



2025 Annual General Meeting of Shareholders

Reference Material

SAMSUNG ELECTRONICS Co., Ltd.

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Notice of Annual General Meeting of Shareholders

You are invited to attend the Annual General Meeting of Shareholders of Samsung Electronics.

Date/time : 9:00 AM on March 19, 2025, Korea Standard Time (UTC+9)

Place : Convention Hall (3F) / Exhibition Hall (1F), [Suwon Convention Center, 140, Gwanggyojungang-ro, Yeongtong-gu, Suwon-si, Gyeonggi-do, 16514, Korea](#)

Record date : December 31, 2024 (only common shareholders of record at the close of business on the record date are entitled to vote at the Annual General Meeting of Shareholders)

Items of Business

Agenda Item 1: Approval of Audited Financial Statements (FY2024)

Financial highlights

- Audited financial statements with the independent auditor's opinion are available on the Samsung Electronics IR website.

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

Annual dividends

- Based on the three-year shareholder return program for 2024–2026, the regular dividend for FY2024 will be KRW 9.8 trillion, or KRW 1,446 per common share and KRW 1,447 per preferred share, upon approval at the Annual General Meeting (AGM).
- Based on the annual dividend payout under the current dividend policy, the total 4Q 2024 payout is KRW 2.45 trillion—a quarterly dividend of KRW 363 per share for common share and KRW 364 per share for preferred share—and it will be paid after final approval at the AGM.

Agenda Item 2.1: Election of Independent Directors

Item 2.1.1: Mr. Jun-Sung Kim (renominated)

Mr. Jun-Sung Kim is a highly regarded investment professional with over 30 years of experience in global financial hubs. Since his appointment as an Independent Director in March 2022, he has engaged directly with major institutional investors, Samsung's key shareholders, and proactively shared market and shareholders viewpoints with the Board. Specifically, he has been proactive in proposing methods to enhance both shareholder returns and value, including the share repurchase program, and has been critical to steering the decision-making process. Over the duration of Mr. Kim's second term as an independent director, if elected, we expect him to play a key role in fostering stakeholder communications through his global network and contribute to the Board's effort to enhance shareholder value. The Board therefore recommends voting for the appointment of Mr. Jun-Sung Kim to the position of Independent Director.

Item 2.1.2: Dr. Eunnyeong Heo (renominated)

Dr. Eunnyeong Heo, a tenured professor at Seoul National University in the Department of Energy Systems Engineering, is a leading expert in Korea in energy resources, the environment, and the techno-economy, with a particular focus on how they relate to policy and the economy. Since his appointment as an Independent Director in November 2022, he has been instrumental in broadening discussions on climate, resources, and the environment, and in providing advice on enhancing the execution of the New Environmental Strategy. We expect him to continue to leverage his expertise to help enhance the Company's growth and sustainability management in the mid to long term. The Board therefore recommends voting for the appointment of Dr. Eunnyeong Heo to the position of Independent Director.

Item 2.1.3: Ms. Myung-Hee Yoo (renominated)

Ms. Myung-Hee Yoo is a distinguished trade expert who has previously served as Trade Minister at the Ministry of Trade, Industry and Energy of the Republic of Korea. Since her appointment as an Independent Director in November 2022, she has provided valuable insights across a wide array of matters. Her contributions include establishing strategies for improving the global business operating model, providing guidance and direction for practical responses to trade issues, and recommending measures to improve government communication. We believe that Ms. Yoo's expertise and extensive global network will bring increased agility and strategic insight to the Company's responses to market and trade dynamics. The Board thus recommends voting for the appointment of Ms. Myung-Hee Yoo to the position of Independent Director.

Item 2.1.4: Dr. Hyuk-Jae Lee (newly nominated)

Dr. Hyuk-Jae Lee, a tenured professor in the Department of Electrical and Computer Engineering at Seoul National University, is a prominent figure in the semiconductor field who has played a major role in driving the advancement of Korea's semiconductor industry. He holds several distinguished positions, such as the Director of SNU Inter-university Semiconductor Research Center, CEO of SNU System-IC Industry Promotion Center, and Head of Project Team at SNU Graduate School of AI Semiconductor. We expect Dr. Lee's profound understanding of semiconductor technologies and deep insight into the evolving semiconductor ecosystem in the AI era to help enhance the Board's function as an active leadership body. The Board therefore recommends voting for the appointment of Dr. Hyuk-Jae Lee to the position of Independent Director.

Agenda Item 2.2: Election of Executive Directors

Item 2.2.1: Dr. Young-Hyun Jun (newly nominated)

Dr. Young-Hyun Jun, Head of the DS Division, Memory Business, and Samsung Advanced Institute of Technology (SAIT), has been leading efforts to strengthen the competitiveness of the semiconductor business, leveraging his business expertise and deep insights in memory development and the electronics industry. As the Head of the Memory Business from 2014 to 2017, Dr. Jun contributed to the business's increased revenue and operating profit by preemptively developing and mass producing new products. Given his technological expertise and industry insight, we believe that he is the most qualified individual to secure competitive technologies and products in the global semiconductor market. The Board therefore recommends voting for the appointment of Dr. Young-Hyun Jun to the position of Executive Director.

Item 2.2.2: Dr. Tae-Moon Roh (renominated)

Dr. Tae-Moon Roh, Head of the Mobile eXperience Business, is a leading expert in smartphones, and he successfully expanded the Galaxy ecosystem through the launches of Galaxy Tab, Galaxy Watch, and others. Moreover, he introduced the world's first AI phone with the Galaxy S24 Series, securing an early lead in the AI smartphone market, and he recently further elevated AI phones with the launch of the S25 Series. As an Executive Director, Dr. Roh has played crucial roles across diverse areas over the past three years, effectively coordinating key requests by major investors and both internal and external stakeholders. The Board thus recommends voting for the appointment of Dr. Tae-Moon Roh to the position of Executive Director.

Item 2.2.3: Dr. Jai-Hyuk Song (newly nominated)

Dr. Jai-Hyuk Song, an expert in semiconductor technologies, has been serving as the CTO of the DS Division and Head of the Semiconductor R&D Center since 2022. He led the development of the world's first VNAND product and mass production of multiple generations, including the current 8th generation, providing critical leadership in maintaining the No.1 market share in the NAND market. Dr. Song also has drawn on his vast industry network built over many years to enhance academia-industry collaborations on future technologies and participate in government committees and C-level academic conferences. Based on his deep understanding of the semiconductor business, we expect him to serve as a vital link between the Board and management for technology-related decisions. The Board thus recommends voting for the appointment of Dr. Jai-Hyuk Song to the position of Executive Director.

Agenda Item 3. Approval of Director Remuneration Limit (FY2025)

(KRW billion)			
	FY2023	FY2024	FY2025
General compensation ¹	33.0	33.0	26.0
Long-term incentive (LTI)	15.0	10.0	10.0
Total	48.0	43.0	36.0

1. Includes Independent Directors.

The Board recommends a remuneration limit of KRW 36.0 billion for FY2025.

General compensation

- In consideration of macro uncertainties and decrease in the number of Board members, the Board recommends a general compensation limit of KRW 26 billion for FY2025, down from KRW 33 billion in the previous year.

Long-term incentive (LTI)

- For FY2025, the Board recommends an LTI limit of KRW 10.0 billion.
- Under the current scheme, Directors receive 33% of their LTI in each year of the three-year payment period.
- FY2025 is Year 3 of the current payment scheme, with LTI determined by performances over FY2020–2022. Under the current scheme, the LTI limit for FY2025 is unchanged from FY2024.

Agenda Item 4: Election of Audit Committee Members

Item 4.1: Mr. Je-Yoon Shin (newly nominated)

Mr. Je-Yoon Shin, elected as an Independent Director in March 2024, is an economic policy, finance, and fiscal affairs expert who has held various key positions in the Ministry of Economy and Finance. He also served as the Chairman of the Financial Services Commission from 2013 to 2015, overseeing the establishment of Korea's financial policies. Mr. Shin's distinguished history, which includes serving a two-year term from 2015 as Vice-president and then President of the Financial Action Task Force on Money Laundering and chairing the 2010 G20 Finance Deputies Meeting, has earned him widespread recognition as an expert in global risk management with experience in compliance of international regulations and monitoring of money laundering/terrorist financing. He offers professional counsel on diverse topics such as corporate financial management and global strategy. Based on his experience as an Audit Committee member of other Korean listed companies, we believe Mr. Shin will faithfully fulfill his oversight duties as an Audit Committee member. The Board thus recommends voting for the appointment of Mr. Shin to the Audit Committee.

Item 4.2: Ms. Myung-Hee Yoo (renominated)

Independent Director Myung-Hee Yoo is an expert in international trade who has dedicated 30 years to public service in this area. As a member of the Audit Committee since March 2024, Ms. Yoo, a U.S.-educated legal professional with a doctorate in law and a member of the New York Bar, has helped enhance the Company's compliance management and financial transparency. With her risk management capabilities, built from her global trade experience, legal proficiency, and deep understanding of corporate structures and auditing practices in other Korean listed company, Ms. Yoo is an outstanding candidate with exceptional auditing experience. The Board thus recommends voting for the appointment of Ms. Yoo to the Audit Committee.

Agenda Item 1: Approval of Audited Financial Statements (FY2024)

I. Audited Financial Statements

Overview

The Board is seeking your approval of the following financial statements for FY2024 beginning on January 1, 2024, and ending on December 31, 2024:

- Consolidated Statements of Financial Position
- Consolidated Statements of Profit or Loss
- Consolidated Statements of Comprehensive Income
- Consolidated Statements of Changes in Equity
- Consolidated Statements of Cash Flows
- Separate Statements of Appropriation of Retained Earnings

Audited financial statements with the independent auditor's opinion are available on the IR website.

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

Financial performance (K-IFRS, consolidated)

(KRW trillion)

	FY2023	FY2024	Change
Revenue	258.9	300.9	16.2%
Operating profit	6.6	32.7	398.3%
Net profit	15.5	34.5	122.5%
EPS (KRW)	2,131	4,950	132.3%
Assets	455.9	514.5	12.9%
Liabilities	92.2	112.3	21.8%
Equity	363.7	402.2	10.6%
Liabilities/equity	25.4%	27.9%	2.5%p
ROE	4.3%	9.0%	4.7%p

* See Section 4. Financial Statements (FY2024) for further details.

Summary of key financial metrics, by business division

(KRW trillion)

	Category	FY2022	FY2023	FY2024
DS	Revenue	98.5	66.6	111.1
	Operating profit	23.8	-14.9	15.1
	Margin	24.2%	-22.3%	13.6%
SDC	Revenue	34.4	31.0	29.2
	Operating profit	6.0	5.6	3.7
	Margin	17.3%	18.0%	12.8%
DX	Revenue	182.5	170.0	174.9
	Operating profit	12.7	14.4	12.4
	Margin	7.0%	8.5%	7.1%
Harman	Revenue	13.2	14.4	14.3
	Operating profit	0.9	1.2	1.3
	Margin	6.7%	8.2%	9.2%
Overall	Revenue	302.2	258.9	300.9
	Operating profit	43.4	6.6	32.7
	Margin	14.4%	2.5%	10.9%

Revenue and operating profit in 2024 increased year-on-year to KRW 300.9 trillion and KRW 32.7 trillion from KRW 258.9 trillion and KRW 6.6 trillion, respectively, due to improved market conditions in the Memory business.

