han	M	-	Resolve matters related to management in general, finance, and those delegated by the Board of Directors	
	Member	Executive	Tae-moon Roh	M	-		
	Member	Executive	Hark-kyu Park	M	-		
	Member	Executive	Jung-bae Lee	M	-		
Independent Director Recommendation Committee (B)	Member	Independent	Eun-nyeong Heo	M	D F	Evaluate candidates for Independent Directors on their independence, diversity, and competence and make recommendations	
	Member	Independent	Myung-hee Yoo	F	C D F		
	Member	Independent	Je-yoon Shin	M	E F		
Audit Committee (C)	Head	Independent	Han-jo Kim	M	D E F	Auditing on Company-wide activities, including financial status	
	Member	Independent	Myung-hee Yoo	F	B D F		
	Member	Independent	Hye-kyung Cho	F	F		
Related Party Transactions Committee (D)	Head	Independent	Eun-nyeong Heo	M	B F	Enhance transparency of management by voluntary compliance to fair transaction	
	Member	Independent	Han-jo Kim	M	C E F		
	Member	Independent	Myung-hee Yoo	F	B C F		
Compensation Committee (E)	Head	Independent	Han-jo Kim	M	C D F	Secure objectivity and transparency of the process determining Director remuneration	
	Member	Independent	Jun-sung Kim	M	F		
	Member	Independent	Je-yoon Shin	M	B F		
Sustainability Committee (F)	Head	Independent	Han-jo Kim	M	C D E	Work to fulfill social responsibility and enhance shareholder value by pursuing sustainability management in the areas of ESG	
	Member	Independent	Jun-sung Kim	M	E		
	Member	Independent	Eun-nyeong Heo	M	B D		
	Member	Independent	Myung-hee Yoo	F	B C D		
	Member	Independent	Je-yoon Shin	M	B E		
	Member	Independent Director	Hye-kyung Cho	F	C		

### C. Establishing the Board Committee for corporate Sustainability Management

Samsung established the CSR Committee in March 2013 to fulfill its corporate social responsibilities and roles. In April 2017, the CSR Committee was renamed the Governance Committee and tasked with deliberating on and reviewing matters related to enhancing shareholder value. In July 2021, we once again reorganized the committee and renamed it the Sustainability Committee, aiming to strengthen its role in sustainability management. All Independent Directors participate in Sustainability Committee to deliberate on and resolve various issues, including management policies, mid- to long-term ESG strategies, and the shareholder return policy. The Committee's activities are supported by the Corporate Sustainability Center, which is the Company's sustainability management control tower.

### D. Separation of CEO and Board Chairman positions

Following a board resolution in March 2018, the roles of CEO and Board Chair were separated to secure independence of the Board from executives and controlling shareholders. In February 2020, an Independent Director was appointed as the Board Chair through a board resolution. In March 2022, Independent Director Han-jo Kim was appointed as the Board Chair through a board resolution.

### E. Lead Independent Director and Executive Officer

The Board Chair, appointed from among the Independent Directors, serves as a bridge between the Company, the Executive Directors, and the Independent Directors, and as of the disclosure date, we do not utilize a Lead Independent Director system. In addition to the Committees that consist solely of Independent Directors, we regularly hold activities such as One-Day Board meetings that are attended only by Independent Directors so they can communicate openly and exchange opinions independently.

Furthermore, the Company does not currently utilize an Executive Officer system due to concerns that the separation of oversight and execution roles has potential to disrupt the unified command system amid rapid changes in the internal and external business environments. Also, we have already separated the roles of CEO and the Board Chair, and the Audit Committee, composed solely of Independent Directors, can effectively oversee management.

(Specific Principle 4-2) The Board of Directors should be composed of experts in various fields whose experience and sense of responsibility enable significant contributions to the management of the Company.

#### A. Committee status

##### (ii) Expertise, sense of responsibility, and diversity of the Board

To make strategic decisions in the rapidly changing business environment, the Board needs to consist of the Company's top experts and members with verified expertise, experience, and capabilities in areas such as finance, law, IT (robotics and AI), ESG, environment, energy, international trade, and risk management. To accomplish this, the Company is using a Board Skills Matrix in its internal system. Currently, 2 of the 6 Independent Directors are female, considering the positive effects on balanced decision making and Board activities resulting from gender diversity.

##### (iii) Director appointments and status changes

< Director appointments and status changes >

	Name	Date of appointment	Date of term expiration	Date of status change	Reason for status change	Current status in Company
Executive	Jong-hee Han	Mar 18, 2020	Mar 17, 2026	Mar 15, 2023	Reappointment	Incumbent
	Kye-hyun Kyung	Mar 16, 2022	Mar 15, 2025	May 21, 2024	Resignation	Incumbent
Independent	Jeong Kim	Mar 23, 2018.	Mar 22, 2024	Mar 17, 2021	Term expiry	N/A
	Sun-uk Kim	Mar 23, 2018	Mar 22, 2024	Mar 17, 2021	Resignation	N/A
	Je-yoon Shin	Mar 29, 2024	Mar 28, 2027	Mar 29, 2024	Appointment	Incumbent
	Hye-kyung Cho	Mar 20, 2024	Mar 19, 2027	Mar 20, 2024	Appointment	Incumbent

(Specific Principle 4-3) Corporation should ensure fairness and independence in the process of recommending nominees and selecting Board Directors.

#### A. Director Recommendation Committee

Independent Directors are elected from candidates recommended by the Independent Director Recommendation Committee, which was established in accordance with the Commercial Act, whereas Executive Directors are elected from candidates nominated by the Board. According to the Act, an Independent Director Recommendation Committee can consist of 2 to 4 directors. We have been operating our recommendation committee with 3 Independent Directors since 2018, thereby meeting the requirements stipulated in the Commercial Act: Independent Directors must constitute a majority of the Committee members. The Committee maintains its independence and transparency and duly recommends candidates.

Independent Director candidates need to meet the requirements of relevant laws and the Articles of Incorporation, have no material interests with the Company, and be able to fulfill the roles and responsibilities of supervising management from an independent position. The Independent Director Recommendation Committee selects candidates who meet relevant requirements and have abundant knowledge and expertise in areas such as finance, law, IT, ESG, investment, environment, energy, international trade, etc. Candidates who can independently add a diverse perspective to the Board, regardless of ethnicity, nationality, gender, region of origin, religion, or area of specialty, will receive primary consideration.

The Company continually identifies potential candidates and operates a talent pool to secure candidates with the necessary expertise and independence. To accomplish this, we use professional search firms and various other methods, such as recommendations from management and key stakeholders. The secretary of the Committee supports the recommendation activities by the Independent Director Recommendation Committee.

#### B. Provision of information on Director candidates

##### (i) Time provided to fully review the candidates

The day the Board makes the resolution for convocation, the Company discloses the general meeting agenda, including details of the meeting and information on Director candidates. We provide the convocation notice and reference material via the DART system (<http://dart.fss.or.kr>) 4 weeks prior to the AGM so that shareholders are well aware of the expertise and independence of the candidates. For shareholders holding more than 1% of the total issued shares, we send the convocation letter via mail at least 2 weeks prior to the AGM in accordance with Article 363 of the Commercial Act and Article 17-3 of the Articles of Incorporation. Details on the provision of information on Director candidates are as follows:

##### <Provision of information on Director Candidates>

Date of provision	Date of AGM	Director candidate	Details	Note
Feb 20, 2024 (29 days prior to AGM)	Mar 20, 2024	Je-yoon Shin (Independent)	1. Name, date of birth, relationship with the major shareholder, whether an Independent Director candidate 2. Occupation, career, transactions with the Company in the past 3 years 3. Record of default, executive of an insolvent firm, reason for disqualification according to regulation 4. Plans for executing duties (for Independent Director appointed) 5. Grounds for recommendation	-
		Hye-kyung Cho (Independent)		

Feb 14, 2023 (29 days prior to AGM)	Mar 15, 2023	Jong-hee Han (Executive)	1. Name, date of birth, relationship with the major shareholder, whether an Independent Director candidate 2. Occupation, career, transactions with the Company in the past 3 years 3. Record of default, executive of an insolvent firm, reason for disqualification according to regulation 4. Plans for executing duties (for Independent Director appointed) 5. Grounds for recommendation	-
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**(ii) Past Board activities of Director candidate nominated for a second term**

The Company provides information on the Board activities of a Director candidate nominated for a second term, including the attendance rate of board meetings, voting results on each agenda item, etc., via business reports and convocation notice of shareholders' general meeting. The information is also available on our website to allow convenient access for investors.

**C. Cumulative voting and reflection of minority shareholders**

Based on Article 24 of our Articles of Incorporation, the Company does not practice cumulative voting stated in Article 382-2 of the Commercial Act.

On our website (<https://www.samsung.com/global/ir/governance-csr/general-meeting-of-shareholders/>), we provide information on how to make agenda proposals, which enables minority shareholders to express their opinions on the selection of Director candidates and the election of Directors.

We have established standards and procedures for shareholder proposals, and the Secretary of the Committee takes charge of such matters within related guidelines. Also, the Company uses IR activities for domestic and overseas investors to gather shareholder opinions on the Board's composition and operations. The opinions are considered when managing the Independent Director candidate pool and operating the Independent Director Recommendation Committee.

(Specific Principle 4-4) When appointing executive members, the Company should exclude persons who have damaged corporate value or violated shareholder rights.

**A. Policies to exclude persons who have damaged corporate value or violated shareholder rights when appointing executive members**

The Company has stipulated legal and ethical compliance as a duty in its Management Principle and also as a part of our corporate social responsibility. In adherence to the Principle, we follow the Regulations for Executive Treatment for matters concerning executive appointment, treatment evaluations, and penalties, etc.

In accordance with the internal regulations stated above, the appointment or reappointment of an executive is preceded by a comprehensive review of numerous matters, including a person's expertise and accomplishments, leadership, any legal violations, etc., as a part of our goal to enhance corporate and shareholder value. The Company effectively operates the regulations on executive penalties, by specifying the reasons for, the processes behind, and the types of penalties; and then linking the results to our evaluation and compensation policies.

