



Samsung Electronics Nordic AB

Sustainability report

1. Sustainability report

Summary

At Samsung, we strive to transparently communicate our achievements and challenges related to sustainability in our global annual report. From 2017, we have also started to share sustainability information specific to the Nordic countries in a local sustainability report. The report for 2018 is based on the first report from 2017 and contains updated information.

Here you will find an overview of what sustainability issues are most important for our key stakeholders in the Nordics, including customers, consumers, policy makers, employees and civil society organizations; what our business impact is, and our actions and challenges in these areas.

Some highlights from the Nordic sustainability report:

- Customer interest in environment is high in the Nordic countries, especially in the business-to-business sector. Samsung meets this demand by offering several products certified with various environmental labels from third parties. Product innovation is considered to be central to developing products which are, for example, more energy-efficient or consist of an increasing percentage of recycled materials.
- Awareness regarding circular economy and the benefits which it entails, as well as expectations for companies are increasing. Samsung Nordic started a trade-in program in 2017 where consumers are offered an easy way to give back their phones in exchange for a refund. In 2018, this initiative has continued to develop in scope.

- The EU General Data Protection Regulation, GDPR, entered into force on May 25th, 2018. Samsung Nordic has continued to inform and enlighten its employees regarding personal data management both internally and externally, in accordance with GDPR. A management system has been implemented to handle GDPR related requests, and has been adapted and developed throughout the year to deal with the handling process in the best possible way.

- In the Nordics, we have a number of social initiatives together with partners to enable innovation which can contribute to solving various societal challenges, in areas such as education and health.

About the report

This sustainability report presents data for Samsung Electronics Nordics AB ("Samsung Nordic") from 1 January until 31 December 2018 and includes the Nordic countries Sweden, Norway, Finland and Denmark, unless otherwise stated.

Samsung Electronics Co. Ltd, South Korea ("Samsung") as a global leading company takes social and environmental responsibility very seriously. Samsung Nordic's sustainability performance is closely related to Samsung's performance at corporate level. The economic, social and environmental activities and achievements of Samsung at global level are presented in the global sustainability report 2018¹. The next global sustainability report is expected to be published in summer 2019.

¹Samsung Electronics Sustainability Report 2018

https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Sustainability%20Report%202018_180712%20re.pdf

1.1. Sustainability strategy

1.1.1. Materiality analysis

Samsung conducts an analysis of material non-financial topics on a yearly basis to reflect the economic, social and environmental impact of our company. The analysis takes key stakeholder concerns, the UN Sustainable Development Goals, industry-specific topics, international standards and expert opinions into consideration. On a corporate level, the environmental impact of our products and operations, health and safety, labor rights and human rights and strengthening our society through technology are considered the most important areas both internally and from our key stakeholders. As a global citizen, Samsung monitors and incorporates international trends and goals, in particular the UN Sustainable Development Goals (SDGs). On a global level, the goals highlighted are most relevant for Samsung. A comprehensive description of the UN SDGs and the materiality analysis can be found in the global sustainability report 2018².

Material non-financial topics for Samsung Nordic were identified in a materiality analysis in 2017 and includes topics from the EU directive, internal discussions, expert opinions and our continuous dialogue with key stakeholders. Categories in the materiality analysis were updated according to the 2018 global sustainability report. For each material topic, key KPIs were identified. Together with the management approach they will be reported in the following chapters.

Category	Key sustainability matters
Our environmental impact	The environmental impact of our operations The environmental impact of our products
Our impact on employees	Employee development and well-being Diversity and equal opportunities
Protecting human rights	Labour practices and human rights
Corporate Citizenship	Support for local communities
Compliance	Privacy and data security Integrity and compliance

UN Sustainable Development Goals



² Samsung Electronics Sustainability Report 2018, s. 93, 97:
https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Sustainability%20Report%202018_180712%20re.pdf

1.1.2. Risk management

Facing growing uncertainties in the global business landscape, Samsung takes a proactive and pre-emptive approach to managing risk at global level. To identify and proactively address current economic, social and environmental risks, Samsung established risk response policies and processes and reports identified factors to the top management. The business divisions review both financial and non-financial risks through various Committees and Councils. A detailed description of the global risk management can be found in the global sustainability report 2018³.