In the Memory Business, results significantly improved compared with the previous year, in which the business suffered a large operating loss due to a severe industry downturn. We made concerted efforts to improve competitiveness and pave the way for market leadership by introducing the industry's first 24Gb GDDR7—the best-in-class performance and density in the interface—and through the mass production of QLC-based 9th Generation V-NAND. Furthermore, the business concentrated on strengthening mid- to long-term technology competitiveness via increased R&D expenditures, which included the establishment of the new R&D Complex in the Giheung Campus.

The Foundry business focused on bolstering its fundamental technological competitiveness by further advancing GAA process development and enhancing mature processes. We also worked to expand our customer bases in AI/HPC and automotive applications, aiming to establish a solid foundation for mid- to long-term growth. The System LSI Business prioritized strengthening its core SoC competencies while pursuing broader technology leadership and application expansion for its differentiated products, such as high-pixel image sensors.

For Display, we have solidified our leadership in the smartphone market by providing differentiated OLED technology with superior performance. Additionally, we have continued to diversify our business portfolio by expanding sales in the IT and automotive sectors and by increasing the adoption of QD-OLED products.

The Mobile eXperience Business improved its product mix and achieved revenue growth in flagship models via a focus on high-end segments. In particular, the S series featured Galaxy AI for the first time with the S24, which achieved double-digit growth in both shipments and value, driving overall sales expansion. At the same time, the business continued to strengthen multi-device experiences in our ecosystem via tablets, wearables, and other devices. The Network Business Division has been

focusing on increasing our reach and capabilities globally through strategically concentrated efforts to expand our business scope overseas.

The TV Business, centering on strategic products such as Neo QLED, OLED, and Micro LED, led the TV market through product innovation while strengthening its AI screen leadership by delivering an optimized user experience powered by next-generation AI processors and Tizen OS.

The Digital Appliance business focused on securing leadership in the AI appliance market and enhancing connected experiences thorough SmartThings alongside its efforts to deliver top-tier product quality and performance.

Harman sustained its growth momentum by enhancing its in-vehicle experience capabilities and expanding consumer audio product sales, leveraging synergies with Samsung Electronics.

Capital Expenditures and Other Investments

Capex, R&D, advertising & sales promotion investments

(KRW trillion)

Category		FY2022	FY2023	FY2024
	Capex	53.1	53.1	53.6
	(as percentage of revenue)	(17.6%)	(20.5%)	(17.8%)
	R&D	24.9	28.3	35.0
	(as percentage of revenue)	(8.2%)	(10.9%)	(11.6%)
	Advertising & sales promotion	13.2	12.1	12.7
	(as percentage of revenue)	(4.4%)	(4.7%)	(4.2%)
Total		91.3	93.6	101.4
(as percentage of revenue)		(30.2%)	(36.1%)	(33.7%)

Annual capex in 2024 stayed steady at KRW 53.6 trillion, with KRW 46.3 trillion invested in DS and KRW 4.8 trillion in Display.

For Memory, we continued to build out infrastructure at Pyeongtaek, securing clean rooms for mid-to long-term demand; and, similar to the previous year, we increased the R&D and back-end portion of investments as a part of our commitment to expanding production capabilities for high-value-added products, such as HBM and high-density modules, as well as securing future technology leadership.

In Foundry, annual capex declined compared to the previous year due to deteriorating market conditions.

In Display, we increased our annual investment, maintaining our commitment to bolstering our technology edge, especially in small- to medium-sized panels.

R&D increased by KRW 6.7 trillion year-on-year to KRW 35.0 trillion, reaching the highest amount to date, under our commitment to long-term growth. As a percentage of sales, R&D increased slightly to 11.6%. Through this investment, we solidified our technology leadership among industry peers.

Advertising & promotional spending increased to KRW 12.7 trillion year-on-year due to the promotion of newly released smartphone models in the Mobile Business. As a percentage of sales, it slightly decreased to 4.2%.

II. Shareholder Return

FY2024–2026 Shareholder Return Program

In January 2024, the Company announced its shareholder return program for FY2024–2026.

When setting the direction for the new policy, the Board reviewed various factors, including evaluations of the current and projected business environment, our investment strategies and financial structure, ways to enhance shareholder value, and many other variables that could affect our business.

Yet, during this process, our earnings and cash holdings fell notably due to the challenges mentioned above; and the overall business environment is still facing significant uncertainties. After long deliberation, the Board approved to maintain the terms of the previous shareholder return policy.

We 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 period FY2024–2026. At the close of each year, we will consider executing an early return of capital beyond regular dividends if we forecast there is potential for a significant surplus. Furthermore, we announced that we will consider implementing a new policy flexibly before the expiration of the proposed one in consideration of M&A activities and cash positions.

The total free cash flow for 2024 was KRW 19.9 trillion, 50% of which is approximately KRW 9.9 trillion. Considering the projected annual dividend for 2024 is KRW 9.8 trillion, there was no additional pool for an earlier return.

In November 2024, the Board decided a share repurchase program valued at KRW 10 trillion to enhance shareholder value. Of this amount, we started the repurchase of KRW 3 trillion worth of common and preferred shares over the three-month period from the time of the announcement, and completed the repurchases as of February 13. We resolved to cancel this KRW 3 trillion at the Board meeting held on February 18 and plan to complete the cancellation by February 20.

On February 18, the Board decided its plan to repurchase KRW 3 trillion worth of shares out of the program's remaining KRW 7 trillion. The repurchases will take place over a three-month period ending in May 2025. We are considering various options for the KRW 3 trillion in repurchased shares, including measures to enhance shareholder value and compensate employees.

In 2025, with our significant investments in growth and differentiation amid a challenging business environment, we will stay focused on continuing to improve our capital management efficiency.

(KRW trillion)

	FY2018–FY2020	FY2021–FY2023	FY2024–FY2026
Committed return	50% of FCF over three-year period	50% of FCF over three-year period	50% of FCF over three-year period
M&A and FCF calculation	M&A <u>not</u> deducted from FCF	M&A <u>not</u> deducted from FCF	M&A <u>not</u> deducted from FCF
Shareholder return	39.6	29.4	29.4+α
Dividend	28.9 (9.6 per year)	29.4 (9.8 per year)	29.4 (9.8 per year)
Remaining portion	10.7 (special dividend)	-	α

Agenda Item 2: Elections of Directors

Item 2.1. Election of Independent Directors

- Item 2.1.1 Jun-Sung Kim
- Item 2.1.2 Eunnyeong Heo
- Item 2.1.3 Myung-Hee Yoo
- Item 2.1.4 Hyuk-Jae Lee

Item 2.2. Election of Executive Directors

- Item 2.2.1 Young-Hyun Jun
- Item 2.2.2 Tae-Moon Roh
- Item 2.2.3 Jai-Hyuk Song

Overview

Our Board continually endeavors to reinforce its independence, expertise, and diversity, aiming to lead the Company to continued growth and to enhance shareholder value.

We strengthened the independence of the Board by separating the CEO and Board Chair roles in 2018. In 2020, we further ensured such independence by mandating that an Independent Director henceforth serve as the Board Chair and having Independent Directors comprise all Board Committees, excluding the Management Committee. We also ensured the expertise of the Board in the Company's key businesses by appointing executives who oversee a key business to serve as Executive Director.

The Board is tasked with overseeing the Company's operations and guiding corporate management via balanced and rational perspectives. Moreover, Samsung understands the value of diversity, and our Board seeks to broaden the scope of its expertise and composition. These efforts have enabled the Company to achieve rapid external growth and enhance shareholder value while also bolstering our compliance management system and strengthening our endeavors in ESG.

Independent Director Jun-Sung Kim's current term expires this year in March, and the Board has nominated him for reappointment (Item 2.1.1). Also, as the terms of Independent Directors Dr. Eunnyeong Heo and Ms. Myung-Hee Yoo are scheduled to expire on November 2, 2025, which would create a gap until the next AGM in March 2026, Dr. Heo (Item 2.1.2) and Ms. Yoo (Item 2.1.3) are both nominated for reappointment at the AGM in March 2025. Turning to Independent Director and Audit Committee member Mr. Han-Jo Kim, his second term and 6th year of service is coming to a conclusion, at which point he will be ineligible for reappointment (as determined by the Enforcement Decree of the Commercial Act). As a result, the Board has nominated Dr. Hyuk-Jae Lee for appointment as a new Independent Director (Item 2.1.4) in order to strengthen the semiconductor expertise of our Independent Directors.

For the election of Executive Directors to the Board, the Board has nominated Dr. Young-Hyun Jun, Vice Chairman and Head of the Device Solutions Division (Item 2.2.1), renominated Dr. Tae-Moon Roh, President and Head of the Mobile eXperience Business (Item 2.2.2), and nominated Dr. Jai-Hyuk Song, President and Chief Technology Officer (CTO) of the Device Solutions Division (Item 2.2.3). Each candidate heads a leading global business, leveraging their extensive senior leadership and specialized expertise. Their participation promotes responsible management and helps coordinate interests among the businesses and divisions.

The nominees offer a wealth of experience and will contribute significantly to Board discussions and decision making on important matters.

The Samsung Electronics Board unanimously recommends voting in favor of the nominated candidates.