The Company has established and adheres to policies to prevent the appointment of any person who has damaged corporate value, and we will continue to strive to improve the effectiveness of such policies.

**B. Whether persons receiving a final guilty verdict on charges of embezzlement, malpractice or unfair transactions in accordance with Capital Markets Act have been appointed as executives**

In February 2017, an unregistered executive was indicted on charges of embezzlement, etc., and received a final conviction in January 2021. His employment status was changed to an unpaid position; and, following a final verdict of guilty, his status was changed to part-time.

After the final ruling, the Board discussed the matter thoroughly and decided to maintain the person's status as an executive, considering factors such as the following: the executive's status changed to a non-salaried,

part-time, non-board member; the executive has repaired any damage to the Company caused by the verdict; and the executive’s unique qualifications and exclusive role—which includes leveraging his global network and nurturing emerging businesses—in enhancing shareholder value.

The executive received a presidential pardon in August 2022 and his rights were restored in accordance with the provisions of the Amnesty Act, providing him with the opportunity to contribute to national economic growth. Facing deteriorated global business conditions, the Board in October 2022 concluded that the Company urgently needed to reinforce responsible management and establish bold strategies necessary for sustained growth in the mid- to long-term. Thus, the Board passed a resolution to appoint the executive as Executive Chair.

The executive performs an exclusive role, which includes building a global network and nurturing new growth engines. Since his reinstatement, he has been dedicated to improving corporate value, by actively strengthening global partnerships, increasing investments in technology, and adding outstanding talent to the workforce.

### C. Shareholder derivative suits

There are no shareholders derivative suits as of the reporting date.

(Core Principle 5) Independent Directors should be able to participate in decision making of important business matters and perform supervision of the management with independence.

(Specific Principle 5-1) An Independent Director should not have a material relationship with the concerned corporation. When appointing a Director, the corporation must confirm his/her relation with the corporation.

### A. Interests between Independent Directors and the Company

#### (i) Work history of Independent Director with SEC and affiliates

As of the reporting date, there are no Independent Directors who have previously worked for SEC or its affiliates

<Period of service as of the reporting date>

Name	Period of service	
	SEC	Including affiliates
Han-jo Kim	63 months	63 months
Jun-sung Kim	27 months	27 months
Eun-nyeong Heo	19 months	19 months
Myung-hee Yoo	19 months	19 months
Je-yoon Shin	3 months	3 months
Hye-kyung Cho	3 months	3 months

#### (ii) Transactions between SEC with an Independent Director (or the firm in which the Director is a controlling shareholder)

Prior to the appointment of an Independent Director, the Company reviews a candidate for reasons for disqualification in accordance with Article 542-8 of the Commercial Act. According to the Act, an individual with an outstanding transaction worth KRW 100 mil or more (excluding standardized transactions with the listed company based on the “terms and conditions” as defined in the Article 2 subparagraph 1 of the Act on the Regulation of the Terms and Conditions) will be excluded as a candidate.

There were no transactions between SEC and an Independent Director or a firm in which the Independent Director is a majority shareholder in the previous 3 years.

#### (iii) Transaction between SEC and a firm employing an Independent Director

Prior to the appointment of an Independent Director, the Company reviews the candidate for reason for disqualification in accordance with Article 542-8 of the Commercial Act. In this regard, no employee of a firm with a total transaction amount with SEC in the previous 3 fiscal years as of the time of the review that exceeds 10% of SEC’s total equity or total revenue shall be appointed an Independent Director; no

employee of a firm that signed a single transaction agreement worth 10% or more of the firm's revenue with SEC in the recent fiscal year shall be appointed an Independent Director.

There were no transactions between SEC and any Independent Director or a firm that employs the Independent Director.

**(iv) Process to identify there is no interest between the Company and an Independent Director**

The Independent Director Recommendation Committee checks for legal disqualification and verifies the independence of Independent Director candidates from the nomination stage through to resignation. During the search stage, we collect information such as a candidate's employment status, share ownership, transaction records in the internal ERP system, and information gathered via statements made by the candidate. Together with the opinions of legal experts, the gathered information is reported to the Independent Director Recommendation Committee. The Board and the Committee comprehensively review the information not just for legal disqualification factors but also for expertise, capability, concurrent positions, potential self-dealings and conflicts of interest due to concurrent positions, and other matters that can impact independence. When incumbent Independent Directors wish to take on new concurrent positions or Directorships at another company, they are required to inform the Company first. The Secretary of the Committee regularly checks the concurrent status of each Independent Director and whether there has been any transactions with the Company, ensuring that there are no issues on Board composition and operations.

(Specific Principle 5-2) Independent Directors should allot sufficient time and effort to performing their duties.

**A. Independent Directors performing duties**

**(i) Concurrent positions**

For Independent Directors to faithfully perform their duties, the Company fully complies with the Commercial Act and prohibits the appointment of an Independent Director who "has difficulty faithfully performing any of his or her duty as an outside director, or who may have an influence on the management of the listed company." The Company also prohibits Independent Directors from working as a director, executive officer, or auditor of more than 2 companies other than SEC. Moreover, Article 32 of the Company's Articles of Incorporation prohibits an appointed Independent Director to hold a position in another company that is in a competitive business field of the Company; or is in a business field or type of business field that may cause conflicts of interest with the Company.

**(ii) Independent Directors with concurrent positions**

Concurrent Position of Independent Directors as of the disclosure date is presented below.

<Concurrent Position of Independent Directors>

Name	Date of appointment	Date of term expiration	Current occupation	Concurrent position			
				Organization	Position	Start of concurrent term	Listed / unlisted
Han-jo Kim (Audit Committee)	Mar 20, 2019	Mar 19, 2025	Chair of Hana Nanum Foundation	N/A	N/A	N/A	N/A
Jun-sung Kim	Mar 16, 2022	Mar 15, 2025	CIO of National University of Singapore Endowment Fund	N/A	N/A	N/A	N/A
Eun-nyeong Heo	Nov 3, 2022	Nov 2, 2025	Professor of College of Engineering at Seoul National University	Korea Institute of Energy Law	Director	Aug 2022	N/A
Myung-hee Yoo (Audit Committee)	Nov 3, 2022	Nov 2, 2025	Visiting Professor of Graduate School of International Studies at Seoul National University	HD Hyundai Construction Equipment	Independent Director	Oct 2022	Listed
Jae-yoon Shin	Mar 29, 2024	Mar 28, 2027	Senior Advisor at Bae, Kim, and Lee LLC	-	-	-	-
Hye-kyung Cho (Audit Committee)	Mar 20, 2024	Mar 19, 2027	Professor of AI applications at Hansung University	Hyundai E&C	Independent Director	Mar 2021	Listed

(Specific Principle 5-3) The Company should provide Independent Directors with sufficient information and required resources to perform their duties.

#### A. Process for providing information, human resources, and material resources to Independent Directors

The Company operates a variety of programs to help Independent Directors fulfill their responsibilities.

Independent Directors prepare themselves thoroughly to participate in board activities, which includes reviewing provided information for decision making, discussions, etc. Independent Directors make decisions independently but are expected to have active discussions with other Directors. When they participate as members of the Board or its committees, Independent Directors are able to receive support from outside experts, if required.

Independent Directors require a comprehensive understanding of the Company to ensure efficient decision making, so the Company offers various programs outside of board meetings to enhance understanding of our business operations. A prime example of this is the Company's "One-day Board," a quarterly event in which Independent Directors receive business and status reports from the supervising business to strengthen understanding of on-site management. Additionally, site visits to production or business locations increase understanding of our businesses, while, for new appointees, orientation programs on Samsung's history, management philosophy, organizational structure, and details of employee responsibilities promote an overall understanding of the Company and its business operations. Our Independent Directors receive presentations on management plans during annual visits to overseas sites; and they are provided with reports on major issues as they happen. The Company also supports meetings between Independent Directors and institutional investors to communicate directly and exchange ideas. Through these programs, we strive to ensure that our Independent Directors have all the necessary information to carry out their duties.

From 2023, the Company holds offsite strategy meetings for the Board to strengthen the Board's role in making strategic decisions. The Board receives reports from external experts and related business units on changes in external environment and the Company's mid-to-long term vision, and in-depth discussions are held between Independent and Executive Directors.

#### B. Team responsible for dealing with requests from Independent Directors

In December 2022, the Company established the Board of Directors Office (BDO) under the Board to further strengthen support for the Board and Independent Directors and to take charge of responding to stakeholders. The Secretary of the Committee consists of an executive-level department head and 3 members with comprehensive understanding of the Company's business activities and organizational structure, strong work experience, global capabilities and specialized knowledge in Board operations. The Secretary of the Committee supports general operations related to the Board and the Independent Director Recommendation Committee. Also, other relevant departments in the Company, such as the People Team and Legal Team, as well as experts from external search firms and law firms also support the Secretary of the Committee.

#### C. Education programs for Independent Directors

Date	Subject	Attendees	Absent (reason)	Main content
Mar 15, 2023	Human Resources Development Center	Han-jo Kim Sun-uk Kim Jeong Kim Jun-sung Kim Eun-nyeong Heo Myung-hee Yoo	N/A	Major matters related to the Company, such as company history, management, philosophy, etc.
2023.04.25	Global Marketing Global EHS Center	Han-jo Kim Sun-uk Kim Jeong Kim Eun-nyeong Heo Myung-hee Yoo	Jun-seong Kim (concurrent duties)	Understanding marketing activities Understanding EHS management status and sustainability management
2023.10.27	CSR Group	Han-jo Kim Sun-uk Kim Jeong Kim	Jun-seong Kim (concurrent duties)	Understanding of CSR activities such as Hope Stepping Stone

	Youth S/W Creative Development Center	Eun-nyeong Heo Myung-hee Yoo		Introduction to Samsung Software Academy for Youth  Introduction to C-Lab
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#### D. Independent Director-only meetings

We organize various meetings to help Independent Directors work smoothly, and we and organize regular meeting sessions for them, such as One-Day Board Meetings. Also, the Board Chair—who is an Independent Director—meets with the other Independent Directors prior to a Board meeting to receive and discuss details on agenda items. When visiting domestic and overseas business sites, Independent Directors receive status reports on the business and hold employee meetings without the presence of management to hear on-site feedback directly. We also offer meeting rooms where Independent Directors can gather and freely exchange opinions before a Board meeting. The meetings held exclusively for Independent Directors from the beginning of 2023 to the disclosure date are as follows. (Excluding meetings of Committees composed solely of Independent Directors.)