Samsung Nordic is embedded in the global risk management and its corporate guidelines through Global Policy & Procedure Manual (GPPM). In Samsung Nordic, risk is managed by the Internal Audit & Risk team. On a global level, non-financial risks for example in the supply chain such as corruption, management of conflict minerals, abnormal global weather or natural disasters, are identified to affect the business operations. On Nordic level, supply chain risks, compliance risks and reputational risks are identified as non-financial risks. Some examples related to key sustainability matters are: compliance risks due to changing regulatory requirements (e.g. environment, privacy); reputational risks from increasing stakeholder expectations, as well as supply chain risks, e.g. in the field of responsible sourcing of minerals and human rights due diligence. HR related risks include e.g. recruiting and retaining key employees and the well-being of our employees.

1.2. Key sustainability matters

1.2.1. Our environmental impact

Our environmental work is defined through our environmental policy, where we commit to measure the main environmental impacts of our organization, identify improvement areas and regularly review the progress. We are in constant exchange with our key stakeholders and member of various trade associations in each of the Nordic countries. Samsung Nordic's main environmental impacts are determined through an analysis of both our workplace and our products. A comprehensive description of our environmental impact, our internal Environment Health and Safety (EHS) management system and our efforts and outcomes regarding environmental product innovation and impact on corporate level can be found in the latest global sustainability report⁴.

³ Samsung Electronics Sustainability Report 2018, s. 101, 111:
https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Sustainability%20Report%202018_180712%20re.pdf

⁴ Samsung Electronics Sustainability Report 2018, s. 43, 55:
https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Sustainability%20Report%202018_180712%20re.pdf



The environmental impact of our operations

Samsung Nordic has four offices, one in each Nordic country (Sweden, Denmark, Finland and Norway). We have identified energy consumption, emissions and waste as the main environmental areas. We use a web-based tool to collect, analyze and report our environmental data in line with global reporting standards like Global Reporting Initiative (GRI), Carbon Disclosure Project (CDP) and the criteria of the EU Directive 2014/95/EU regarding the disclosure of non-financial and diversity information. The data provided by Samsung Nordic is analyzed and reviewed by a third party. Based on the results, we carry out activities to improve our environmental performance. The environmental KPIs are shown in the table below.



Greenhouse gas emissions are calculated based on the Greenhouse Gas Protocol, an international standard which divides the emissions into direct (Scope 1) and indirect (Scope 2 and 3) emissions. Direct emissions represent emissions from sources that are owned or controlled by Samsung Nordic, whereas Scope 2 and 3 emissions are a consequence of Samsung Nordic's activities but which the company does not control or own. The GHG⁵ emissions are calculated based on automatically updated emission factors in

the web-based tool. If available, local emission factors are used. Scope 1 emissions include business travel with leased cars, Scope 2 emissions include district heating and electricity consumption at the office facilities. Scope 3 emissions include business travel by plane, taxi and hotel stays, third-party deliveries (sea-, road- and air freight), office supplies (fruit and paper) and waste. Not included in Scope 3 emissions are business travels by means other than plane and taxi.

KPIs	2017	2018	Comments
------	------	------	----------

Energy

Energy consumption in the workplace in MWh	1 271	952
--	-------	-----

Emissions

Total GHG emissions in t CO ₂ e	35 000	31 893	
Scope 1 GHG emissions in t CO ₂ e	1 166	494	Differences in results compared to figures from 2017 are mainly due to increased quality and precision of data collection.
Scope 2 GHG emissions in t CO ₂ e	187	114	
Scope 3 GHG emissions in t CO ₂ e	33 647	31 285	Revised data for 2017 due to improved data quality.