Composition of the Board

 Term Expired
 Renominated
 Newly nominated

Current (2024)
 Number of BOD: 11
 (Independent: 6, Executive: 5)

Position	Name	Tenure (years)
Independent Director	Han-Jo Kim ¹ (Board Chair)	6
	Jun-Sung Kim	3
	Eunnyeong Heo	2
	Myung-Hee Yoo ¹	2
	Je-Yoon Shin	1
	Hye-Kyung Cho ¹	1
	-	-
Executive Director ²	Jong-Hee Han	5
	Kye-Hyun Kyung ²	3
	Tae-Moon Roh	3
	Jung-Bae Lee	3
	Hark-Kyu Park ²	3

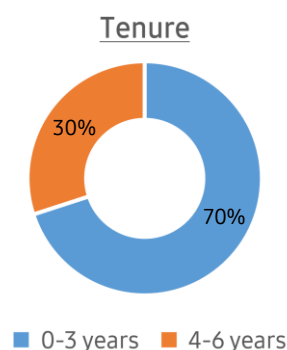
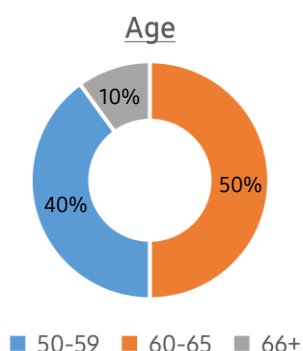
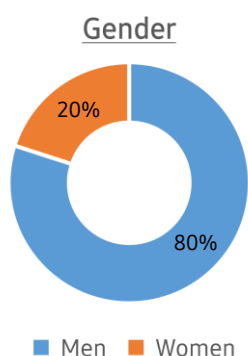
Proposed (2025)
 Number of BOD: 10
 (Independent: 6, Executive: 4)

Name	Tenure (years)	Position	Age	Gender	Country of nationality
-	-	-	-	-	-
Jun-Sung Kim	4	CIO, National University of Singapore Endowment Fund	57	M	Singapore
Eunnyeong Heo	3	Tenured Professor, Dept of Energy Systems Engineering, Seoul National University	60	M	Korea
Myung-Hee Yoo ¹	3	Former Trade Minister, Ministry of Trade, Industry and Energy	57	F	Korea
Je-Yoon Shin ¹	2	Former Chairman, Financial Services Commission	66	M	Korea
Hye-Kyung Cho ¹	2	Tenured Professor, Applied AI, Hansung University	60	F	Korea
Hyuk-Jae Lee	New	Tenured Professor, Dept. of Electrical & Computer Engineering, Seoul National University	60	M	Korea
Jong-Hee Han	6	Vice Chairman & CEO, Head of Device eXperience (DX), Head of Digital Appliances Business	62	M	Korea
Young-Hyun Jun	New	Vice Chairman, Head of Device Solutions (DS), Head of Memory Business	64	M	Korea
Tae-Moon Roh	4	President, Head of Mobile eXperience (MX) Business	56	M	Korea
Jai-Hyuk Song	New	President & CTO of Device Solutions(DS)	57	M	Korea
-	-	-	-	-	-

1. Audit Committee member

2. Dr. Kye-Hyun Kyung resigned on May 21, 2024 and Mr. Hark-Kyu Park resigned on December 26, 2024

Board demographics (2025)



Item 2.1: Election of Independent Directors

Item 2.1.1: Mr. Jun-Sung Kim (renominated)



Jun-Sung Kim

CIO, National University of Singapore Endowment Fund

Age: 57

Board tenure: Since 2022

Independent Director

Country of nationality: Singapore

Work Experience

- 2022–Present: Chief Investment Officer (CIO), National University of Singapore Endowment Fund
- 2013–2020: Managing Director, Government of Singapore Investment Corporation (GIC)

Board Experience

- March 2022–Present: Independent Director, Samsung Electronics

Education

- B.S. in Economics & Industrial Management, Carnegie Mellon University

Rationale for recommendation by the Board

Mr. Jun-Sung Kim, the Chief Investment Officer of the National University of Singapore Endowment Fund, is a highly regarded investment professional with over 30 years of experience in global financial hubs, such as Singapore, New York and London. He has actively contributed as an investment expert in numerous roles, including Managing Director and Head of Total Return Strategies at the Government of Singapore Investment Corporation (GIC).

Since his appointment as an Independent Director in 2022, Mr. Kim has engaged directly with major institutional investors, Samsung's key shareholders, and proactively shared market and shareholders viewpoints with the Board. Mr. Kim has also enhanced the diversity of Board discussions by delivering objective insights rooted in the perspectives of global investors. Specifically, he has been proactive in proposing methods to enhance both shareholder returns and value, including the repurchase program, and has been critical to steering the decision-making process, faithfully fulfilling his role as an Independent Director.

Over the duration of Mr. Kim's term as an Independent Director, we expect him to continue to leverage his extensive finance and investment expertise while upholding his responsibility to provide objective oversight of management. We believe he will play a key role in fostering stakeholder communications through his global network and significantly contribute to the Board's effort to enhance shareholder value. The Board therefore recommends voting for the appointment of Mr. Jun-Sung Kim to the position of Independent Director.

Mr. Kim's statement of his commitment to the Board

"I will leverage the insights and global networks I have cultivated in my 30+ years in the investment industry to proactively connect with financial market participants on behalf of Samsung Electronics; and I will promote open and productive dialogues to ensure that the valuable feedback and suggestions of our investors are reflected in our efforts to enhance corporate value.

I will share with the Board my insights from observations and research on best practices of leading, global companies across various fields and propose actions to bring tangible benefits to Company operations. In particular, I will work to foster greater independence and transparency in Board operations.

Also, I will invest considerable time and effort in thoroughly reviewing Board materials and reviewing the Company's mid- to long-term strategies and key management issues from an investor's perspective, working to advance Samsung's sustainability management and the protection of shareholder rights."



Eunnyeong Heo

Tenured Professor, Department of Energy Resources Engineering, Seoul National University

Age: 60

Board tenure: Since 2022

Independent Director

Country of nationality: Republic of Korea

Work Experience

- 2022–Present: President, Korea Institute of Energy Law
- 2022–2024: Vice Dean, Graduate School of Engineering Practice, Seoul National University
- 2021–Present: Private Sector Commissioner, Committee on Energy
- 2020–Present: Full member, National Academy of Engineering of Korea
- 2019–2020: President, Korean Resource Economics Association
- 2018–2022: President, Korea Society of Innovation
- 2017–2019: Vice president, International Association for Energy Economics (IAEE)
- 2016–present: Vice president, Korean Society for New and Renewable Energy
- 2013–2017: Private Sector Commissioner, Committee on Green Growth
- 2013–2015: Private Sector Commissioner, National Economic Advisory Council
- 1996–Present: Professor, College of Engineering, Seoul National University

Board Experience

- November 2022–Present: Independent Director, Samsung Electronics
- March 2016–March 2022: Independent Director, LX International

Education

- Ph.D. in Mineral Economics, The Pennsylvania State University
- B.S/M.S. in Mineral and Petroleum Engineering, Seoul National University

Rationale for recommendation by the Board

Dr. Eunnyeong Heo is currently a tenured professor at Seoul National University in the Department of Energy Systems Engineering. Dr. Heo is a leading expert in Korea in energy resources, the environment, and the techno-economy, with a particular focus on how they relate to policy and the economy. Dr. Heo is also a globally recognized scholar who possesses extensive networks and substantial influence in his fields.

Since his appointment as an Independent Director in 2022, Dr. Heo has been instrumental in broadening discussions on climate, resources, and the environment by ensuring the Board of Directors is informed on the evolving trends and viewpoints of both domestic and international stakeholders. He also provides substantive advice on enhancing the execution of the New Environmental Strategy, as seen in his proposed technology development roadmap. Notably, he demonstrated his leadership by actively reviewing and proposing plans to bolster our international supply chains and secure resource infrastructure at business sites, which are critical to the mid- to long-term manufacturing competitiveness of the semiconductor business. Since 2024, Dr. Heo has chaired the Related Party Transactions Committee, helping advance a sound and fair framework for internal controls.

Samsung expects Dr. Heo to continue to leverage his expertise in energy resources, the environment, and the techno-economy to help enhance the Company's mid- to long-term growth and sustainability management, while also playing a central role in strengthening the Board's internal control system. The Board therefore recommends voting for the appointment of Dr. Eunnyeong Heo to the position of Independent Director.

Dr. Heo's statement of his commitment to the Board

"Drawing from my extensive expertise in energy resources, the environment, and the techno-economy, I am committed to delivering practical insights on bolstering the supply chain, resource infrastructure, and management strategies related to technology development, which are core elements for the Company's mid- to long-term growth. I will also serve as a link between the Company's internal operations and external engagements.

With the Company's global business performance becoming increasingly defined by ESG progress, such as the stable sourcing of renewable energy and raw materials and advancement of climate change response strategies, I will consistently focus on guiding the Company's proactive review of sustainability-management issues and adaptation to current challenges with greater flexibility and effectiveness under a long-term vision

Greater attention is now being place on the Board's responsible management. As an Independent Director, I am committed to fulfilling my duties with integrity and ensuring the Board adheres to a long-term vision to drive the Company's sustainable growth. Leveraging my experience on the Related Party Transactions Committee, I will drive efforts to strengthen internal controls, particularly in oversight of internal transactions."



Myung-Hee Yoo

Former Trade Minister, Ministry of Trade, Industry and Energy

Age: 57

Board tenure: Since 2022

Independent Director

Country of nationality: Republic of Korea

Work Experience

- 2022–present: Visiting Professor, Graduate School of International Studies, Seoul National University
- 2021–2022: Ambassador for Economy and Trade, Ministry of Foreign Affairs (MOFA)
- 2019–2021: Trade Minister, Ministry of Trade, Industry and Energy (MOTIE)
- 2018–2019: Director General for FTA Policy, Office of FTA Negotiations, MOTIE
- 2017–2018: Director General, Bureau of Trade Policy, Office of FTA Negotiations, MOTIE
- 2015–2017: Director General, FTA Negotiations & East Asia FTA Bureau, MOTIE
- 2014–2015: Spokesperson for Foreign Media, Office of Public Relations, Office of the President

Board Experience

- November 2022–present: Independent Director, Samsung Electronics
- October 2022–present: Independent Director and Audit Committee member, Hyundai Construction Equipment

Education

- J.D., Vanderbilt University Law School
- M.A. in Public Policy, Seoul National University
- B.A. in English Language and Literature, Seoul National University

Rationale for recommendation by the Board

Ms. Myung-Hee Yoo is a distinguished trade expert who has previously served as Trade Minister at the Ministry of Trade, Industry and Energy. She has a proven track record in high-stakes international negotiations, having played a pivotal role in securing major trade agreements such as the Korea-U.S. FTA; and finalizing the Regional Comprehensive Economic Partnership (RCEP), which involves 15 member nations. Based on her experience, Ms. Yoo was one of the two finalists for Director-General of the World Trade Organization in 2020, a testament to her outstanding capabilities and expertise both at home and abroad.

Since her appointment as an Independent Director in 2022, Ms. Yoo has provided valuable insights across a wide array of matters amid a rapidly changing international environment. Key topics included establishing strategies for improving the global business operating model, providing guidance and direction for practical responses to trade issues, and recommending measures to improve government communication. Furthermore, as an Audit Committee member, she has faithfully fulfilled her role of management oversight by identifying global trade risks, objectively reviewing and assessing key issues and business operations, and actively sharing recommendations to enhance business performance at the management level.

Amid the ongoing and unprecedented changes in the global trade environment, we believe that Ms. Yoo's expertise and extensive global network developed over her decades in international trade and negotiations will bring increased agility and strategic insight to the Company's responses to market dynamics and thus support our sustained growth as a global company. The Board therefore recommends voting for the appointment of Ms. Myung-Hee Yoo to the position of Independent Director.

Ms.Yoo's statement of her commitment to the Board

"Based on my 30 years of experience in international trade, I will leverage my knowledge and global network to effectively respond to various trade challenges the Company encounters in its global businesses to help continually enhance corporate and shareholder value.