##### << Meeting sessions exclusively for Independent Directors >>

Type	Date	Attendance	Topics/details	Note
Regular	Jan 31, 2023	6 of 6	Demonstration of future technologies and designs	Woomyeon campus
Regular	Mar 15, 2023	6 of 6	Board improvement measures and roles of Independent Directors	
Regular	April 27, 2023	5 of 6	Report on the operation status of the DX Division and field trip	Gwangju site
Regular	April 28, 2023	3 of 6	Meeting with the former Independent Director who was the Board Chair	
Special	July 26, 2023	6 of 6	Discussions on participation and activities with external organizations Attend Unpacked event and discussion on product strategies	
Regular	July 27, 2023	6 of 6	Status of system semiconductor business and discussion on business strategies	Hwaseong site
Special	Aug 10, 2023	5 of 6	Status of business in Latin America and opinions of resident employees	
Regular	Oct 31, 2023	5 of 6	Status of Visual Display business and discussion on business strategies	Suwon site

##### < Meeting sessions exclusively for Independent Directors in 2024 (as of the disclosure date) >

Type	Date	Attendance	Topics/details	Note
Regular	Jan 31, 2024	6 of 6	Status of mobile business and discussion on strategic products	Suwon site
Regular	Apr 30, 2024	6 of 6	Status of memory business and discussion on business competitiveness	Hwaseong/Pyeongtaek sites
Special	May 23, 2024	5 of 6	Discussion on major issues and Increasing understanding of Samsung's history, frontier spirit and welfare benefits	Suwon site/ Human Resources Development Center

(Core Principle 6) Activities of Independent Directors should be evaluated fairly, and the evaluation results should be reflected appropriately in remuneration and reappointment decisions to encourage active participation.

(Specific Principle 6-1) Independent Directors should be evaluated based on their individual performance and the results should be reflected in a reappointment decision for the next term.



## A. Evaluation of Independent Directors

Evaluations of Independent Directors are conducted regularly in accordance with internal guidelines to measure the performance of each Director, and qualitative and quantitative evaluations are taken in areas such as attendance rate, performance in board committee activities, expertise, level of understanding, and independence. At the end of each year, each department that supports the Board and its Committees compile opinions on Director attendance and activities in Committees, and an evaluation is written based on these opinions. All 6 independent Directors were evaluated in December 2023. Moreover, the results are reported to the executives and the Board Chair and are used to better support Independent Directors in performing their duties and to review whether the composition of the Board and its committees are appropriate. This is ultimately aimed at enhancing the efficiency of the Board.

Year	Evaluation period	Directors subject to evaluation
2022	December	Han-jo Kim, Sun-uk Kim, Jeong Kim, Jun-sung Kim, Eun-nyeong Heo, Myung-hee Yoo
2023	December	Han-jo Kim, Sun-uk Kim, Jeong Kim, Jun-sung Kim, Eun-nyeong Heo, Myung-hee Yoo

Also, we introduced a Board evaluation system to ensure effective Board operations, and all Directors self-evaluate on annual Board and Committee activities, compositions, and operations. The evaluations were completed via self-surveys based on materials recommended by external evaluation agencies, and Directors provided feedback on areas such as roles and responsibilities, Board structure, operations, and Audit Committee activities. The opinions of Independent and Executive Directors are also collected on the evaluation criteria and methods. Directors share the results and use them to seek to improve Board operations and the evaluation methods.

## B. Ensuring fair evaluations of Independent Director

We do not conduct separate external evaluations considering the lack of credible agencies that can conduct fair evaluations and the potential for leakage of internal data. However, we are committed to maximizing objectivity by specializing and qualifying evaluation indicators and also segmenting the evaluation subjects into the Board and each Committee, with multiple supporting departments conducting evaluation from various perspectives.

## C. Reflecting evaluation results into reappointment decisions

The Company evaluates Independent Directors on a regular basis to assess the activities and performance of each Independent Director based on our internally developed evaluation criteria. The evaluation results are considered when reviewing the reappointment of Independent Directors.

(Specific Principle 6-2) Independent Director remuneration should be determined at an appropriate level, reflecting performance evaluation results, responsibilities of and the risk associated with the role.

### A. Policies related to remuneration

In accordance with the Commercial Act and the Articles of Incorporation, the annual remuneration limit for Executive and Independent Directors is approved at the AGM. Once approved, the Board determines the remuneration amount for each Director, calculation criteria, and execution methods, and it then delegates the execution to CEO. In accordance with internal regulations for the treatment of Independent Directors, remuneration is determined by CEO based on roles and responsibilities, time spent on Board activities, legal responsibilities and risks, travel distances, and opportunity costs in the market.

Under Company policy, an Independent Director's remuneration is not tied to his or her performance. Rather, it is predetermined in order to avoid any inhibitions that may impede participation if remuneration is based on performance. Remuneration of Independent Directors is limited to base salary for the time invested in performing their duties responsibilities of and the risk associated with the role and does not include stock options.

### B. Number of stock options and relevant conditions

Remuneration of Independent Directors does not include stock options.

(Core Principle 7) Board meetings should be operated in an efficient and reasonable manner to serve the interests of the corporation and shareholders.

(Specific Principle 7-1) Board meetings should be held regularly. Regulations on the operation of the Board of Directors should be established where the Board's rights and responsibilities along with its operational procedures are specifically stated.

#### **A. Regulations related to regular board meetings (Articles of Incorporation or operation regulations of the Board of Directors)**

In accordance with Article 7 of Regulations of the Board of Directors, board meetings are categorized as either regular board meetings or special meetings that are held on an ad hoc basis. The Board plans regular meetings at the beginning of the year and holds 7 regular meetings each year for matters such as approving quarterly financial statements and convening the AGM. A special or extraordinary general meeting (EGM) can be called when deemed necessary. In accordance with Article 30 of the Articles of Incorporation, a meeting of the Board shall be convened by the Board Chair, and the Chair shall give notice to each Director of the date, time, place, and meeting agenda at least 7 days prior to the opening date. In urgent situations, however, the notice period can be shortened to at least 24 hours prior to the opening date, and if all Directors agree, the convocation procedure can be omitted. Directors may request the Chair to convene a board meeting when deemed necessary in the performance of duties; and they shall explain the agenda and reasons for such action to the Chair. If the Chair rejects a meeting request without a valid reason, the Director who made the request may convene a meeting directly.

In accordance with Article 31 of the Articles of Incorporation and Article 9 of the Regulations of the Board of Directors, the presence of a majority of all Directors shall constitute a quorum for a meeting of the Board and the resolutions of the Board shall be adopted by a majority of the votes of the Directors attending the meeting. In accordance with Article 391 of the Commercial Act, the Board may adopt a resolution without all or some of the Directors being present at the meeting in person if they are present by means of a remote communications system that enables the simultaneous transmission and receipt of the voice of the Directors. In such cases, the relevant Directors shall be deemed as being directly present at the meeting. According to Article 9 of the Regulations of the Board of Directors, voting rights of a Director who has a special interest in the agenda item shall be limited in order to eliminate the possibility of conflict of interest.

#### **B. Information on regular and extraordinary Board meetings**

In 2023, we held 8 Board meetings in total: 7 regular and 1 extraordinary. In 2024, as of the disclosure date, we have held 4 regular meetings in total.

	No. of meetings	Notification period (days)	Attendance rate (%)
Regular	7	6	96.6
Extraordinary	1	1	100

#### **C. Establishment and disclosure of remuneration linked to individual director's performance**

The Company evaluates the performance of individual Executive Directors and establishes remuneration policy based on the evaluation results. The Compensation Committee, composed solely of Independent Directors, reviews the remuneration system and individual remuneration of registered executives to ensure fairness and objectivity.

Our remuneration policy is disclosed in the business report under "Remuneration status of executives."

#### **D. Director and Officer Liability Insurance**

Director and Officer Liability Insurance covers economic losses of executives arising from claims for damages by shareholders or third parties due to breaches of duty of care and fiduciary duty. We started using such a policy since 1998, which is when we first introduced Independent Director system.

Director and Officer Liability Insurance excludes coverage for criminal acts, professional services, claims for profit taken from stock trading using internal information, fines, penalties, and punitive damages, in order to prevent misuse of the insurance by evading responsibility.

## E. Consideration of Stakeholder interests which impact sustainable growth and long-term profitability

To account for stakeholder interests, we engage in activities such as stakeholder forums, surveys, and site visits to gather opinions and share our performances in sustainable management, all aimed at establishing cooperative relationships.

Furthermore, we conduct a Materiality Assessment every year to identify issues that have potential to significantly impact stakeholder interests and businesses. To communicate with stakeholders, we transparently disclose assessment results in the Sustainability Report.

Also, the Labor–Management Relations Advisory Group under the Board provides advice and forecasts on labor relations, contributing to enhancing stakeholders’ interests.

(Specific Principle 7-2)The Board of Directors should prepare detailed minutes of every board meeting and disclose the attendance and voting records of each Director.

### A. Keeping detailed minutes and recordings of board meeting

The Board prepares minutes of the proceedings and results of the meeting. Names and signatures of all Directors present are affixed to the minutes and then distributed to all Directors to ensure transparency of the decision-making process. We do not prepare voice recordings besides the minutes.

### B. Recording of discussions and resolutions per each Director

If necessary, the Board minutes include opinions of individual Directors. For dissenting votes, information on the Director and the reasons for the vote will be included.