Waste

Waste generation in megaton (Mt)	22	14	
% recycled waste	100 %	86 %	Differences in results compared to figures from 2017 are mainly due to increased quality and precision of data collection.

⁵ Greenhouse Gas (GHG)

The environmental impact of our products

The majority of our products are manufactured in-house. All Samsung factories have management systems certified under the environment, energy, health and safety standards ISO 14001, ISO 50001 and OHSAS 18001. Samsung has an internal eco-design process in place to include environmental criteria in our product development.

A number of Samsung's products are certified according to eco-friendly criteria by third parties around the globe. At Samsung Nordic, our desktop monitors are TCO certified, our hotel TVs are Nordic Swan certified and a number of monitors and tablets have received the U.S. sustainable electronics label EPEAT. TCO Certified is the leading sustainability certification for IT products based in Sweden and includes a wide range of criteria for social and environmental responsibility. The Nordic Swan Eco-label - the official Nordic eco-label - is a voluntary eco-labelling system which evaluates the environmental impact of products throughout the entire life cycle. More information and a list of our certified hotel TVs can be found on the Nordic Swan website⁶.

Sustainability criteria are also important for Samsung Nordic when it comes to our customers' requirements. In 2018, the areas how we work with sustainability in general, eco-labels and declarations, chemicals, circular economy and social responsibility were most important for our (potential) customers.

On corporate level, a focus is to develop highly resource-efficient products and reduce GHG emissions in the product use phase. We inform consumers about energy efficiency of products according to legal requirements under the EU Energy Label, or the voluntary scheme Energy Star. Furthermore, Samsung carried out a life cycle impact analysis certified by the Carbon Trust for our flagship mobile phones. For more information about our corporate product innovation efforts, please refer to the latest global sustainability report⁷.

Circular economy

The concept of circular economy aims at reducing the amount of natural resources used in products through efficiency in the manufacturing process, repair, reuse and recycling. We follow our five circular economy principles⁸.



- Expanding the use and purchase of recycled materials at product design stage while minimizing the use of raw materials.
- Working towards maximizing the product lifespan by designing products based on end customer needs and rigorous quality testing.
- Reducing the use of virgin natural resources and raw materials by maximizing the re-use of scrap materials from manufacturing stage.
- Minimizing the use of raw materials and maximizing transportation efficiency by creating compact product design and packaging.
- Extending the product life span and increasing customer satisfaction through a professional repair service network.

⁶ <http://www.nordic-ecolabel.org/>

⁷ Samsung Electronics Sustainability Report 2018, s. 43
https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Sustainability%20Report%202018_180712%20re.pdf

⁸ Samsung Electronics Sustainability Report 2018, s. 50
https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Sustainability%20Report%202018_180712%20re.pdf

We aim at integrating circular economy aspects into our products through the following activities, both globally and at Samsung Nordic:

- We are working towards increasing the use of post-consumer material (PCM); renewed material from water bottles and consumer plastic. In 2017, the share of PCM was 6.1% of total plastic consumption.
- We aim to use recycled materials in different products. As an example, we currently use 20% recycled plastic in our travel adapters.
- We have several projects to recover key resources in different countries. For example, we recycle cobalt and nickel from our lithium ion batteries. A detailed description of our various projects can be found in the latest Sustainability Report⁹.
- We strive to extend the life span of our products, for example by:
 - In 2017, we at Samsung Nordic introduced trade-in program which is integrated into our webshop, where consumers can send in their old phones to us and receive a refund. If it is in good condition, it is reused. If it cannot be repaired and reused, it is recycled¹⁰.
 - Extend the warranty at no additional cost.
 - Offer smartphones which can be used with an external memory card, so that consumers can use their phones longer.
 - A Samsung-app called Smart Tutor which connects your smartphone or TV to a technician. The majority of our customers which used this service received help from Samsung Nordic remotely without having to visit one of our service centers.
 - Offer 1 hour repairs at our service centers, as we believe that our customers expect quality during the entire lifetime of our products.
 - Manufacture smartphones which are water and dust resistant (IP68 classified). One common reason for repairing smartphones is that they are damaged by water and dust. Therefore, we certify our phones in accordance with the IP68 standard and make them more durable.