The global trade order is reorganizing in unprecedented ways. Driven by a global tug-of-war over cutting-edge technologies such as semiconductors and AI, full-fledged impacts of regulations and supply chain restructuring are significantly increasing the burden on corporate management. As an Independent Director, I will provide objective, constructive advice to help the Board of Directors accurately assess the current dynamics and respond decisively and effectively.

As an Audit Committee member, I have experience in identifying internal and external risks, analyzing their impacts, and closely monitoring the commercialization progress and financial performance of key strategic products. Leveraging this experience, I am committed to increasing transparency in business management and ensuring financial soundness.

Through an independent perspective, I will unwaveringly fulfill my role as an Independent Director by providing impartial oversight of company management, ensuring it operates lawfully and ethically, while also striving to represent the rights and interests of all shareholders and stakeholders."

Item 2.1.4: Dr. Hyuk-Jae Lee (newly nominated)



Hyuk-Jae Lee

Tenured Professor, Department of Electrical and Computer Engineering, Seoul National University

Age: 60

Board tenure: Newly nominated

Independent Director

Country of nationality: Republic of Korea

Work Experience

- 2024–present: Director of Inter-university Semiconductor Research Center, Seoul National University (SNU)
- 2024–present: Co-chair, the Semiconductor Special Committee, National Academy of Engineering of Korea
- 2023–present: Head of Project Team, SNU Graduate School of AI Semiconductor
- 2023–2023: President, The Institute of Electronics and Information Engineers
- 2022–present: Full member, National Academy of Engineering of Korea
- 2022–2022: General Chair, AI Circuits and Systems Conference, Institute of Electrical and Electronics Engineers (IEEE)
- 2021–present: CEO, SNU System-IC Industry Promotion Center
- 2001–present: Professor, Department of Electrical and Computer Engineering, Seoul National University

Board Experience

- None

Education

- Ph.D. in Electrical and Computer Engineering, Purdue University
- B.S./M.S. in Electronics Engineering, Seoul National University

Rationale for recommendation by the Board

Dr. Hyuk-Jae Lee, a tenured professor in the Department of Electrical and Computer Engineering at Seoul National University (SNU), is a preeminent figure in the semiconductor field, and he also serves as the Director of SNU Inter-university Semiconductor Research Center, CEO of SNU System-IC Industry Promotion Center, and Head of Project Team at SNU Graduate School of AI Semiconductor. Dr. Lee has also held several other distinguished roles, such as the President of the Institute of Electronics and Information Engineers in 2023, and since 2024, the co-chair of the Semiconductor Special Committee at National Academy of Engineering of Korea, underscoring his position as a leading force in driving the advancement of Korea's semiconductor industry.

The emergence of AI has led to a seismic shift in the semiconductor market and caused rapid restructuring of the industry's order and competitive landscape. Under these circumstances, Dr. Lee, a leading expert in both system and AI semiconductors, is expected to contribute greatly to the Board's in-depth discussions on such matters and the development of well-defined strategies.

Dr. Lee's profound understanding of semiconductor technologies and deep insight into the evolving semiconductor ecosystem in the AI era will help enhance the Board's function as an active leadership body. Through this, Samsung will sustain its position as an unrivaled technology and market leader. The Board therefore recommends voting for the appointment of Dr. Hyuk-Jae Lee to the position of Independent Director.

Dr. Lee's statement of his commitment to the Board

"Having dedicated many years to semiconductor research, I have directly observed shifts in the technological paradigm and how they have impacted numerous semiconductor companies amid repeating cycles of strategic successes and failures. The emergence of AI has spurred rapid transformations in the semiconductor market, and I have engaged in in-depth discussions with experts to identify viable solutions from a corporate standpoint.

Drawing on my professional knowledge and experience, I will help shape and guide the Company's strategic direction with the Board and management. Through this, I will devote my efforts to bolstering Samsung's position as an industry leader in technological competitiveness in the memory and system semiconductor sectors, thus helping reinforce the Company's market leadership.

As an Independent Director, I will carry out my oversight duties diligently and objectively to ensure both the Board and management are upholding their responsibilities appropriately. On behalf of the Company, I will engage with various stakeholders and domestic and international experts alike to cultivate a pipeline of top talent capable of driving disruptive technology innovations.

To ensure Company's sustainable growth, I will pursue mutually beneficial communications across the industry and supervise the Company's compliance management with an unmatched ethical standard."

Item 2.2: Election of Executive Directors

Item 2.2.1: Dr. Young-Hyun Jun (newly nominated)



Young-Hyun Jun

Vice Chairman, Head of Device Solutions (DS) Division

Age: 64

Board tenure: Newly nominated

Executive Director

Country of nationality: Republic of Korea

Work Experience

- 2024–Present: Head of Device Solutions (DS), Head of Memory Business, Head of Samsung Advanced Institute of Technology (SAIT)
- 2023–2024: Head of Future Business Division
- 2022–2023: Chairman of the Board, Samsung SDI
- 2017–2022: CEO, Samsung SDI
- 2014–2017: Head of Memory Business

Board Experience

- 2022–2023: Executive Director, Samsung SDI

Education

- M.S./Ph.D. in electrical engineering, Korea Advanced Institute of Science and Technology (KAIST)
- B.A. in electrical engineering, Hanyang University

Rationale for recommendation by the Board

Since assuming the position of the DS Division Head in May 2024, Dr. Young-Hyun Jun has been leading efforts to strengthen the competitiveness of the semiconductor business, leveraging his business acumen and deep insights in memory development and the electronics industry. He also serves as the Head of the Memory Business, which has considerable influence on Samsung's financial performance.

As the Head of the Memory Business from 2014 to 2017, Dr. Jun contributed significantly to the business's increased revenue and operating profit through the preemptive development and mass production of new products. During his tenure as CEO of Samsung SDI from 2017 to 2022, the firm achieved consistently strong results.

Facing intensifying competition in the global semiconductor market, we believe Dr. Young-Hyun Jun is the most qualified individual to secure competitive technologies and products, given his technological expertise and industry insight. We expect him to leverage his extensive experience and play a leading role in efforts to ensure swift, well-coordinated responses to key investor and stakeholder engagements. The Board therefore recommends voting for the appointment of Dr. Young-Hyun Jun to the position of Executive Director.

Item 2.2.2: Dr. Tae-Moon Roh (renominated)



Tae-Moon Roh

President, Head of Mobile eXperience (MX) Business

Age: 56

Board tenure: Since 2022

Executive Director

Country of nationality: Republic of Korea

Work Experience

- 2022–Present: Head of Design Management Center
- 2020–Present: Head of MX Business
- 2017–2020: Head of Mobile R&D Office, Mobile Business
- 2016–2017: Head of Mobile R&D Office 2, Mobile Business
- 2015–2016: Head of Mobile R&D Office 2 & Product Strategy Team, Mobile Business
- 2014–2015: Head of Product Strategy Team & Innovative Product R&D Team, Mobile Business
- 2011–2014: Head of Innovative Product R&D Team, Mobile Business

Board Experience

- March 2022–Present: Executive Director, Samsung Electronics

Education

- M.S./Ph.D. in electrical engineering, Pohang University of Science and Technology
- B.A. in electronic engineering, Yonsei University

Rationale for recommendation by the Board

Dr. Tae-Moon Roh is a leading expert in smartphones who won the Technology Award in the Samsung Award of Honor in 2010 in recognition of his role in developing the Galaxy S-series.

Since assuming leadership of the Mobile eXperience Business in 2020, Dr. Roh has successfully expanded the Galaxy ecosystem through the launches of Galaxy Tab, Galaxy Watch, and more. He introduced the world's first AI phone with the Galaxy S24 Series, securing an early lead in the AI smartphone market, and recently further elevated AI phones with the launch of the S25 Series. Dr. Roh was driving force behind the business generating revenue of KRW 109 trillion in 2023 and KRW 114 trillion in 2024 through timely and effective sales strategies, such as the Paris Olympics campaign.

In the stagnant but increasingly competitive smartphone market, Dr. Roh has pioneered new categories with foldable phones and AI phones while driving efforts in new business domains such as Samsung Health and Samsung Care+, with a continued commitment to expanding the business. Through such efforts, he fortified the framework for sustainable growth.

As an Executive Director, Dr. Roh has played important roles across diverse areas over the past three years, effectively coordinating key requests by major investors and both internal and external stakeholders. The Board thus recommends voting for the appointment of Dr. Tae-Moon Roh to the position of Executive Director.

Item 2.2.3: Dr. Jai-Hyuk Song (newly nominated)



Jai-Hyuk Song

President, Chief Technology Officer (CTO) of Device Solutions (DS) Division

Age: 57

Board tenure: Newly nominated

Executive Director

Country of nationality: Republic of Korea

Work Experience

- 2022–Present: CTO of Device Solutions (DS), Head of Semiconductor R&D Center
- 2020–2022: Head of Flash Product & Technology, Memory Business
- 2017–2020: Head of Flash Process Architecture, Memory Business
- 2014–2016: Executive in Charge, Samsung China Semiconductor
- 2010–2014: Executive in Charge, Flash Process Architecture, Memory Business

Board Experience

- None

Education

- M.S./Ph.D. in Electronics Engineering, Seoul National University
- B.A. in electrical engineering, Korea Advanced Institute of Science and Technology (KAIST)

Rationale for recommendation by the Board

Since 2022, Dr. Jai-Hyuk Song has been serving as a CTO of the DS Division and Head of the Semiconductor R&D Center. Dr. Song, an expert in semiconductor technologies, successfully led the development and commercialization of V-NAND products and is continuing to drive innovation in next-generation technologies for future growth. He is a highly-capable candidate who will successfully fulfill his role as a new Executive Director by elevating the value of a technology-driven company.

Dr. Song led the development of the world's first V-NAND product and mass production of multiple generations, including the current 8th generation, providing critical leadership in maintaining the No.1 share in the NAND market and spearheading efforts to secure fundamental, next-generation technologies via the Semiconductor R&D Center. Aiming to strengthen R&D competitiveness, he has led transformative improvements in technology, systems, and corporate culture. Alongside this, he has drawn on his vast industry network built over many years to enhance academia–industry collaborations on future technologies and participate in government committees and C-level academic conferences, showing his commitment to keep expanding the Company's technological leadership. Based on his deep understanding of the semiconductor business and technologies, he is expected to serve as a vital link between the Board and management for technology-related decisions.

Dr. Song brings an open-minded approach as well as strong interpersonal and collaborative abilities. These qualities, paired with his leadership skills, enable him to effectively address communications from major investors and various stakeholders and achieve rational outcomes. The Board thus recommends voting for the appointment of Dr. Jai-Hyuk Song to the position of Executive Director.