### C. Attendance and voting results of individual Directors at board meetings

<Attendance and voting results of Directors in the recent 3 years>

Name Director type	Term	Attendance (%)				Approval rate (%)			
		3-year avg.	Past 3 years			3-year avg.	Past 3 years		
			2023	2022	2021		2023	2022	2021
Ki-nam Kim Executive	Mar 23, 2018– Mar 16, 2022	100.0	-	100.0	100.0	100.0	-	100.0	100.0
Hyun-suk Kim Executive	Mar 23, 2018– Mar 16, 2022	100.0	-	100.0	100.0	100.0	-	100.0	100.0
Dong-jin Koh Executive	Mar 23, 2018– Mar 16, 2022	100.0	-	100.0	100.0	100.0	-	100.0	100.0
Jong-hee Han Executive	Mar 18, 2020– present	96.2	100.0	90.0	100.0	100.0	100.0	100.0	100.0
Yoon-ho Choi Executive	Mar 18, 2020– Dec 31, 2021	87.5	-	-	87.5	100.0	-	-	100.0
Kye-hyun Kyung Executive	Mar 16, 2022– May 21, 2024	87.5	75.0	100.0	-	100.0	100.0	100.0	-
Tae-moon Roh Executive	Mar 16, 2022– present	87.5	87.5	87.5	-	100.0	100.0	100.0	-
Hark-gyu Park Executive	Mar 16, 2022– present	100.0	100.0	100.0	-	100.0	100.0	100.0	-
Jung-bae Lee Executive	Mar 16, 2022– present	100.0	100.0	100.0	-	100.0	100.0	100.0	-
Jae-wan Bahk Independent	Mar 11, 2016– Mar 19, 2022	90.9	-	66.7	100.0	100.0	-	100.0	100.0
Sun-uk Kim Independent	Mar 23, 2018– Mar 20, 2024	96.2	100.0	90.0	100.0	100.0	100.0	100.0	100.0
Byung-gook Park Independent	Mar 23, 2018– May 17, 2022	100.0	-	100.0	100.0	100.0	-	100.0	100.0

Jeong Kim Independent	Mar 23, 2018– Mar 23, 2024	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Curie Ahn Independent	Mar 20, 2019– Mar 19, 2022	90.9	-	66.7	100.0	100.0	-	100.0	100.0
Han-jo Kim Independent	Mar 20, 2019– present	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Wha-jin Han Independent	Mar 16, 2022– Apr 20, 2022	100.0	-	100.0	-	100.0	-	100.0	-
Jun-sung Kim Independent	Mar 16, 2022– present	100.0	100.0	100.0	-	100.0	100.0	100.0	-
Eun-nyeong Heo Independent	Nov 3, 2022– present	100.0	100.0	100.0	-	100.0	100.0	100.0	-
Myung-hee Yoo Independent	Nov 3, 2022– present	100.0	100.0	100.0	-	100.0	100.0	100.0	-

#### D. We disclose activities of individual Directors only through the regular disclosures.

(Core Principle 8)

The Board should establish committees dedicated to specific functions and roles for efficient operation of the Board.

(Specific Principle 8-1) Committees should be composed of a majority of Independent Directors. The Audit Committee and Compensation Committee should consist entirely of Independent Directors.

#### A. Board committees, main roles, and composition

The Board has established committees in accordance with Article with Article 28-2 through 28-8 of the Articles of Incorporation and Article 11-2 of the Regulations of the Board; and it has delegated certain responsibilities to the committees to ensure efficient operation of the Board. The Company established and has been operating 6 committees in total: the Management Committee, the Audit Committee, the Independent Director Recommendation Committee, the Compensation Committee, the Related Party Transactions Committee, and the Sustainability Committee. Each Board Committee performs its respective roles and functions.

Regarding the specific roles of each Committee: The Management Committee reviews business operations; the Audit Committee is in charge of financial reviews including accounting transparency; the Independent Director Recommendation Committee verifies Independent Director candidates' expertise, independence, and diversity; the Compensation Committee ensures objectivity and transparency in determination process of Director's remuneration; the Related Party Transactions Committee manages compliance with laws and ethics in transactions between affiliates; the Sustainability Committee manages corporate social responsibilities as well as risks related to ESG and shareholder return policy.

We operate 5 Board Committees consisting solely of Independent Directors to further strengthen independency, exceeding legal requirements, while the Management Committee is composed of 4 Executive Directors as of the reporting date to ensure swift decision making on general management matters.

The Board operates the Management Committee and delegates authority over the Committee, which is composed of Executive Directors with high-levels of business understanding, to ensure quick decision making on general business matters, such as facility investments. The Management Committee reports resolved matters to the Board, supporting Independent Directors' understanding of overall businesses. Other than Management Committee, the Company operates 5 Committees that are composed solely of Independent Directors, which exceeds legal requirements and is aimed at enhancing committee independence.

(Specific Principle 8-2) All matters relating to the structure, operation, and authority of each committee must be stipulated as regulation. All resolutions by board committees should be reported to the Board.

#### A. Structure, operation, and authority of a board committee stipulated as regulation

Whether goals, authorities and responsibilities, evaluation of activities and achievements during reporting period, composition of committees, and Director's eligibility, appointment, and dismissals are stipulated. Each committee stipulates the goal, authorities and responsibilities, composition, operation, appointment and

dismissals in accordance with regulations of the Board of Directors. Details of committee activities are disclosed via business reports among others. Although evaluation of activities and achievements is not stipulated in the regulation, it is considered when evaluating Independent Directors.

## 1. Management Committee

- 1) Composition: 4 Executive Directors (Jong-hee Han, Tae-moon Roh, Hark-kyu Park, Jung-bae Lee)
- 2) Authorities and responsibilities: The Management Committee deliberates and decides on matters delegated by the Board related to general management and finance. The Committee deliberates and decides on the following matters:

### A. General management

- Annual or mid- to long-term management policy and strategy
- Key management strategy
- Business planning and restructuring
- Establishment, relocation, and withdrawal of overseas branches and corporations
- Initiation of cooperative efforts, such as strategic partnerships with foreign companies
- Acquisition or disposal of domestic and overseas subsidiaries (provided the value of the transaction exceeds 0.1% of total equity)
- Other major management matters
- Establishment, relocation, and withdrawal of branches and operations
- Appointment or dismissal of supervisors
- Suspension or shutdown of production over 5% of the total production in the recent year
- Licensing agreements, technology transfers, and technology partnerships of over 0.5% of the total equity
- Acquisitions and transfers of patents related to new material and new technology of over 0.5% of the total equity
- Collection and destruction of products corresponding to over 5% of the total sales in the recent business year
- Contracting for over 5% of the total sales in the recent business year
- Contracting or canceling of single sales agencies and suppliers over 5% of the total sales in the recent business year
- Setting basic principles of organization management
- Decision making on basic principles and any changes related to wages, bonuses, and fringe benefits
- Appointments, dismissals, and changes of transfer agents
- Closing of the shareholder register and setting the reference date
- Establishing corporate guidelines for business and management related activities

### B. Matters related to finance

- Acquisitions or disposals of equity investments with a value no less than 0.1% and less than 2.5% of the total equity
- Direct overseas investments with a value no less than 0.1% and less than 2.5% of the total equity
- New debt guarantee (excluding extension of period) or collateral issuance with a value no less than 0.1% and less than 2.5% of the total equity
  - Collateral: Only in the case of providing collateral for others
  - Guarantee: Excludes performance guarantee (e.g., bid, contract, defect, difference guarantee) and tax payment guarantee
- New credit agreement contract (excluding extension of period) with a value no less than 0.1% and less than 5% of the total equity
- Approval of related party transactions:
  - Related party transactions with affiliates involving cash (loans and payments), equity (stocks and bonds) or assets (such as real estate and intangible property rights) with a value no less than KRW 3 billion and less than 10 billion, as defined in the Monopoly Regulation and Fair Trade Act
- ※ Excluding cases where existing contracts are renewed without significant changes.
- Insurance of Corporate Bond
- Acquisition and disposal of real estate with a value of over 0.1% of the total equity, provided the transaction is with the third party

Any matters that the CEO deems necessary and important for the business (e.g., capex)

C. All other matters except for those delegated to the Board and other committees in accordance with regulations of the Board

## **2. Independent Director Recommendation Committee**

- 1) Composition: 3 Independent Directors (Eun-nyeong Heo, Myung-hee Yoo, Je-yoon Shin)
- 2) Authorities and responsibilities: The Independent Director Recommendation Committee was established in accordance with Article 542-8 of the Commercial Act, Article 28-5 of the Articles of Incorporation, and Article 12-3 of the Regulations of the Board. The Committee evaluates potential candidates for Independent Directors to be presented at a general meeting of shareholders and recommends candidates to the Board.

## **3. Related Party Transactions Committee**

- 1) Composition: 3 Independent Directors (Eun-nyeong Heo, Han-jo Kim, Myung-hee Yoo)
- 2) Authorities and responsibilities: The Related Party Transactions Committee was established by a resolution of the Board, without legal mandates, to enhance transparency of the Company's management through a voluntary compliance system.
  - Right to receive reports on related party transactions:  
The Committee can request reports on related party transactions with affiliates
  - ※ According to the Monopoly Regulation and Fair Trade Act, the Related Party Transactions committee is permitted to conduct preliminary reviews of and approve related party transactions worth KRW 10 billion and over, and other transactions that are deemed significant
  - Right to order ex officio investigation of related party transactions
  - Right to propose corrective measures for related party transactions

## **4. Compensation Committee**

- 1) Composition: 3 Independent Directors (Han-jo Kim, Jun-sung Kim, Je-yoon Shin)
- 2) Authorities and responsibilities: The Compensation Committee was established by a resolution of the Board, without legal mandates, to reinforce transparency and objectiveness of the decision-making process regarding remuneration of Directors. The Committee has the authorities in the follow areas:
  - Propose a remuneration limit of Directors at the AGM
  - Establish a Director remuneration system
  - Other matters delegated by the Board

## **5. Sustainability Committee**

- 1) Composition: 6 Independent Directors (Han-jo Kim, Jun-sung Kim, Eun-nyeong Heo, Myung-hee Yoo, Je-yoon Shin, Hye-kyung Cho)
- 2) Authorities and responsibilities: The Sustainability Committee was established in July 2021 as an expansion of the Governance Committee. The Committee was created by a resolution of the Board to fulfill the Company's corporate social responsibility and to increase shareholder value by pursuing sustainability management in the areas of ESG. The Governance Committee has authorities in the following areas:
  - Matters related to sustainability management
    - Key strategies and polies in sustainability management
    - Report on key activities related to sustainability management, including ESG
    - Plans on releasing the Sustainability Report
  - Matters related to enhancing shareholder value
    - Preliminary review on shareholder return policies
    - Report on key issues related to shareholder rights and interest
  - Other matters that may significantly impact sustainability management and shareholder value that are deemed necessary for the Committee to discuss
  - Matters related to the establishment, composition, and operation of organizations under the

- Committee, including research groups, councils, etc.
- Other matters delegated by the Board

## 6. Audit Committee

※ Please refer to 4. Audit System for details related to Audit Committee

### B. Reporting to the Board: Committee resolutions

Each Director is notified of resolutions adopted by board committees. A Director may request a convocation of a board meeting to the Chair and go through the resolution process again if deemed necessary, excluding the resolutions made by the Audit Committee to ensure independence of that committee. In particular, agenda items resolved by the Management Committee (e.g. facility investments) should be reported face-to-face at subsequent Board meetings, balancing the need for swift decision making in specialized business areas with the oversight activities by Independent Directors. However, resolutions made by the Audit Committee are not subject to re-approval to ensure the committee's independence.