⁹ Samsung Electronics Sustainability Report 2018, s. 50
https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Sustainability%20Report%202018_180712%20re.pdf

¹⁰ For more information, please visit <http://www.samsung.com/se/services/trade-in/>

1.2.2. Our impact on our employees

Samsung Nordic's success depends on the quality and skills of our people. We are therefore committed to seeking out and retaining the finest human talent to ensure top business growth and performance.

Employee development and well-being

Samsung Nordic is committed to ensuring a healthy, safe and stimulating work environment. A good physical, physiological and psychosocial work environment is important in order for all employees to enjoy and take pride in their work, and as a result of this be effective in their work. We offer for instance sport subsidies, regular medical check-ups, massages and access to gyms to our employees. Flexible working hours enable employees to set their own work schedules according to personal circumstances and work from home options help employees to work more flexibly.

To measure job satisfaction, the Samsung Culture Index (SCI) was implemented in 2013. In 2018, the result was 70 of max 100, with a response rate of 90 %. The result increased by 2 points compared to the 2017 survey. In total we have improved the result by 19 points since the first year of measuring.

We are committed to employing the best people to do the best job possible. Within Samsung Nordic we therefore ensure through our various internal and external development activities to continue developing our employees' competencies, in order to create a competent and competitive organization with continuous learning opportunities. We ensure effective learning consisting of on-the-job-learning, learning through others and educational learning (classroom trainings, online courses, and global learning platforms). This emphasizes the importance of workplace learning and the fact that learning is a continuous process which occurs daily at work through challenging experiences, support, advice and reflection. Furthermore, we recognize that leadership is crucial for driving the corporate culture towards our company vision for 2020. Samsung Nordic aims to provide all managers training to help them reach their full potential. Our local leadership program serves as a complement to the corporate headquarter leadership training programs and has been developed to meet individual needs. The training budget for the various training activities is set each year based on global guidelines and is managed by the HR department.

To measure our employees' performance we use a global performance management system, which is a systematic and structured process to reach certain objectives (company, department and individual) and to further develop our employees. The aim is to link business targets with each individual's personal performance. The process results in a score, based on performance and competencies. The result is then used as a basis for salary reviews, promotions and training nominations.



Diversity and equal opportunities

Samsung believes in treating all people with respect and dignity. We strive to create and foster a supportive and understanding environment in which all individuals can realize their maximum potential within the company, regardless of their differences. Managing diversity makes us more creative, flexible, productive and competitive.

Samsung Nordic has a diversity and equality policy, which is mandatory for all employees working in Samsung Nordic. This policy links directly to Samsung Electronics Global Vision 2020 and supports the development of a high-performance culture and the ambition of becoming a top employer in the market. The policy is reviewed on an annual basis in order to reflect any significant changes in legislation, regulation, rules or industry guidance. Samsung Nordic has developed a grievance policy to support employees on how to handle breaches. Furthermore, we ensure trust between employer and employees, and management participation in order to solve grievances. We enhance job satisfaction by clearing any individual grievances and taking preventive actions. In 2018, one grievance was reported to Samsung Nordic.



KPIs	2017	2018	Comments
Total Employees	373	374	
Permanent employees	305	301	
Consultants	68	73	
Staff	308	310	
Managers	64	63	
Directors	1	1	
Share of female employees	33 %	34 %	
Staff	37 %	37 %	
Managers	17 %	19 %	
Directors	0 %	0 %	
Change in %	11,9 %	12,1 %	Definition of fluctuation: voluntary work changes / average number of employees
Sick leave	0,65 %	1,75 %	Only for Sweden; increased number due to some employees with long-term sick leave
Comparison of basic salary and compensation between women and men	-	-	We do not discriminate on any basis in all processes, including promotion, compensation and disciplinary measures.
Number of training hours per person	8	6	Regular employees
Training cost per person	8 627 SEK	12 007 SEK	Regular employees; increase due to focus on leadership training during the year

1.2.3. Corporate citizenship

As a global corporate citizen, we contribute creating value for all, using technology and innovation. By doing this, we strive to support digital inclusion in the global community and support local community members, for them to reach their full potential and to take the lead in creating necessary solutions for the social challenges we face. In the Nordic region, we strive to achieve a sustainable inclusive society where digital tools and services remove the obstacles keeping people back, so that everyone can reach their full potential.