Agenda Item 3: Approval of Director Remuneration Limit (FY2025)

Compensation Committee

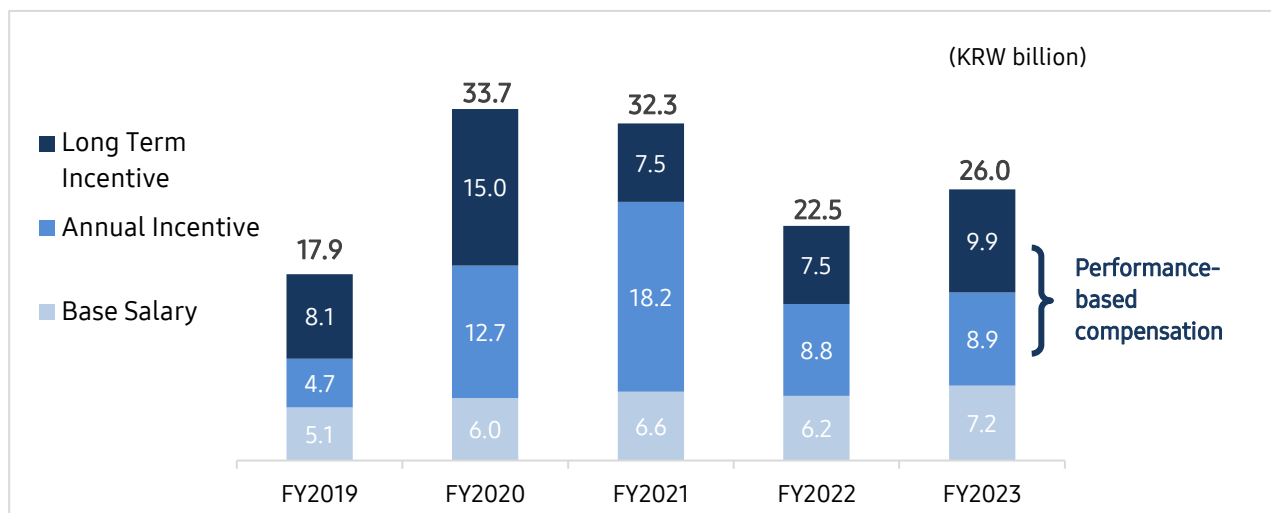
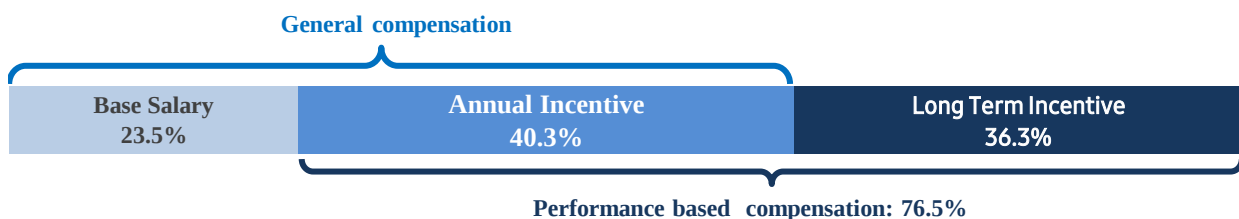
Samsung Electronics established the Compensation Committee in 2009 by a resolution of the Board, without legal mandates. The Committee consists entirely of Independent Directors to ensure the objectivity and transparency of decision-making regarding director remuneration. It is responsible for assessing the appropriateness of director compensation and reviewing the limit on director compensation for the next fiscal year, which will be up for approval by the shareholders at the AGM.

Remuneration Structure

Our Director Remuneration program emphasizes the link between performance and compensation. The program consists of two elements: 1) general compensation; and 2) three-year long-term incentive (LTI).

1) General compensation	1.1) Base salary	Fixed compensation (including Independent Directors)
	1.2) Annual incentive	Performance based compensation
2) Long-term incentive (LTI)		

※ Remuneration of Directors by element (FY2019–FY2023; average portion)



1) General compensation

General compensation consists of base salary (including that for Independent Directors) and annual incentives.

1.1) Base salary

In accordance with internal regulations for executive treatment (Board resolution), base salary is determined based on position, responsibilities, and performance results.

- Performance-based compensation such as annual incentives and LTI are calculated using base salary as the base.

1.2) Annual incentive

Annual incentives are based on achievements and financial performance in each business segment.

- OPI (Overall Performance Incentive): Paid once a year within 0–50% of annual salary based on the compensation resources calculated according to financial factors such as profit after tax ($\pm$ assessed considerations) and cost of capital for the fiscal year by business unit. (Adjusted according to individual performance.)
- TAI (Target Achievement Incentive): Provided annually within a range of 200% of monthly salary based on target achievement of each business.
- Special Bonus: Provided as a one-time bonus based on the annual performance and financial results, in accordance with internal regulations approved by the Board—e.g., special bonus to the CEO of a Division for outperformance.

※ Implementation of equity incentives

The Board has proposed adjusting the current cash-based executive compensation system, which is tied to past performance, to incorporate a future-oriented and highly motivating stock-based compensation system.

As a first step in that direction, we announced on January 17, 2025, a new policy whereby vice presidents, executive vice presidents, presidents, and Executive Board members must choose to receive at least 50%, 70%, 80%, and 100% of their 2024 annual OPI (Overall Performance Incentive) in shares, respectively.

The Company and executives will enter into an RSA (restricted stock agreement) at the time of the OPI decision, and the stock shares are to be granted one year after the agreement is signed.

Executive Directors and president-level executives are prohibited from selling the stock for two years following the grant date, whereas vice presidents and executive vice presidents are prohibited from selling for one year following the grant date. Given the grant date is one year following the agreement, the selling restriction is in place for two years for vice presidents and executive vice presidents and three years for president-level executives and Executive Directors from the agreement date. Furthermore, if the stock price at the grant date is equal to or higher than it was at the time of the agreement, the executives receive the full number of agreed-upon shares, whereas a lower stock price results in a proportionally reduced allocation.

By directly linking executive incentives to stock performance, we reinforce our commitment to long-term shareholder value creation, aligning with our shareholder's interest through sustainable business growth rather than short-term financial results.

With the newly introduced stock-based incentive system, the Company is committed to strengthening shareholder-oriented management. We will continue to explore ways to further enhance our executive compensation system and will share any related decisions with our shareholders.

2) Long-term incentive (LTI)

The Company determines LTI by conducting performance evaluations at three-year intervals, and from FY2023, it distributes 33% of the incentive in each of the following three years. Samsung Electronics adopted the LTI system in 2005.

	Term 1	Term2	Term 3	Term 4	Term 5	Term 6
Evaluation period:	2005–2007	2008–2010	2011–2013	2014–2016	2017–2019	2020–2022
Payment period:	2008	2011–2013	2014–2016	2017–2019	2020–2022	2023–2025

Evaluation criteria

Comparison of 3-year ROE, EBIT margin, stock performance

- ROE and EBIT margin are measured against figures at global peers.
- Stock performance is measured against that of the KOSPI and of global peers

Clawback policy

The LTI plan features a clawback policy (or recovery plan) that enables the Company to reduce the awarded payments if any financial losses, such as contingent liabilities, are found after the LTI was determined. The plan's deferral of and ability to recover payments is designed to enhance management responsibility.

FY2024: Actual Compensation

The actual total compensation in FY2024 was KRW 21.5 billion, which is approximately 50% of the annual remuneration limit.

(KRW billion)

		FY2022		FY2023		FY2024	
		Approved	Actual	Approved	Actual	Approved	Actual
	General compensation ¹	33.0	15.0	33.0	16.1	33.0	11.6
	Long-term incentive (LTI)	8.0	7.5	15.0	9.9	10.0	9.9
	Total ²	41.0	22.5	48.0	26.0	43.0	21.5

1. Includes Independent Directors

2. Limited to the term as a registered director

1) General compensation of FY2024 decreased year-on-year.

- Base salary decreased compared to FY2023 due to a decrease the number of Executive Directors (KH Kyung resigned as CEO and Executive Director in May 2024)
- Total annual incentives also decreased due to a reduction in OPI and TAI payments, with over 50% of annual incentives paid in the form of stock.

2) LTI for FY2024 was unchanged year-on-year.

- In FY2024, 33% of the incentive was provided in accordance with the LTI system as it was the second year of the three-year term that was same as FY2023.

□ Compensation summary

- The following table shows information regarding Executive Directors compensation for 1H FY 2024, 2023 and 2022. In accordance with relevant regulations, Executive Director remuneration is disclosed semi-annually. Individual remuneration for FY2024 will be disclosed in March 2025 in the 2024 Business Report, which will be posted on the IR website.

(KRW billion)

Name	Year	Base salary	Performance based ²	Total
JH Han CEO, Head of DX Division	1H 2024	0.8	0.3	1.1
	2023	1.5	5.4	6.9
	2022	1.2	3.4	4.6
KH Kyung ¹	1H 2024	0.6	0.1	0.7
	2023	1.2	1.2	2.4
	2022	1.0	1.9	2.9
TM Roh Head of Mobile eXperience (MX) Business	1H 2024	0.7	0.4	1.1
	2023	1.3	4.9	6.2
	2022	1.1	3.0	4.1
HK Park ¹	1H 2024	0.6	0.2	0.8
	2023	1.0	2.8	3.8
	2022	0.9	1.0	1.9
JB Lee Former Head of Memory Business	1H 2024	0.5	0.1	0.6
	2023	1.0	1.7	2.7
	2022	0.8	2.0	2.8

1) KH Kyung resigned as CEO (Head of DS Division) and Executive Director on May 21, 2024 and HK Park resigned as Executive Director on Dec 26, 2024.

2) LTI included

※ Global peer comparison

(USD million)

	SEC	Peer companies							
		Apple	QCOM	Cisco	MSFT	Micron	Nvidia	Intel	Broadcom
Total	15.0	183.3	67.1	134.4	163.4	73.2	83.2	52.1	242.2
Per person	3.0	36.7	13.4	26.9	32.7	14.6	16.6	10.4	60.6
As percentage of net profit	0.1%	0.2%	0.7%	1.3%	0.2%	9.4%	0.3%	3.1%	1.7%

* Comparison of SEC's average remuneration in FY2024 for the five Executive Directors to the actual remuneration paid to the top five executives at global peer companies.

* The currency rate is based on the average exchange rate in 2024.

* Based on the latest disclosure: FY2024 for Apple, Qualcomm, Cisco, Microsoft, Micron, Nvidia; FY2023 for Intel, Broadcom.

□ Independent Directors

- Independent Directors remuneration is included in general compensation. In FY2024, total remuneration decreased compared to FY2023.

(KRW billion)

	FY2022	FY2023	FY2024
Number of Independent Directors	6	6	6
Total remuneration	1.1	1.2	1.1
Per person	0.18	0.2	0.18

FY2025: To Be Approved

The Board recommends a remuneration limit of KRW 36.0 billion for FY2025, down from KRW 43 billion in the previous year.