### C. Board committee meetings and attendance of Directors

#### <Management Committee>

Table 8-2-1. Management Committee meetings held in 2023

Date	Attendance	Agenda item		Results	Board report
		Type	Content		
Jan 27, 2023	5/5	Resolution	Licensing agreement	Approved	O
		Resolution	Executive OPI change	Approved	O
Apr 27, 2023	5/5	Resolution	Appointment of the head of the Management Committee	Approved	O
		Resolution	Establishment of overseas subsidiary	Approved	O
		Resolution	Liquidation of an overseas subsidiary (China)	Approved	O
		Resolution	Liquidation of an overseas subsidiary (Europe)	Approved	O
May 15, 2023	4/5	Resolution	Investment in memory business	Approved	O
		Resolution	Acquisition of an overseas subsidiary	Approved	O
Aug 11, 2023	5/5	Resolution	Investment in memory business	Approved	O
		Resolution	Investment in foundry business	Approved	O
		Resolution	Investment in foundry business at Hwasung	Approved	O
		Resolution	Investment in facility	Approved	O
		Resolution	Investment in R&D center	Approved	O
Oct 12, 2023	5/5	Resolution	Investment in foundry business at Hwasung	Approved	O
		Resolution	Investment in facility	Approved	O
Nov 21, 2023	5/5	Resolution	Investment in Pyeongtaek Campus	Approved	O
Nov 24, 2023	5/5	Resolution	Investment in foundry business at Pyeongtaek	Approved	O
		Resolution	Investment in R&D center	Approved	O
		Resolution	Investment in Giheung Semiconductor	Approved	O
		Resolution	Investment in R&D center	Approved	O
Dec 20, 2023	4/5	Resolution	EMADA with Google	Approved	O
		Resolution	Purchase of mobile device insurance	Approved	O



Table 8-2-2. Management Committee meetings held in 2024, as of the disclosure date

Date	Attendance	Agenda item		Results	Board report
		Type	Content		
Feb 6, 2024	5/5	Resolution	Lease agreement	Approved	O
Mar 7, 2024	5/5	Resolution	Investment in memory business	Approved	O
		Resolution	Investment in foundry business at Pyeongtaek facility	Approved	O
		Resolution	Investment in foundry business at Hwasung facility	Approved	O
		Resolution	Investment in Onyang Campus	Approved	O
Mar 19, 2024	5/5	Resolution	Investment in GPU business	Approved	O
Apr 12, 2024	4/5	Resolution	Investment in Memory business	Approved	O
		Resolution	Lease agreement with Samsung SDI	Approved	O
		Resolution	Purchase of product liability insurance	Approved	O
		Resolution	Agreement on trademark use	Approved	O
		Resolution	Lease agreement for Samsung Electronics Seocho building	Approved	O
May 30, 2024	4/4	Resolution	Investment in Memory business	Approved	O
		Resolution	Investment in existing FAB at Pyeongtaek facility	Approved	O
		Resolution	Investment in new FAB at Pyeongtaek facility	Approved	O
		Resolution	Investment in Advanced Package	Approved	O
		Resolution	Establishment of overseas subsidiary	Approved	O

Table 8-2-3. Related Party Transactions Committee meetings held in 2023

Date	Attendance	Agenda Item		Results	Board report
		Type	Content		
Jan 27, 2023	3/3	Deliberation	Lease agreement (lessee) with Samsung Display	-	O
		Report	Report on 4Q22 related party transactions	-	O
Feb 10, 2023	3/3	Deliberation	Purchase of product liability insurance	-	O
		Deliberation	Financial transaction with Samsung Display	-	O
Apr 25, 2023	3/3	Report	Report on 1Q23 related party transactions	-	O
Jul 25, 2023	3/3	Deliberation	Charitable contributions	-	O
		Deliberation	Purchase of mobile device insurance	-	O
		Report	Report on 2Q23 related party transactions	-	O
Aug 18, 2023	3/3	Deliberation	Purchase of package insurance policy for domestic operations	-	O
Oct 27, 2023	3/3	Deliberation	Changes to the real estate lease agreement with Samsung Display	-	O
		Deliberation	License grant agreement with Samsung Display	-	O
		Deliberation	Purchase agreement for Green 2-dong with Samsung Display	-	O
		Report	Report on 3Q23 related party transactions	-	O
Nov 28, 2023	3/3	Deliberation	Payment of retirement pension plan	-	O
		Deliberation	Approval of 2024 large-scale product and service transactions	-	O

Table 8-2-4. Related Party Transactions Committee meetings held in 2024, as of the disclosure date

Date	Attendance	Agenda Item		Results	Board report
		Type	Content		
Jan 29, 2024	3/3	Deliberation	Collection of fees for the use of Samsung CI mark from Samsung Medison	-	O

		Report	Report on 4Q23 related party transactions	-	○
Mar 18, 2024	3/3	Deliberation	Lease agreement for Samsung Electronics Seocho building	-	○
Apr 26, 2024	3/3	Resolution	Appointment of the Head of the Related Party Transactions Committee	Approved	○
		Deliberation	Collection of fees for the use of Samsung CI mark from Samsung Biologics and Samsung Bioepis	-	○
		Report	Report on 1Q24 related party transactions	-	○

Table 8-2-5. Compensation Committee meetings held in 2023

Date	Attendance	Agenda item		Results	Board report
		Type	Content		
Jan 27, 2023	3/3	Resolution	Appointment of the head of the Compensation Committee	Approved	○
		Resolution	Review on 2023 fixed annual salary for each Executive Director	Approved	○
		Resolution	Review on 2023 remuneration limit for Directors	Approved	○

Table 8-2-6. Compensation Committee meetings held in 2024, as of the disclosure date

Date	Attendance	Agenda item		Results	Board report
		Type	Content		
Feb 19, 2024	3/3	Deliberation	Deliberation on Executive Director Remuneration System and fixed annual salary for each Executive Director	-	○
		Deliberation	Deliberation on Director remuneration limit for FY2024	-	○

Table 8-2-7. Independent Director Recommendation Committee meetings held in 2023

Date	Attendance	Agenda item		Results	Board report
		Type	Content		

※ There were no Independent Director Recommendation Committee meetings held in 2023

Table 8-2-8. Independent Director Recommendation Committee meetings held in 2024 as of the disclosure date

Date	Attendance	Agenda item		Results	Board report
		Type	Content		
Jan 29, 2024	3/3	Resolution	Appointment of the Head of the Independent Director Recommendation Committee	Approved	○
		Resolution	Deciding on the date for recommending Independent Directors	Approved	○
Feb 19, 2024	3/3	Resolution	Recommending a candidate as an Independent Director for Audit Committee	Approved	○
		Resolution	Recommending candidates for Independent Directors	Approved	○

Table 8-2-9. Sustainability Committee meetings held in 2023

Date	Attendance	Agenda item		Results	Board report
		Type	Content		
Jan 31, 2023	6/6	Report	Report on updates of IR activities	-	○
Apr 27, 2023	6/6	Report	Report on updates of IR activities	-	○
		Report	Current status and response; ESG information disclosure	-	○
		Report	Status of response to EU supply chain directive	-	○

Jul 25, 2023	6/6	Report	Report on updates of IR activities	-	0
		Report	Updates on progress of The Universe	-	0
		Report	Updates on progress of the Company's accessibility	-	0
Oct 27, 2023	6/6	Report	Report on updates of IR activities	-	0
		Report	Key achievements of the New Environmental Strategy during its first year of implementation	-	0

Table 8-2-10. Sustainability Committee meetings held in 2024, as of the disclosure date

Date	Attendance	Agenda Item		Results	Board report
		Type	Content		
Jan 29, 2024	6/6	Report	Measures to elevate ESG stakeholder engagement	-	0
		Report	Plans to release Sustainability Report 2024	-	0
		Report	Report on updates of IR activities	-	0
		Resolution	Preliminary review on 2024–2026 shareholder return policy	Approved	0
Apr 26, 2024	6/6	Report	Report on updates of IR activities	-	0
		Report	Results of 2024 Materiality Assessment	-	0
		Report	Results of EU stakeholder engagement	-	0
		Report	Plans to expand Stellar Forest, Samsung Electronics' standard workplace for people with disabilities in the form of a subsidiary	-	0