It is important for us to take responsibility for a sustainable social development and strive to improve society as a whole. We work proactively with our social initiatives, and use our latest technology and our expertise to help solve various social issues in, for examples, education and health. We are continuing to use our strength in innovation and technology to contribute to a sustainable and inclusive society, by facilitating digital solutions for some of the most important social challenges we face in the Nordic region.

We prioritize initiatives concerning education and employment, which are designed to promote individual development, and we develop solutions and action programs which focus on solving social problems using information technology. Additionally, we continue to improve our programs and promote knowledge transfer and voluntary efforts among employees (employee volunteering, mentoring programs etc.).

Together with key players, and in line with the UN's global goals for sustainable development, we identify and map social problems in the Nordic countries which affect individuals and society. Through strategic partnerships with civil society, academia, businesses and the public sector, we challenge existing ideas and methods and facilitate the creation of new digital solutions in order to drive society forward.

Sheboard (Finland)

In 2017, Samsung together with the international children's rights organization Plan International Finland launched a technical innovation: an alternative keyboard for smartphones – Sheboard. Using predictive text input, Sheboard suggests a more diversified language and words with the aim to increase girls' self-esteem and promote gender equality by recalling their versatile skills and opportunities. Based on Sheboard, a training material has been developed which is used in schools around Finland to highlight, discuss and increase knowledge about digital innovation, including technical design and gender equality.

ADHD-box (Sweden)

In collaboration with the organization Wonderful ADHD (Underbara ADHD), Samsung developed the ADHD Box. The ADHD Box is a unique digital experience facilitating visualization and understanding by illustrating what it means to live with ADHD using tablets and specially designed software. In a pedagogical and effective way, the solution enables a better understanding of what challenges and difficulties everyday situations can bring for someone with ADHD. The solution is used to raise awareness, educate and advocate for systematic changes in order for children and adolescents living with ADHD to be able to achieve their full potential.



1.2.4. Compliance

Samsung Nordic is committed to acting fairly, professionally and with high integrity in all business dealings. We work with global compliance teams worldwide. Samsung uses a compliance management system to manage compliance-related risks, provide area-specific policies, allows regional issue monitoring and manage compliance training. In Samsung Nordic, compliance topics are managed both by the Legal and the Internal Audit and Risk department.

The global compliance management system CPMS is used to manage and report all compliance trainings in the Nordic countries. The compliance team is responsible for updating and monitoring the various global and local policies, managing contracts, managing global policy and procedures and driving key compliance topics such as marketing, privacy, intellectual property rights and anti-corruption.

We regularly carry out trainings on regulatory compliance. In 2018, we offered introductory courses to legal and regulatory compliance for new employees (including anti-corruption), insights on compliance including extra material for competition law and sustainability, as well as GDPR trainings for current employees. The trainings for new employees were teacher-led, while all other courses and trainings were conducted online.

Samsung Nordic has zero tolerance against any kind of corruption or bribery. All business decisions must be based on legitimate business purposes only and each employee must ensure to comply with all applicable anti-corruption and anti-bribery laws. Samsung Nordic has policies for anti-corruption, gifts, hospitality, samples and donations.

In terms of data security, Samsung Nordic has a privacy policy for employees and has appointed a Privacy Protection Manager. The purpose of the privacy policy is to protect individuals from violations of their privacy through the processing of personal data. We carry out a comprehensive General Data Protection Regulation (GDPR) compliance project regarding data processing operations in the framework of the Samsung European GDPR. This compliance effort involves implementation of additional policies and procedures within the field of data protection.