(KRW billion)

	FY2023	FY2024	FY2025
General compensation ¹	33.0	33.0	26.0
Long-term incentive (LTI)	15.0	10.0	10.0
Total	48.0	43.0	36.0

1. Includes Independent Directors

1) General compensation

- In consideration of macro uncertainties and decrease in the number of Board members, the Board recommends a general compensation limit of KRW 26 billion for FY2025, down from KRW 33 billion in the previous year.

2) Long-term incentive (LTI)

- For FY2025, the Board recommends an LTI limit of KRW 10.0 billion.
- Under the current scheme, Directors receive 33% of their LTI each year of the three-year payment period.
- FY2025 is Payment Year 3 of the current payment scheme, with LTI determined by performances over the FY2020–2022 period. Under the current scheme, the LTI limit for FY2025 is the same as it was for FY2024.

(KRW billion)

	Previous term			Current term		
Evaluation period	FY2017–FY2019			FY2020–FY2022		
Payment period	FY2020–FY2022			FY2023–FY2025		
		Limit	Actual		Limit	Actual
Payment Year 1	FY2020 (50%)	25.0	15.0	FY2023 (33%)	15.0	9.9
Payment Year 2	FY2021 (25%)	8.0	7.5	FY2024 (33%)	10.0	9.9
Payment Year 3	FY2022 (25%)	8.0	7.5	FY2025 (33%)	10.0	-

Agenda Item 4: Election of Audit Committee Members

With Independent Director and Audit Committee member Mr. Han-Jo Kim's second term and 6th year of service nearing a conclusion, the Board has nominated Independent Director Je-Yoon Shin to the Audit Committee (Item 4.1.).

Also, the Board has renominated Ms. Myung-Hee Yoo for Independent Director, and we plan to reappoint her as a member of the Audit Committee (Item 4.2.).

Item 4.1: Mr. Je-Yoon Shin (newly nominated)



Je-Yoon Shin

Former Chairman, Financial Services Commission

Age: 66

Board tenure: Since 2024

Independent Director

Country of nationality: Republic of Korea

Work Experience

- 2017–present: Senior Advisor*, Bae, Kim & Lee LLC
- 2017–2023: President, Financial Education Council
- 2017–2018: Ambassador for International Financial Cooperation, Ministry of Foreign Affairs
- 2015–2016: President, Financial Action Task Force on Money Laundering
- 2013–2015: Chairman, Financial Services Commission

* Advisory role only

Board Experience

- March 2024–present: Independent Director, Samsung Electronics
- October 2019–February 2024: Independent Director and Audit Committee member, Lotte Insurance
- March 2018–present: Independent Director and Audit Committee member, HDC Holdings

Education

- M.A. in Economics, Cornell University
- B.A. in Economics, Seoul National University

Rationale for recommendation by the Board

Mr. Je-Yoon Shin is an economic policy, finance, and fiscal affairs expert who has held various key positions in the Ministry of Economy and Finance. He also served as the Chairman of the Financial Services Commission, overseeing the establishment of Korea's financial policies.

Mr. Shin's distinguished history, which includes serving a two-year term from 2015 as Vice-president and then President of the Financial Action Task Force on Money Laundering and chairing the 2010 G20 Finance Deputies Meeting, has earned him widespread recognition as an expert in global risk management with experience in compliance of international regulations and monitoring of money laundering/terrorist financing.

Furthermore, Mr. Shin's global expertise is highly regarded, having been the Finance Division's chief negotiator in the Korea-US FTA in 2005 and instrumental in closing the Korea-US currency swap deal in 2008, which helped the nation overcome the financial crisis.

In the ever-changing global economy, the importance of risk management and strategic proposals have increased. In these circumstances, Mr. Je-Yoon Shin, an expert in finance and fiscal policy, offers professional counsel on diverse topics such as corporate financial management and global strategies. Moreover, we believe Mr. Shin will seamlessly translate his experience as an Audit Committee member of other Korean listed companies and President of the Financial Action Task Force on Money Laundering to faithfully fulfill his oversight duties as an Audit Committee member. The Board thus recommends voting for the appointment of Mr. Shin to the Audit Committee.



Myung-Hee Yoo

Former Trade Minister, Ministry of Trade, Industry and Energy

Age: 57

Board tenure: Since 2022

Independent Director

Country of nationality: Republic of Korea

Work Experience

- 2022–present: Visiting Professor, Graduate School of International Studies, Seoul National University
- 2021–2022: Ambassador for Economy and Trade, Ministry of Foreign Affairs (MOFA)
- 2019–2021: Trade Minister, Ministry of Trade, Industry and Energy (MOTIE)
- 2018–2019: Director General for FTA Policy, Office of FTA Negotiations, MOTIE
- 2017–2018: Director General, Bureau of Trade Policy, Office of FTA Negotiations, MOTIE
- 2015–2017: Director General, FTA Negotiations & East Asia FTA Bureau, MOTIE
- 2014–2015: Spokesperson for Foreign Media, Office of Public Relations, Office of the President

Board Experience

- November 2022–present: Independent Director, Samsung Electronics
- October 2022–present: Independent Director and Audit Committee member, Hyundai Construction Equipment

Education

- J.D., Vanderbilt University Law School
- M.A. in Public Policy, Seoul National University
- B.A. in English Language and Literature, Seoul National University

Rationale for recommendation by the Board

Independent Director Myung-Hee Yoo is an expert in international trade who has dedicated over 30 years to public service in this area. In 2020, Ms. Yoo was one of the two finalists for the position of Director General of the World Trade Organization, a testament to the recognition of her outstanding capabilities and credibility. Ms. Yoo leverages her unique knowledge and capacity in trade to provide insight into risks in business activities. Moreover, through her advisory and oversight roles, her multifaceted approach will promote balanced-decision making and contribute substantially to the Board's operation.

As a member of the Audit Committee, Ms. Yoo, a U.S.-educated legal professional with a doctorate in law and a member of the New York Bar, has helped enhance the Company's compliance management and financial transparency. In her role, she examines and verifies global business operations, sales activities, and internal controls, while communicating with external auditors, thus improving the reliability of financial information provided to investors. Also, she monitors the feasibility of major investments and the degree of trade risks, focusing her efforts on maintaining the Company's financial soundness.

With her risk management capabilities, built from her global trade experience, legal proficiency, and deep understanding of corporate structures and auditing practices, Ms. Yoo is an outstanding candidate with exceptional auditing experience. The Board thus recommends voting for the appointment of Ms. Yoo to the Audit Committee.

Information About the Meeting And Shareholder Rights

Overview

General meetings of shareholders are the Company's highest decision-making body, where shareholders deliberate and decide on important issues concerning the Company.

□ Convening

General meetings of shareholders shall be either ordinary or extraordinary meetings.

- Ordinary general meetings—held within three months of the record date.
- Extraordinary general meetings—held whenever deemed necessary.
 - * Extraordinary general meetings may be called by the Board or by persons as authorized by the Articles of Incorporation and the Commercial Act and convened in accordance with the relevant procedures.

□ Parties with authority to convene meetings

Persons or parties authorized to call ordinary and extraordinary general meetings under the Articles of Incorporation and the Commercial Act:

- Board of Directors
- Audit Committee
- Shareholders
 - * According to the Commercial Act, shareholders who have owned at least 1.5% of outstanding shares with voting rights of the Company for more than six months may request to convene extraordinary general meetings.

□ Notice of convening

Pursuant to the Article 17-3 of the Articles of Incorporation, a written or electronic notice thereof setting forth the time, date, place, and agenda of the meeting shall be sent to the shareholders at least two weeks prior to the general meeting of shareholders.

- * For the purpose of transparency and protecting shareholder voting rights, the Company currently has a policy to notify the shareholders of a general meeting of shareholders three or four weeks prior to the general meeting of shareholders.

Operation

In accordance with our Article of Incorporation, each shareholder is entitled to one vote per share. The Company does not have any system or method (such as a dual class voting structure, etc.) to discriminate shareholders' voting rights.

□ Method of adopting resolutions at the general meeting of shareholders

1. Ordinary resolution

- Pursuant to the Commercial Act and the Articles of Incorporation, resolutions shall be passed by more than one half (1/2) of votes of the shareholders present at the general meeting of shareholders and by more than one fourth (1/4) of outstanding votes.
- Items of Ordinary Resolutions: Election of Directors, remuneration for Directors, approval of financial statements, etc.

2. Extraordinary resolution

- Pursuant to the Commercial Act and the Articles of Incorporation, resolutions for matters that are significant to the Company's operation, including but not limited to amendments to the Articles of Incorporation and M&As subject to a resolution at a General Meeting, shall be passed by a minimum of two thirds (2/3) of votes of the shareholders present at the general meeting of shareholders and by more than one third (1/3) of outstanding votes.
- Items of Extraordinary Resolutions: Amendment to the Articles of Incorporation, dismissal of Directors, approval of split or merger of the Company, etc.
- The Company does not allow mail-in voting. However, the Board in January 2020 resolved to adopt electronic voting to enable shareholders to exercise their voting rights more conveniently. 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, or sending the letter of attorney through email.

□ Protection of minority shareholder rights in the general meeting of shareholders

We are committed to protecting the rights of the Company's minority shareholders, whose rights are set forth below:

1. Right to call general meetings of shareholders

- In accordance with the Commercial Act, shareholders who own more than 1.5% of outstanding shares with voting rights of the Company for more than six months may request to convene extraordinary general meetings.

2. Right to present shareholder proposals

- Pursuant to the Commercial Act and the Articles of Incorporation, shareholders with ownership of more than 0.5% of outstanding shares with voting rights for more than six months may present shareholder proposals at a general meeting of shareholders.

Overview – The Board of Directors

As of December 2024, the Board of Samsung Electronics is composed of three Executive Directors and six Independent Directors, with an Independent Director majority guaranteeing independence and transparency.

Independent Director Han-Jo Kim has chaired the Board since 2022.

Board of Directors (as of December 2024)

Executive Directors (3)	Jong-Hee Han	Tae-Moon Roh	Jung-Bae Lee
Independent Directors (6)	Han-Jo Kim (Board Chair) Jun-Sung Kim Je-Yoon Shin	Eunnyeong Heo Hye-Kyung Cho	Myung-Hee Yoo

Board Committees

The Management Committee

The Management Committee deliberates and decides matters either delegated by the Board, or specified in the Articles of Incorporation or Regulations of the Board, aiming to enhance professionalism and efficiency of decision-making.

The Audit Committee

The Audit Committee supervises and supports management to maximize corporate value using a system of checks and balances. The Committee consists of three Directors, and at least two thirds of them, according to relevant laws and regulations, must be Independent Directors.

The Independent Director Recommendation Committee

The Independent Director Recommendation Committee ensures that outside directors are recruited and recommended in a fair and independent matter.

The Related Party Transaction Committee

The Related Party Transaction Committee (also known as the Internal Transaction Committee) is a compliance body to enhance corporate governance and to promote fair transactions. The Committee reviews pending transactions between the Company and its related parties.

The Compensation Committee

The Compensation Committee evaluates the appropriateness of and reviews and approves the limit on Director compensation to be submitted for resolution at a general meeting of shareholders. The Committee consists of three Independent Directors.