Table 8-2-11. Audit Committee meetings held in 2023

Date	Attendance	Agenda Item		Results	Board report
		Type	Content		
Jan 27, 2023	3/3	Report	Report on 2022 internal accounting management system activities	-	0
		Report	Report on 2022 evaluation of internal accounting management system activities	-	0
		Report	Report on communication between Audit Committee and external auditor	-	0
		Report	Report on 2022 financial statement and business report	-	0
		Report	Report on 4Q22 non-audit activities	-	0
		Report	Report on 4Q22 external contributions	-	0
		Report	Report on 2022 audit activities	-	0
Feb 10, 2023	3/3	Deliberation	Review of the 54th AGM agenda	-	0
		Report	Report on 2022 activities of internal compliance system activities	-	0
Apr 25, 2023	3/3	Report	Report on communication between Audit Committee and external auditor	-	0
		Report	Report on 2022 audit activities	-	0
		Report	Report on the 1Q23 interim business report	-	0
		Report	Report on 1Q23 non-audit activities	-	0
		Report	Plans for review of internal accounting management system activities in 2023	-	0
		Report	Report on 1Q23 external contributions	-	0
		Report	Plans for assessment of internal accounting management system activities in 2023	-	0
Jul 25, 2023	3/3	Report	Communication between external auditor and Audit Committee	-	0
		Report	Report on 2023 half-year business report	-	0
		Report	Report on 2Q23 non-audit activities	-	0

		Report	Interim report on 2023 internal accounting management system activities	-	0
		Report	Report on 2Q23 external contributions	-	0
		Report	Report on 1H23 audit activities	-	0
		Report	Report on evaluation of 2023 internal accounting management system and the establishment of operational regulations	-	0
Oct 27, 2023	3/3	Report	Communication between external auditor and audit committee	-	0
		Report	Report on 3Q23 interim business report	-	0
		Report	Report on 3Q23 non-audit activities	-	0
		Report	Report on 3Q23 external contributions	-	0

Table 8-2-12. Audit Committee meetings held in 2024, as of the disclosure date

Date	Attendance	Agenda Item		Results	Board report
		Type	Content		
Jan 29, 2024	3/3	Report	Report on 2023 internal accounting management system activities	-	0
		Report	Report on evaluation of 2023 internal accounting management system activities	-	0
		Report	Communication between external auditor and audit committee	-	0
		Report	Approval of FY23 financial statements and full-year business report	-	0
		Report	Report on 4Q23 non-audit activities	-	0
		Report	Report on 4Q23 external contributions	-	0
		Report	Report on 2023 audit activities	-	0
Feb 19, 2024	3/3	Deliberation	Review the 55th AGM agenda items	-	0
		Report	Report on activities of internal compliance system in 2023	-	0
Apr 26, 2024	3/3	Report	Communication between external auditor and audit committee	-	0
		Report	Report on 2023 external audit activities	-	0
		Report	Report on 1Q24 interim business report	-	0
		Report	Report on 1Q24 non-audit activities	-	0
		Resolution	Determining contract terms with external auditors	Approved	0
		Report	Inspection plans for 2024 internal accounting management system activities	-	0
		Report	Report on 1Q24 external contributions	-	0
Report	Report on evaluation plans for 2024 internal accounting management system activities	-	0		

## 4. Audit System

(Core Principle 9)

Internal audit system should perform audit tasks independently from the management and controlling shareholders and key activities of the system should be disclosed.

(Specific Principle 9-1) Audit Committee should maintain independence and expertise.

### A. Composition

#### (i) Audit Committee composition and accounting/finance experts in the committee

The Audit Committee was established in accordance with Article 415-2 and 542-11 of the Commercial Act, Article 28-4 of the Articles of Incorporation, and Article 12-2 of the Regulations of the Board, and is composed entirely of Independent Directors. As a listed company with assets over KRW 2 trillion, we have a Director who is an accounting and/or finance expert, as defined by the Commercial Act and relevant regulations. Independent Director Han-jo Kim worked for more than 5 years serving following positions: Head of a branch office of KEB, Head of Corporate Business Group at KEB, President of KEB Capital, President of KEB and Vice-Chair of Hana Financial Group. Therefore, he is an 'accounting and/or finance expert' in accordance with Article 37 paragraph 2 subparagraph 4: a person who worked for financial organization, etc. in charge of accounting or finance or in charge of supervision over accounting or finance for an aggregate of at least 5 years. Han-jo Kim is qualified as an accounting and/or finance expert with the requirements stated in Article 542-11 paragraph 2 subparagraph 1 of the Commercial Act. Dr. Hye-kyung Cho is an expert in robotics currently serving as a professor of Applied AI and has held various leadership positions including President of Korea Robotics Society. Independent Director Myung-hee Yoo is an expert in international trade who served as Trade Minister, leveraging her diplomatic communication skills and global human network to perform activities as an Audit Committee member, from an independent and objective perspective. As of May 2024, the composition of the Audit Committee is as below.

< Composition of the Audit Committee >

Name	Audit experience	Notes
Han-jo Kim (head)	<ul style="list-style-type: none"> <li>– Chair of Hana Nanum Foundation (2022–present)</li> <li>– Chair of Hana Foundation (2019–Apr 2021)</li> <li>– Vice-Chair of Hana Financial Group (2015–2016)</li> <li>– President of KEB (2014–2015)</li> <li>– President of KEB Capital (2013–2014)</li> <li>– Head of Corporate Business Group of KEB (2012-2013)</li> <li>– Head of branch office of KEB (1999-2002, 2004-2005)</li> </ul>	
Hye-kyung Cho	<ul style="list-style-type: none"> <li>– 2023–present: Full member, National Academy of Engineering of Korea</li> <li>– 2022–2022: President, Korea Robotics Society</li> <li>– 2021–2022: Member of Mechanical Material Advisory Committee at Presidential Advisory Council on Science &amp; Technology</li> <li>– 2020–2021: Vice President, Institute of Control, Robotics and Systems</li> <li>– 2014–2017: Director, The Korean Institute of Electrical Engineers</li> <li>– 2012–2015: Director, The Korea Institute for Robot Industry Advancement (Board Chair)</li> <li>– 1996–present: Professor, Applied AI at Hansung University</li> </ul>	Newly appointed
Myung-hee Yoo	<ul style="list-style-type: none"> <li>– 2022–present: Visiting Professor, Graduate School of International Studies, Seoul National University</li> <li>– 2021–2022: Ambassador for Economy and Trade, Ministry of Foreign Affairs (MOFA)</li> <li>– 2019–2021: Trade Minister, Ministry of Trade, Industry and Energy (MOTIE)</li> <li>– 2018–2019: Director General for FTA Policy, Office of FTA Negotiations, MOTIE</li> <li>– 2017–2018: Director General, Bureau of Trade Policy, Office of FTA Negotiations, MOTIE</li> <li>– 2015–2017: Director General, FTA Negotiations &amp; East Asia FTA Bureau, MOTIE</li> <li>– 2014–2015: Spokesperson for Foreign Media, Office of Public Relations, Office of the President</li> </ul>	Newly appointed

#### (ii) Policies to secure independence and expertise of the Audit Committee

The independence of our Audit Committee is ensured as all 3 of its positions are filled by Independent Directors. This exceeds the requirement set forth in Article 2 Paragraph 2 of the Audit Committee regulation: the Audit Committee shall consist of 3 members, including at least 2 Independent Directors. When appointing

a member of the Audit Committee, we include at least 1 accounting or finance expert, and manage a candidate pool by considering experts with extensive experiences in law, risk management, administration, industry & tech, and finance to ensure the Committee's expertise as well as diversity, enabling effective oversight from various perspectives. Moreover, to further enhance expertise, the Company made it mandatory to provide regular education sessions on accounting audits and internal controls, so the Audit Committee members can receive training conducted by external specialized organizations upon request.

## **B. Audit Committee operation**

### **(i) Regulation on Audit Committee operation**

In the Regulations of the Audit Committee, the Company defines the composition, authorities and responsibilities of operation, and more. The authorities and responsibilities are also included in the internal accounting management regulations of Internal Accounting Control System Guidance. The Audit Committee can audit overall activities and processes performed by the Board of Directors, CEOs, etc. It is authorized to receive a report on the work done by Directors and/or employees, or investigate the business and the assets of the Company. Some of the major authorities and responsibilities of the Audit Committee as stated in Regulations of the Audit Committee are shown below.

#### <Key Authorizations>

- ① Authority to audit business operations of the Company: The committee can audit overall business of the Company, including tasks performed by the Board and the CEOs.
- ② Authority to request reports on the business status of the Company and investigate assets of the Company: The committee can request Directors or employees to submit reports on the business operated by the Company or investigate the businesses or assets of the Company.
- ③ Authority to receive reports from Directors: Directors shall report to the committee immediately if they find any risks that can have a material impact on the Company.
- ④ Authority to investigate subsidiaries of the Company: A committee of a parent company can request that a committee of a subsidiary submit reports on the company's business, when deemed necessary to perform its duties. When the subsidiary company does not immediately report the business, or the report needs additional checking, the committee can investigate the business or assets of the subsidiary.
- ⑤ Authority to request a halt of any acts in violation of laws and regulations or the Articles of Incorporation: When a Director's action is in violation of laws or Articles of Incorporation and causes irreversible damages, the Committee can request the Director to stop these acts.
- ⑥ Authority to Institute Various Actions: The Committee can institute an action such as a cancelation of convocation, nullification of issuing new shares, or nullification of a capital reduction, and is exempted from collateral obligations.
- ⑦ Authority to request the convocation of a general meeting of shareholders: The Committee can request the convocation of an EGM by submitting a written proposal in which agenda items and reasons for convocation are stated to the Board.
- ⑧ Authority to seek external advice at the expense of the Company
- ⑨ Designation of external auditor: The Company shall appoint an accounting firm designated by the Audit Committee as external auditor, unless an external auditor is designated by the Securities & Futures Commission.
- ⑩ Approval of request for designating another external auditor: The Company shall receive approval from the Audit Committee to make a request to the Securities & Futures Commission to designate another external auditor.
- ⑪ Any other authority granted to the committee by relevant laws and regulations, the Articles of Incorporation or a board resolution

#### <Major Responsibilities>

- ① Duty of Care and Due Diligence: Committee members shall execute their duties with such care as is required of good managers.
- ② Duty of investigation on the Annual General Meeting and reporting: Auditors shall examine the agenda items and documents to be submitted by Directors to a general shareholders' meeting and at the general shareholders' meeting shall state their opinions as to whether such agenda items or documents include

any matter contrary to any Act, subordinate statute or the Articles of Incorporation or any considerably unfair matter.