Any compliance violations are usually reported upon request by management or through system monitoring or internal audits, and are managed by the Internal Audit and Risk and Legal teams. Follow-up and disciplinary actions may be taken according to the severity of the concerned issues. In 2018, no compliance violations regarding corruption and bribery, customer privacy or environmental laws and regulations were reported.

KPIs	2017	2018	Comments
Number of employees who received compliance training (including anti-corruption and bribery)	338	287	
Number of new employees who received compliance training (including anti-corruption and bribery)	70	53	
% of employees who received personal data protection/ GDPR training	100 %	69 %	
Number of substantiated complaints regarding breaches of customer privacy and losses of customer data	-	-	No incidents during reporting period
Number of incidents of corruption and bribery	-	-	No incidents during reporting period
Number of incidents of corruption and bribery	-	-	No incidents during reporting period

1.2.5. Human rights

As a global corporate citizen, Samsung is aware of its fundamental responsibility to protect and respect the human rights of all its internal employees as well as the supply chain. Samsung is committed to abide by the agreements and recommendations made by international organizations regarding human rights and we are continuously improving our policies to respect and protect human rights.

Samsung is a member of the RBA (Responsible Business Alliance) and has adopted the RBA common Code of Conduct¹¹. The RBA Code of Conduct is a set of standards on social, environmental and ethical issues in the electronics industry supply chain.

In alignment with the UN Guiding Principles on Business and Human Rights, the provisions of this Code are derived from key international human rights standards including the ILO Declaration on Fundamental Principles and Rights at Work and the UN Universal Declaration of Human Rights. We seek to conform to the Code and its implementation methods across the company and our suppliers.

Samsung constantly strives to fully implement the updated Business Conduct Guidelines which apply to all Samsung employees and includes amongst other topics guidelines for human rights management. At supplier's facilities, we are committed to implementing our Supplier Code of Conduct through a number of activities, such as compliance trainings for suppliers, as well as evaluations and audits of supplier's facilities by external experts as part of our due diligence in the supply chain, through third-party audits.

Furthermore, Samsung has various policies in place to promote the rights of vulnerable workers such as the Child Labor Prohibition Policy, the Guidelines for Migrant Workers and the Guidelines for Apprenticeship Training. These policies are implemented by awareness raising and training, by developing risk assessment tools and by conducting regular on-site inspections and monitoring. These policies are managed on a global level and described comprehensively in our latest sustainability report. For disclosure of key performance indicators and more information on our human rights efforts, please refer to the global sustainability report 2018¹².

Sustainable supply chain

As a global company, we take the social, economic and environmental issues related to our business very seriously. As a manufacturer, Samsung relies on collaboration with a diverse and complex range of suppliers. We follow the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. We have joined the European

Partnership for Responsible Minerals (EPRM), a multi-stakeholder initiative set up within the EU Regulation framework on conflict minerals as an accompanying implementing measure. EPRM focuses on supporting the industry to comply with the regulation, increasing supply and demand for responsibly mined minerals, including by financing land projects to improve mining conditions. This is a new initiative and is currently in the pilot phase. The second program Samsung joined in 2018 is a new major program for driving improvements in cobalt mining. An alliance consisting of BASF, Samsung SDI and BMW, finances this program in the Democratic Republic of the Congo (DRC) which will be led by GIZ and implemented locally by NGO Bon Pasteur. The aim is to explore how to improve living and working conditions for the local small-scale mining operations and to improve transparency and governance, as well as the implementation of collective measures to combat social and environmental hazards in the cobalt supply chain.

Additionally, we analyze and make sure that our suppliers source tantalum, tin, tungsten and gold (i.e. so-called conflict minerals) in accordance with common industry standards and require all our suppliers to participate in the Conflict Free Smelter Program (CFSP), which is a tool to ensure that smelters and refineries are controlled and certified by a third party. More detailed information regarding our efforts within the supply chain can be found in the global sustainability report for 2018¹³.