The Sustainability Committee

The Sustainability Committee was established in July 2021, as an expansion of the previously named Governance Committee, to pursue sustainability management in areas including ESG (environment, social, and governance) and to enhance shareholder value.

Composition of the Board committees (as of February 2025)

We increased independence across the Board by forming all committees entirely with Independent Directors, excluding the Management Committee, which consists of three Executive Directors to make efficient decisions about business matters.

	Members		
	Chair	Executive Directors	Independent Directors
Management Committee	Jong-Hee Han (Executive)	Tae-Moon Roh Jung-Bae Lee	-
Audit Committee	Han-Jo Kim (Independent)	-	Myung-Hee Yoo Hye-Kyung Cho
Independent Director Recommendation Committee	Je-Yoon Shin (Independent)	-	Han-Jo Kim Eunnyeong Heo Myung-Hee Yoo
Related Party Transactions Committee	Eunnyeong Heo (Independent)	-	Han-Jo Kim Myung-Hee Yoo
Compensation Committee	-	-	Han-Jo Kim Jun-Sung Kim Je-Yoon Shin
Sustainability Committee	Han-Jo Kim (Independent)	-	Jun-Sung Kim Eunnyeong Heo Myung-Hee Yoo Je-Yoon Shin Hye-Kyung Cho



Jong-Hee Han

Birth: March 15, 1962
Director since 2020

Mr. Jong-Hee Han has been Vice Chairman & CEO, Head of Device eXperience (DX) of Samsung Electronics since 2021. He became President and Head of the Visual Display Business in 2017. Mr. Han joined the Company in 1988 and has been influential in the development of a wide range of market-leading products. He played a pivotal role in taking Samsung's TV business to the pinnacle of the global market in 2006 and keeping it there ever since.

Mr. Han was central in the unveiling of Samsung's world-class LED TVs, and his numerous other innovations enabled the Company to continually demonstrate its technology leadership. He was also instrumental in the development of Samsung's own video processing technologies. He served as the President of Korea Association of Smart Home (KASH; from 2018–2019).

He earned his Bachelor's degree in electrical engineering from Inha University in 1988.



Jung-Bae Lee, PhD

Birth: February 27, 1967
Director since 2022

Dr. Jung-Bae Lee, President and Head of the Memory Business, offers experience and expertise that encompass the breadth of the Memory business, which includes not only development, but also quality and strategy. He has a remarkable understanding of and offers deep insight into the memory business.

Mr. Lee heads the business unit that is key to the Company's overall results, and he has contributed significantly to enhancing the business's performance.

Amid an environment of escalating technological competition, he led achievements such as continuing Samsung's run of being the top company in terms of revenue in DRAM for over 30 years and in flash memory for over 20 years by securing product competitiveness, including 10-nano-range DRAM and 6th generation V-NAND.

He earned his B.A., M.S., and Ph.D. electronic engineering at Seoul National University.



Tae-Moon Roh, PhD

Birth: September 3, 1968
Director since 2022

Dr. Tae-Moon Roh, President and Head of the Mobile eXperience (MX) Business, is a leading expert in smartphones who won the Technology Award in the Samsung Award of Honor in 2010 in recognition of his role in developing the Galaxy S-series.

Dr. Roh has been key in the development of new flagship products, including foldables, as well as in the sales expansion of wearables, overseeing the generation of KRW 114 trillion in revenue in 2024, our strongest performance since 2014. Moreover, he contributed to solidifying business fundamentals by improving operations, which included achieving cost efficiencies via standardizing components as well as by enhancing the efficiency of marketing activities.

He earned his B.A. in electronic engineering at Yonsei University and M.S. and Ph.D. in electronic engineering at Pohang University of Science and Technology.



Han-Jo Kim

Birth: July 12, 1956
Director since 2019
Board Chair

Mr. Han-Jo Kim served as Chairman of Hana Nanum Foundation from 2015 to 2019 and became Chairman of Hana Foundation in 2019. He served as Vice Chairman of Hana Financial Group from 2015 to 2016. Previously, he was President and CEO of Korea Exchange Bank from 2014 to 2015 and President of KEB Capital from 2013 to 2014.

He received his Bachelor's degree in French language and literature at Yonsei University.



Eunnyeong Heo, PhD

Birth: August 7, 1964
Director since 2022

Dr. Eunnyeong Heo is an expert in energy resources, the environment, and the techno-economy, with a particular focus how they relate to economy and policy. He is currently a tenured professor at Seoul National University in the Department of Energy Systems Engineering. Moreover, Dr. Heo is a renowned international scholar, and he was appointed to the position of Vice President of the International Association for Energy Economics (IAEE) in 2017.

He also served as a President of the Korean Resource Economics Association from 2019 to 2020, a Vice President of The Korean Society for New and Renewable Energy since 2015, a Private Sector Commissioner on the Committee on Green Growth from 2013 to 2017, and a Private Sector Commissioner on the Committee on Energy since 2021.

Dr. Heo earned his B.S. and M.S. in mineral and petroleum engineering (mineral economics) at Seoul National University, and his Ph.D. in mineral economics from the Pennsylvania State University.



Jun-Sung Kim

Birth: October 14, 1967
Director since 2022

Mr. Jun-Sung Kim is regarded as a trusted voice in the financial sector, and he has held active roles as an investment expert for a considerable length of time in global financial hubs including New York, London, and Singapore.

He previously served in several key roles at Government of Singapore Investment Corporation (GIC) including Managing Director from 2013 to 2020. He has been Chief Investment Officer at the National University of Singapore since 2022.

Mr. Kim earned his B.S. in economics & business administration at Carnegie Mellon University. He is also an alumnus of the Executive Program at Stanford University and earned the Board Director Diploma at the International Institute for Management Development (IMD), Switzerland.



Myung-Hee Yoo, JD

Birth: June 5, 1967
Director since 2022

Ms. Myung-Hee Yoo is an expert in international trade who served as Korea's Trade Minister. In 2020, Ms. Yoo was one of the two finalists for the position of Director-General of the World Trade Organization (WTO), a testament to the global recognition of her outstanding reputation and capabilities.

She previously served as the Trade Minister at the Ministry of Trade, Industry and Energy (MOTIE) from 2019 to 2021 and as the Ambassador for Economy and Trade at the Ministry of Foreign Affairs (MOFA) from 2021 to 2022.

She earned her B.A. in English language and literature at Seoul National University, her M.A. in public policy at Seoul National University, and her J.D. from Vanderbilt University Law School.



Je-Yoon Shin

Birth: March 25, 1958
Director since 2024

Mr. Je-Yoon Shin is an economic policy, finance, and fiscal affairs expert who has held key positions in the Ministry of Economy and Finance. He also served as the Chairman of the Financial Services Commission, which oversees the establishment of Korea's financial policies.

Mr. Shin is a highly regarded global expert, having been the Finance Division's chief negotiator in the Korea-US FTA in 2005 and instrumental in closing the Korea-US currency swap deal in 2008, with the latter helping the nation overcome the financial crisis. He also chaired the 2010 G20 Finance Deputies Meeting and served a two-year term from 2015 as Vice-president then President of the Financial Action Task Force on Money Laundering, earning widespread recognition as an expert in global risk management with experience in compliance of international regulations and monitoring of money laundering/terrorist financing.

He received his bachelor's degree in economics at Seoul National University and his M.A. in economics at Cornell University in the United States.



Hye-Kyung Cho, PhD

Birth: July 16, 1964
Director since 2024

Dr. Hye-Kyung Cho is an expert in robotics currently serving as a professor of Applied AI at Hansung University. She has over 30 years of work experience in robotics and related software, including in IT convergence, instrumentation, and control engineering.

She has held numerous leadership positions in her field: President of Korea Robotics Society (2022); member of Mechanical Material Advisory Committee at Presidential Advisory Council on Science & Technology (2021–2022); and Vice President of the Institute of Control, Robotics and Systems (2020–2021). She also is a full member of the National Academy of Engineering of Korea, evidencing the recognition of her outstanding expertise both domestically and internationally.

She earned her B.A., M.S., and Ph.D. in Instrumentation and Control Engineering at Seoul National University.

Board Activities

The following tables present the agendas and voting results of meetings that were held by the Board and the Committees under the Board between January 2024 and December 2024.

Board meetings in FY2024

Board meetings and voting results of Directors

Agenda	Results	Executive Directors					Independent Directors							
		JH Han	KH Kyung	TM Roh	HK Park	JB Lee	HJ Kim	SU Kim	Jeong Kim	JS Kim	EN Heo	MH Yoo	JY Shin	HK Cho
January 31														
① Approval of FY23 financial statements and full-year business report	Approved	For	For	For	For	For	For	For	For	For	For	For	N/A (newly appointed)	N/A (newly appointed)
② Approval of shareholder return policy for FY24–26	Approved	For	For	For	For	For	For	For	For	Against	For	For		
③ Appointment of SCC member	Approved	For	For	For	For	For	For	For	For	For	For	For		
④ Collection of fees for the use of CI mark from Samsung Medison	Approved	For	For	For	For	For	For	For	For	For	For	For		
※ Reported Items														
① Report on FY23 internal accounting management system activities														
② Report on evaluation of FY23 internal accounting management system activities														
February 20														
① Decision to convene the 55th AMG	Approved	For	For	For	For	For	For	For	For	For	For	For	N/A (newly appointed)	N/A (newly appointed)
② Decision on the 55th AGM agenda items	Approved	For	For	For	For	For	For	For	For	For	For	For		
※ Reported Items														
1) FY23 annual audit report														
2) FY23 full-year business report														
3) Report on FY23 internal accounting management system activities														
※ Agenda item 1: Approval of FY23 financial statements, including balance sheet, income statement, and the statement of appropriation of retained earnings, etc														

N/A
(newly appointed)

N/A
(newly appointed)

Agenda	Results	Executive Directors					Independent Directors								
		JH Han	KH Kyung	TM Roh	HK Park	JB Lee	HJ Kim	SU Kim	Jeong Kim	JS Kim	EN Heo	MH Yoo	JY Shin	HK Cho	
※ Agenda item 2: Election of Je-yoon Shin as Independent Director														N/A (newly appointed)	N/A (newly appointed)
※ Agenda item 3: Election of Hye-kyung Cho as Independent Director for Audit Committee Member															
※ Agenda item 4: Election of Myung hee Yoo as Audit Committee Member															
※ Agenda item 5: Approval of Director Remuneration Limit (FY2024)															
※ Agenda item 6: Approval of Amendments to the Articles of Incorporation															
③ Donation to Chung-nam Samsung Institute															
④ Approval of 2024 social contribution matching fund	Approved	For	For	For	For	For	For	For	For	For	For	For			
⑤ Establishment of plans on health and safety for 2024	Approved	For	For	For	For	For	For	For	For	For	For	For			
March 20															
① Appointment of Board committee members	Approved	For	For	For	For	For	For		For	For	For	For		For	
② Setting remuneration of Directors	Approved	For	For	For	For	For	For		For	For	For	For		For	
③ Lease agreement for Samsung Electronics Seocho building	Approved	For	For	For	For	For	For		For	For	For	For		For	
April 30								N/A (resigned)							
① Approval of 1Q24 interim business report and quarterly dividend	Approved	For	For	For	For	For	For		N/A (expired)	For	For	For	For	For	
② Collection of fees for the use of CI mark from Samsung Biologics and Samsung Bioepis	Approved	For	For	For	For	For	For			For	For	For	For	For	