- ③ Duty of investigation on the Board and reporting: When any auditor deems that a director acts or is likely to act in contravention of Acts, subordinate statutes or the Articles of Incorporation, the auditor shall report such to the Board of Directors.
- ④ Duty of preparing audit records: Auditors shall prepare records on audit activities, which includes audit procedure and results, and each member's name shall be listed and affix their seal or sign the audit record.
- ⑤ Duty of production and reporting of Audit Report: Auditors shall submit to Directors an audit report at least 1 week prior to the date set for an AGM on balance sheet, income statement, consolidated financial statement, operation report, and other financial statement under relevant regulations provided to the auditors at least 6 weeks prior to the Annual General Meeting.
- ⑥ Duty under the External Auditing Act: If the Committee finds any wrongful act or violation of statutes or the Articles of Incorporation concerning the designation of an external auditor, preparation and reporting of an evaluation of the internal accounting scheme, investigation of a violation of accounting standards, or a director's conduct, it shall take actions—eg. inform the external auditor—in accordance with the Act on External Audit of Stock Companies, Etc. Act.

(ii) Provision of training necessary to perform duties and advice/support from outside expert

To support Audit Committee members to effectively carry out their duties, the Company provides reports or training on major issues such as the nature of the industry the Company is in, changes in management environment, legal changes, and more. Moreover, Article 15 of the Internal Accounting Control System Guidance stipulated in April 2019 mandates annual training on internal control changes to committee members. The training will be provided in the second half of this year.

<Training for Audit Committee>

Date	Team	Participants	Reason for absence	Contents
Oct 27, 2023	External experts	Han-jo Kim Sun-uk Kim Jeong Kim	-	Internal accounting management system
Apr 23, 2024	External experts Audit Team Internal Accounting Assessment Support Group	Myung-hee Yoo Hye-kyung Cho	-	Training for newly appointed members of the Audit Committee System and roles of the Audit Committee, duties for practical system of accounting audit/internal accounting management system

(iii) Consultation from external experts

In accordance with Article 8, Paragraph 8 of the Audit Committee regulations, the Audit Committee can be provided with the assistance of external experts at the Company's expense. Also, based on the operational regulations of the support department of the Audit Committee, the Committee receives consulting on accounting audits and internal control activities annually from external accounting firms.

(iv) Investigation on wrongdoing of executives and provision of information and financial support for the Audit Committee

In accordance with the Regulations of the Audit Committee, the Committee has the authority to audit the overall business of the Company, including tasks performed by the Board and the CEOs, and can seek help from external experts with company's financial support. Expenses for Committee activities are covered by the Company as stipulated in Article 13 of the Regulations of the Audit Committee: Expenses for meetings and other operations of Audit Committee shall be covered by the Company. Based on the operational regulations of the support department of the Audit Committee, the Committee receives consulting on internal control activities annually from external accounting firms. In accordance with Article 9 of Regulations of the Audit Committee, the Committee shall report any violation or a risk of violation of regulations or Articles of Incorporation by a Director. In addition, when any wrongdoing by a Director or material fact that is against regulation or Articles of Incorporation is identified, the Committee shall immediately report it to an external auditor.

(v) Accessibility of information for Audit Committee members

Article 8 of the Regulations of the Audit Committee stipulates that the Committee has the authority to request reports on business or investigate assets of the Company. As such, the Committee can request Directors or employees to submit reports on the business or investigate the businesses or assets of the Company, and

receive external expert's advice with Company's budget. Also, we are working to ensure that Committee members are provided with sufficient information: agenda items are sent to an Audit Committee meeting via email so that members have adequate time to review them in advance.

### C. Internal Audit Support Organization

#### (i) Status of Internal Audit Support Organization

The Company operates an internal audit team and internal accounting assessment support group to support the audit activities of the Audit Committee. The internal audit team, which is called the Corporate Auditing Team, falls within the Corporate Management Office and audits performances of the Company's organizations through regular, ad hoc, and special audits, and reports the results to the Audit Committee twice a year. Changes requiring updates, such as work process alterations, are reported as often as needed to Committee members via phone calls or emails. The head of the Corporate Auditing Team is also an Executive Vice President and the persons supporting Audit Committee have experience and knowledge in finance and accounting. The Internal Accounting Assessment Support Group, directly under the Audit Committee, assists the Audit Committee in assessing the internal accounting management system (as stipulated by the Act on External Audit of Stock Companies) and selecting external auditors. The Internal Accounting Assessment Support Group consists of an executive level leader with expertise and relevant work experience and at least 3 members. The group enhances expertise and objectivities by collaborating with accounting firms, specialists in accounting audit and internal controls; through annual advisory contracts; and by carrying out working-level communication with external auditors.

#### (ii) Ensuring independence of Internal Audit Support Organization

The Audit Team, which assists the Audit Committee's audit activities on management, is part of the Corporate Management Office under a CEO. However, the internal accounting assessment support group, which supports accounting audits and evaluations of the internal accounting management system, is under the Audit Committee in accordance with regulations on support department operation established by the Audit Committee. Therefore, the group is independent of management in terms of work plans, budget allocation, and employee evaluations.

### D. Compensation scheme appropriate for performing duties

The Audit Committee is composed entirely of Independent Directors, and the Audit Committee members receive the same remuneration as the Independent Directors who are not Audit Committee members, given the remuneration criteria for Independent Directors. The remuneration includes a base salary which considers time invested as well as responsibilities and risks in performing their duties. Remuneration criteria for Audit Committee members follow that of Independent Director's.

(KRW mil)

Type	Number of members <sup>1)</sup>	Total remuneration <sup>2)</sup>	Average remuneration	Note
Independent Director (Excluding Audit Committee members)	3	620	207	-
Audit Committee members	3	598	199	-

1) As of December 31, 2023

2) Remuneration is the earned income as per Income Tax Act (Article 20: Wage and Salary Income, Article 21: Other Income, Article 22: Retirement income); includes received remuneration of directors that resigned or were newly appointed during the reporting period.

(Specific Principle 9-2) Internal auditing bodies, including Audit Committee and auditors, should dutifully perform audit activities such as holding regular meetings and transparently disclosing their activities.

#### A. Activities of the Audit Committee

As of the disclosure date in 2024, the Audit Committee held five meetings in total including regular quarterly meetings and three meetings. All three members attended every meeting, and a total of 44 agenda items have been reviewed and resolved. During the period, the Audit Committee received and reviewed interim/half-year reports, financial statements, business reports, and business audits. Also, the Audit Committee was briefed by the leader of the Company, internal accounting managers, and dedicated departments on inspection schedule and results for checking operating status of the internal accounting



management system. The Committee receives reports by the internal accounting assessment support department on evaluation, and it communicates with external auditors every quarter to prepare reports on the evaluation of internal accounting management system activities. Also, the Audit Committee members resolved the key terms of the 2024 external audit contract, deliberated on the agenda items for the AGM, and approved the audit reports.

## B. Regulations on audit record keeping and reporting procedures for AGM

The Audit Committee stipulates relevant procedures, the reporting process for general meeting of shareholders, etc. in the Regulations of the Audit Committee. The Audit Committee shall meet at least once every quarter, and the head of the Committee shall convene a meeting. The head notifies the members of the meeting time and place at least 24 hours in advance via mail, electronic mail, fax, or other means of receiving delivery confirmation. However, the meeting notification may be skipped with the consent of all Committee members.

The presence of a majority of all members shall constitute a quorum for a meeting of the Committee and the resolutions of the Committee shall be adopted by a majority of the votes of the members attending the meeting. Committee meetings may take place via electronic means, such as conference call, within the scope provided by relevant laws. If face-to-face meetings are required by the relevant regulations, the Committee can hold a meeting using telecommunication tools that allow simultaneous communications with video and sound.

The Audit Committee shall submit an audit report on documents required by relevant regulations—including financial status and management results, the consolidated financial statement, and the business report—to Directors within four weeks of receiving these documents.

In accordance with the internal accounting management guidelines, the Audit Committee independently assesses the operation of the internal accounting management system and reports the results to the Board via face-to-face meeting one week prior to the AGM to ensure the results are documented and preserved. If there are any corrective opinions on management and operation of the internal accounting management system, they are also included in the report.

In accordance with Article 10 of the regulations of the Committee, the Committee shall keep meeting minutes which include the agenda, progress, votes against agenda items and reason for the opposition, and each member's name and affixed seals or signature.

### <Attendance of Directors at Audit Committee meetings in the recent 3 years>

	Name	Attendance (%)			
		Average	2023	2022	2021
Independent Directors	Han-jo Kim	100.0	100.0	100.0	100.0
	Sun-uk Kim	100.0	100.0	100.0	100.0
	Jeong Kim	100.0	100.0	100.0	100.0
	Jae-wan Bahk	100.0	-	100.0	100.0

(Core Principle 10) External auditors should perform audits independently from the corporation subject to audit, including the corporation's management and controlling shareholders, to gain trust from stakeholders, including shareholders, about the financial information

(Specific Principle 10-1) The Audit Committee should establish and operate a policy for appointment of an external auditor to secure independence and expertise

## A. Procedure for appointing an external auditor

In July 2019, the Audit Committee established a set of regulations for appointing an external auditor to provide a guideline to secure independence and expertise of an external auditor.

In October 2022, the Audit Committee appointed Samjong KPMG as an external auditor for 3 consecutive years from FY23 through FY25. Before approving the appointment of external auditor, the Company analyzed and evaluated proposals submitted by accounting firms as well as quantitative indicators for assessing capabilities such as size of the accounting firm, global auditing capability, results of FSS evaluations, etc based on internal regulation.

## B. Number of meetings held and items discussed regarding external auditor appointment

In October 2022, the Audit Committee appointed Samjong KPMG as an external auditor, and the terms and conditions were resolved by the Audit Committee based on the evaluation of the independence, expertise, the proposed time for auditing, and whether auditing fee was appropriate. In December 2022, the Company signed an external auditing contract with Samjong KPMG in accordance with the terms and conditions.