1.3. Company overview

1.3.1. Management philosophy

Samsung devotes its human resources and technology to create superior products and services, thereby contributing to a better global society. This commitment is translated on the next page into the business principles and core values that result in the Samsung Global Code of Conduct which all employees are guided by.

1.3.2. Business model and governance structure

Samsung Nordic began its operations in 1992 in order to act as a sales and marketing company for the Nordic market. Samsung Nordic is a fully owned subsidiary of Samsung Electronics Co. Ltd, South Korea and is embedded in the global Samsung network with around 220 worldwide subsidiaries in 73 countries, with over 300,000 employees. Samsung Nordic pursues its operations via the limited company in Kista, Sweden, as well as through branches in Finland (Samsung Electronics Nordic AB, Sivuliike), Denmark (Samsung Electronics, Filial af Samsung Electronics Nordic AB, Sverige) and Norway (Samsung Electronics Nordic AB).

¹¹ <http://www.responsiblebusiness.org/standards/code-of-conduct/>

¹² Samsung Electronics Sustainability Report 2018, s. 67

https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Sustainability%20Report%202018_180712%20re.pdf

¹³ Samsung Electronics Sustainability Report 2018, s. 77

https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Sustainability%20Report%202018_180712%20re.pdf

Samsung Nordic is divided into the two main divisions Consumer Electronics (CE) and IT & Mobile Communications (IM). The CE division consists of the three departments Visual Display, Audio & Video and Home Appliances. This division sells TVs, monitors, speakers, soundbars, blu-ray players, refrigerators, ovens, washing machines, dish washers, SSD, portable SSD, memory cards and other electronics for end-consumers. The IM division sells smart-phones, tablets, wearables and accessories.

Our customers are leading distributors and retailers of consumer electronics and IT products, for example retail chains and telecom operators. We also have our own online business channel. Most of our sales are in the consumer market, though we also have a sizeable B2B segment.

Samsung Nordic purchases all products from Samsung factories outside of the Nordics and ships them either to the central warehouse in the Netherlands, to the Samsung Nordic warehouse in Sweden or directly to the customer. Samsung manufactures the majority of its products in-house. Most of the products are manufactured in China, Southeast Asia and South Korea. There are also three production sites in Europe. More information on the global Samsung network can be found in the global sustainability report for 2018¹⁴.

Sales during the financial year amounted to 17 324 005 TSEK, which is an increase by 4.1 % compared to the previous year. In March 2019, Seho Kim was succeeded by Inha Cho as chairman and CEO for Samsung Electronics Nordic AB. The five departments CE, IM, Marketing, Management Support and Omni-Channel report directly to the president and CEO. Samsung's comprehensive corporate governance report can be found in the global sustainability report 2018¹⁵.

¹⁴ Samsung Electronics Sustainability Report 2018, s.6:

https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Sustainability%20Report%202018_180712%20re.pdf

¹⁵ Samsung Electronics Sustainability Report 2018, s.24, 99

https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Sustainability%20Report%202018_180712%20re.pdf

Business Principles

1. We comply with laws and ethical standards.
2. We maintain a clean organizational culture with high integrity.
3. We respect customers, shareholders and employees.
4. We care for the environment, health and safety of all.
5. We are a socially responsible corporate citizens.

Core Values

People



Quite simply, a company is its people. At Samsung, we are dedicated to giving our people a wealth of opportunities to reach their full potential.

Excellence



The entirety of our endeavors at Samsung is driven by an unyielding passion for excellence and an unfaltering commitment to develop the best possible products and services in the market.

Change



Change is constant and innovation is critical to the company's survival.

Integrity



Operating in an ethical manner is the foundation of our business. The sum of our every action is guided by a moral compass that ensures fairness, respect for all stakeholders and complete transparency.

Co-prosperity



Our business cannot be successful unless it creates prosperity and opportunity for people in every local and global community in which we operate.