## C. Post-external audit evaluation and the details

In accordance with the Act on External Audit of Stock Companies, the Audit Committee in April 2024 evaluated accounting firm Samjong KPMG, the external auditor for FY23, on whether the audit activities performed were in accordance with the main terms of the contract approved by the Audit Committee (time, fee, personnel, etc.). The key terms for the 2024 audit contract were determined based on the results of the evaluation.

In April 2023, the Audit Committee evaluated Deloitte Anjin LLC, the external auditor for the business year of 2022, on their auditing activities in 2022.

## D. Provision of non-audit services by an external auditor and its subsidiaries

The Company is to report to the Committee in advance when using non-audit services, and employing another accounting firm for the prohibited tasks defined in Article 21 of the Certified Public Accountant Act.

Each quarter, the Audit Committee receives reports confirming that the external auditors did not perform non-audit services which require approval of the Audit Committee. The Audit Committee members have discussions to verify the findings.

Also, the Company conducts preliminary reviews on the services of all accounting firms, including the external auditor, to determine if there are non-audit activities before any transactions take place and the results are reported to the Audit Committee every quarter.

The Company's domestic and overseas subsidiaries received non-audit services that did not require approval of the Audit Committee during the business year of 2023 and the first quarter of 2024. The details are in the table below.

<Non-audit service contracts>

(KRW mil)

Business year	Contract signing	Service contents	Service performance period	Remuneration
56th (1Q24)	February 2017	Tax advisory services (overseas subsidiaries)	Jan 2024—Mar 2024	35
	September 2018	Tax advisory services (overseas subsidiaries)	Jan 2024—Mar 2024	-
	May 2019	Tax advisory services (overseas subsidiaries)	Jan 2024—Mar 2024	73
55th (2023)	February 2017	Tax advisory services (overseas subsidiaries)	Jan 2023—Dec 2023	202
	September 2018	Tax advisory services (overseas subsidiaries)	Jan 2023—Dec 2023	27
	May 2019	Tax advisory services (overseas subsidiaries)	Jan 2023—Dec 2023	79
	May 2023	ESG certification (domestic) subsidiaries	May 2023—Jul 2023	25

※ The total amount paid by domestic and overseas subsidiaries in 2023 and 1Q24 is KRW 333 million and 108 million, respectively.

There is no history of non-audit services from affiliates of the external auditor (Samjong KPMG) provided to SEC over the reporting period.

(Specific Principle 10-2) The Audit Committee should regularly communicate with the external auditor in every stage of external audit and reporting of results.

**A. Discussion on major issues related to external auditing more than once per quarter without management presence**

The Company's Audit Committee and the external auditor meets more than once per quarter without management presence to discuss major issues regarding the key internal accounting scheme, the quarterly audit and review of financial statements, and important facts on any wrongful act or violation of statutes or the Articles of Incorporation concerning director's conduct.

<Details of discussions with external auditors>

Date	Quarter	Details
Jan 27, 2023	1Q23	<ul style="list-style-type: none"> <li>• Progress of audits on financial statements and other key audit items</li> <li>• Progress of audits on internal accounting management system</li> <li>• Other essential communication items at the audit completion stage</li> </ul>
April 25, 2023	2Q23	<ul style="list-style-type: none"> <li>• Report on quarterly review progress</li> <li>• Plans for annual accounting audit</li> <li>• Other essential communication items at the audit planning stage</li> </ul>
July 25, 2023	3Q23	<ul style="list-style-type: none"> <li>• Progress of annual accounting audit</li> <li>• Selection of key audit items</li> <li>• Progress of audits on internal accounting management system</li> <li>• Key review items and other essential communication items during the quarter</li> </ul>
Oct 27, 2023	4Q23	<ul style="list-style-type: none"> <li>• Progress of annual accounting audit</li> <li>• Matters related to key audit items</li> <li>• Progress of audits on internal accounting management system</li> <li>• Key review items and other essential communication items during the quarter</li> </ul>
Jan 29, 2024	1Q24	<ul style="list-style-type: none"> <li>• Progress of annual accounting audit in overall</li> <li>• Key audit items and other focus areas</li> <li>• Progress of audits on internal accounting management system</li> <li>• Other essential communication items at the audit completion stage</li> </ul>
April 26, 2024	2Q24	<ul style="list-style-type: none"> <li>• Report on quarterly review progress</li> <li>• Plans for annual accounting audit</li> <li>• Other essential communication items at the audit planning stage</li> </ul>

※ Internal auditing body had a meeting with Deloitte Anjin LLC in January 2023 and with Samjong KPMG after April 2023.

**B. Major details of discussions and reflection on internal auditing**

At quarterly Audit Committee meetings, the Audit Committee receives reports directly from an external auditor regarding annual audit plans, audit activities, and matters to pay attention to on financial statements and management in general.

As such, results of the review of the financial statements are reported every quarter, results of the audit on financial statements are reported at the end of the year, and there is a question-and-answer session on important matters. If necessary, the Committee requests an additional review on accounting books and related documents and receives the results of the review.

The Audit Committee refers to the details from discussions with external auditors to ask further questions and request relevant reports on the key audit matters and other noteworthy issues from the related departments. Discussions are reflected in the overall audit activities including assessment on operation of the internal accounting management system

**C. Process for external auditor to notify material facts identified during auditing activities to the Audit Committee and the role of the Audit Committee**

The external auditor reports important details found during auditing activities to the Audit Committee at every quarterly meeting. When an external auditor informs the Committee of a violation of accounting standards, the Committee shall investigate the case and request correction to the leader of the Company depending on the result of the investigation in accordance with the Regulations of the Audit Committee. When any wrongdoing by a Director or any material fact that is against regulation or Articles of Incorporation is identified, the Committee shall immediately report it to an external auditor.

**D. Submitting pre-audit financial statement 6 weeks (4 weeks for consolidated) prior to AGM to the external auditor**

2023 financial statements on a separate and consolidated basis were submitted to the external auditor (Samjong KPMG) on January 31, 2024, earlier than the 6 week (February 7, 2024) deadline prior to the AGM held on March 20, 2024.

### III

## Other Matters Related to Corporate Governance

### (1) Fulfilling corporate social responsibility

The Company commits to its corporate social responsibility by addressing demands from both internal and external stakeholders, including shareholders, customers, and the local community.

At Samsung Electronics, a majority of board members are Independent Directors, which enhances the Board's independence and transparency. Moreover, the positions of Board Chair and CEO were separated in 2018 to strengthen independence and transparency. We took a step further to improve corporate governance by appointing an Independent Director as the Board Chair in 2020, a first for the Company, strengthening the focus on board-centered responsible management. Furthermore, in 2021, we added sustainability management as a metric for performance evaluation of teams and executives, thus linking sustainability management with our performance evaluation/compensation system.

To strengthen roles and responsibilities of the Board of Directors, the Sustainability Committee under the Board of Directors supervises key activities related to sustainability management including environmental, social, and governance matters. Also, the Company is operating a CEO-led Sustainability Management Council in which the management reviews sustainability-related issues with the responsible managers. The discussed agendas are reported to the Board and Sustainability Committee as needed.

In 2020, the Company moved the Compliance Team directly under the CEO, thus enhancing its independence. The Chief Compliance Officer attends all meetings of the Board and Management Committee to support the Company when making decisions.

As legal and ethical compliance is our top priority, we established the Code of Conduct—applicable to all employees—based on the Global Samsung Management Principle to fulfill our corporate social responsibility. In 2020, our Global Anti-corruption, Anti-bribery Policy was generally revised and concrete, detailed guidelines such as guidelines on external contributions were established for employees to use as a reference.

The Company is committed to ensuring that using our products and services that adopt innovative technologies contributes to everyday sustainability. As a key part of our ongoing efforts, Samsung in September 2022 announced a new environmental strategy, and we are ambitiously working to achieve net zero carbon emissions by 2030 for the DX Division and by 2050 for all global operations. In addition, the Company joined the global RE100 initiative and aims to match electric power needs with renewable energy by 2027 for the DX Division and by 2050 for all operations globally. We're gradually expanding power purchase agreements and installing solar energy generation facilities on available space at our business sites, aiming to enhance renewable energy procurement qualitatively and quantitatively.

The Company in February 2023 announced its Global Human Rights Principles to clearly express our commitment to human rights in accordance with the UN Guiding Principles on Business and Human Rights (UNGPs). The Global Human Rights Principles encompass the Company's policies to prohibit child labor, support migrant workers, and prevent discrimination and harassment. This applies to all stakeholders with the potential to be affected—e.g., employees at Samsung Electronics, including temporary workers, workers at partner companies, our customers, and members of the community. We will keep strengthening human rights protection in line with the UNGPs.

In 2024, we established a standard global policy to handle all grievances. The policy comprehensively encompasses the grievance process, including the submission channel, handling procedures, and principles for resolving issues.

The Company publishes a Sustainability Report every year to provide stakeholders with the milestones of our sustainability management in a more transparent manner. Our Sustainability Report is available on the website at <https://www.samsung.com/sec/sustainability/main/>.

## (2) Compensation system of employees

The Company first introduced the annual salary system in 1998 and started compensating employees based on the level of responsibility within a position. In 2010, we adopted a cumulative salary system and workers were paid based on individual performances. Also, we employ an incentive system (Target Achievement Incentive and Performance Incentive), under which compensation differs depending on the annual achievement of a business division (target achievement, profit generated, etc.)

In addition, in accordance with compensation regulations, the Company has simplified compensation types to ensure that the system is reasonable. Our basic salary system is, in accordance with compensation regulations, designed to pay workers according to their level, with compensation based on the value of the position, responsibilities, and capacity.

### < Total compensation of employees >

(KRW 100 mil)

Year	Total compensation	Income before taxes	Ratio	No. of employees	Average compensation per employee
2021	158,450	387,045	40.9%	109,541	1.44
2022	155,977	296,919	52.5%	115,231	1.35
2023	144,782	175,315	82.6%	120,509	1.20

Income before taxes, the number of employees and total compensation are on a parent basis, excluding 5 Executive Directors. The number of employees was calculated based on the average number of employees throughout the year.