Agenda	Results	Executive Directors					Independent Directors							
		JH Han	KH Kyung	TM Roh	HK Park	JB Lee	HJ Kim	SU Kim	Jeong Kim	JS Kim	EN Heo	MH Yoo	JY Shin	HK Cho
July 31														
① Approval of 2024 half-year business report and quarterly dividend	Approved	For		For	For	For			For	For	For	For	For	For
② Charitable contributions	Approved	For		For	For	For			For	For	For	For	For	
③ Purchase of package insurance policy for domestic operations	Approved	For		For	For	For			For	For	For	For	For	
October 31														
① Approval of 3Q24 interim business report and quarterly dividend	Approved	For		For	For	For			For	For	For	For	For	For
② Relisting of preferred share depository receipts (DRs)	Approved	For		For	For	For			For	For	For	For	For	
③ Payment of annual membership fee to the Federation of Korean Industries	Approved	For		For	For	For			For	For	For	For	For	
④ Donation to incentive fund for DS Division's suppliers	Approved	For		For	For	For			For	For	For	For	For	
※ Reported Items														
① Report on the CEO candidate pool				N/A (resigned)				N/A (resigned)	N/A (expired)					
November 15														
① Planning for share repurchase program and repurchase of shares														
1) Share repurchase program	Approved	For	For	For	For	For			For	For	For	For		
2) Repurchase of shares	Approved	For	For	For	For	For			For	Abstain	For	For		
November 26														
※ Reported Items														
① Report on 2025 New Leadership Announcement														
November 29														
① Approval of transaction with affiliate company	Approved	For	For	For	For	For			For	For	For	For	For	
② Payment of retirement pension plan	Approved	For	For	For	For	For			For	For	For	For		
③ Revision of internal accounting management regulations	Approved	For	For	For	For	For	For	For	For	For				

Agenda	Results	Executive Directors					Independent Directors							
		JH Han	KH Kyung	TM Roh	HK Park	JB Lee	HJ Kim	SU Kim	Jeong Kim	JS Kim	EN Heo	MH Yoo	JY Shin	HK Cho
④ Approval of business plan for 2025	Approved	For		For	For	For	For			For	For	For	For	For
⑤ Contribution to Community Chest of Korea's annual fundraising campaign for 2025	Approved	For		For	For	For	For			For	For	For	For	For
⑥ Contribution to UNDP sourced from Samsung Global Goals	Approved	For		For	For	For	For			For	For	For	For	For
⑦ Subdivision and sale at Gumi Plant 1 site	Approved	For		For	For	For	For			For	For	For	For	For
※ Reported Items														
① Report on compliance control activities			N/A (resigned)					N/A (resigned)	N/A (expired)					
December 19														
① Approval of transaction with affiliate company	Approved	For		For	For	For	For			For	For	For	For	For
※ Reported Items														
① Report on 2025 regular organizational restructuring														
December 31														
※ Reported Items														
① Exercise of initial call option for Rainbow Robotics					N/A (resigned)									

* Independent Director Jun-sung Kim at the first Board meeting of 2024 voted against the 2024–2026 shareholder return policy, stating that focusing on fixed dividends could reduce flexibility.

* Independent Director Eunnyeong Heo at the 7th Board meeting of 2024 voted abstention the Repurchase of share based on the appropriateness of the acquisition timing, but agreed with the purpose of the Planning for share repurchase program and repurchase of shares.

* Independent Director Je-yoon Shin started participating in meetings from the 4th meeting, which was held on April 30, 2024, as his term began on March 29, 2024.

Board Meeting Attendance

	Name	2022	2023	2024	Total	
		Jan 2022 - Dec 2022 (# of Attendance / # of Total Meetings)	Jan 2023 - Dec 2023	Jan 2024 - Dec 2024	Meetings	Overall attendance
Independent Directors	Han-Jo Kim	10/10	8/8	11/11	29	29
	Jun-Sung Kim	8/8	8/8	11/11	27	27
	Eunnyeong Heo	3/3	8/8	11/11	22	22
	Myung-Hee Yoo	3/3	8/8	11/11	22	22
	Je-yoon Shin	-	-	8/8	8	8
	Hye-Kyung Cho	-	-	9/9	9	9
	Sun-Uk Kim ¹⁾	9/10	8/8	2/2	20	19
	Jeong Kim ²⁾	10/10	8/8	3/3	21	21
Executive Directors	Jong-Hee Han	9/10	8/8	11/11	29	28
	Tae-Moon Roh	7/8	7/8	11/11	27	25
	Jung-Bae Lee	8/8	8/8	11/11	27	27
	Kye-Hyun Kyung ³⁾	8/8	6/8	4/4	20	18
	Hark-Kyu Park ⁴⁾	8/8	8/8	10/10	26	26

1) Resigned in March 2024

2) Resigned in April 2024

3) Resigned in May 2024

4) Resigned in December 2024

□ Committee participation in FY2024

Management Committee

Agenda	Results	Executive Directors				
		JH Han (100%)	KH Kyung (75%)	TM Roh (92%)	HK Park (100%)	JB Lee (100%)
February 6						
① License agreement	Approved	For	For	For	For	For
March 7						
① Investment in memory business	Approved	For	For	For	For	For
② Investment in foundry business at Pyeongtaek facility	Approved	For	For	For	For	For
③ Investment in foundry business at the Hwasung facility	Approved	For	For	For	For	For
④ Investment at the Onyang Campus	Approved	For	For	For	For	For
March 19						
① Investment in GPU business	Approved	For	For	For	For	For
April 12						
① Investment in Memory Business	Approved	For	Absent	For	For	For
② Lease agreement with Samsung SDI	Approved	For	Absent	For	For	For
③ Purchase of product liability insurance	Approved	For	Absent	For	For	For
④ Agreement on trademark use	Approved	For	Absent	For	For	For
⑤ Lease agreement for Samsung Electronics Seocho building	Approved	For	Absent	For	For	For
May 30						
① Investment in Foundry Business	Approved	For	N/A (resigned)	For	For	For
② Investment in construction/facilities to address advanced production package production in 2024	Approved	For		For	For	For
③ Foundation work for the new FAB at Pyeongtaek memory facility	Approved	For		For	For	For
④ Investment in AVP	Approved	For		For	For	For
⑤ Establishment of overseas subsidiary	Approved	For		For	For	For
June 26						
① Liquidation of overseas subsidiary	Approved	For		For	For	For
July 5						
① Investment in semiconductor research center	Approved	For		For	For	For
August 28						
① Investment in Memory Business	Approved	For		Absent	For	For
② Investment in Memory Business	Approved	For		Absent	For	For
③ Investment in Memory Business	Approved	For		Absent	For	For
④ Lease agreement with Samsung Display	Approved	For		Absent	For	For
September 20						
① Investment in Memory Business	Approved	For		For	For	For

Agenda	Results	Executive Directors				
		JH Han (100%)	KH Kyung (75%)	TM Roh (92%)	HK Park (100%)	JB Lee (100%)
October 15						
① Investment in Memory Business	Approved	For	N/A (resigned)	For	For	For
② Investment in Memory Business	Approved	For		For	For	For
November 12						
① Investment in Giheung Campus	Approved	For		For	For	For
② Investment in Pyeongtaek Campus	Approved	For		For	For	For
December 31						
① Exercise of Call option	Approved	For		For	N/A (resigned)	For

Audit Committee

Agenda
January 29
① Report on 2023 internal accounting management system activities ② Report on evaluation of 2023 internal accounting management system activities ③ Communication between external auditor and audit committee ④ Report on 2023 financial statement and business report ⑤ Report on 4Q23 non-audit activities ⑥ Report on 4Q23 external contributions ⑦ Report on 2023 audit activities
February 19
① Review of the 55th AGM agenda ② Report on activities of internal compliance system in 2023
April 26
① Communication between external auditor and audit committee ② Report on 2023 audit activities ③ Report on 1Q24 interim business report ④ Report on 1Q24 non-audit activities ⑤ Reviewing and confirming terms/conditions of the audit with external auditor ⑥ Report on plans for reviewing 2024 internal accounting management system activities ⑦ Report on 1Q24 external contributions ⑧ Report on plans for evaluating 2024 internal accounting management system activities
July 29
① Communication between external auditor and audit committee ② Report on 2024 half-year business report ③ Report on 2Q24 non-audit activities ④ Interim report on 2024 internal accounting management system activities ⑤ Report on 2Q24 external contributions ⑥ Report on 1H24 audit activities
August 5
① Report on operational status of 2024 internal accounting management system for Southeast Asia regional office ② Report on operation of misconduct reporting channels and compliance audit status for Southeast Asia regional office

October 25
① Communication between external auditor and audit committee
② Interim report on evaluation of 2024 internal accounting management system activities
October 29
① Report on 3Q24 interim business report
② Report on 3Q24 non-audit activities
③ Report on 3Q24 external contributions
November 27
① Communication between external auditor and audit committee
② Revision of internal accounting management regulations

Sustainability Committee

Agenda
January 29
① Measures to elevate ESG stakeholder engagement
② Plans to release Sustainability Report 2024
③ Report on updates of IR activities
④ Preliminary review on 2024–2026 shareholder return policy
April 26
① Report on updates of IR
② Results of 2024 Materiality Assessment
③ Results of EU stakeholder engagement
④ Plans to expand Stellar Forest, Samsung Electronics' standard workplace for people with disabilities in the form of a subsidiary
July 29
① Report on updates of IR
② Response strategy for EU's Corporate Sustainability Reporting Directive
③ Progress of response to EU supply chain due diligence directive
④ Current status of occupational safety and health management
October 29
① Report on updates of IR
② Relisting of preferred share depositary receipts (DRs)
③ Progress of New Environmental Strategy
④ Key issues in occupational safety and health

Related Party Transactions Committee

Agenda
January 29
① Prior review on large-scale related party transactions
1) Collection of fees for the use of CI mark from Samsung Medison
② Report on 4Q23 related party transactions
March 18
① Prior review on large-scale related party transactions

1) Lease agreement for Samsung Electronics Seocho building
April 26
① Appointment of the Head of the Related Party Transactions Committee ② Prior review on large-scale related party transactions 1) Agreement for the use of CI mark with Samsung Biologics and Samsung Bioepis ③ Report on 1Q23 related party transactions
July 29
① Prior review on large-scale related party transactions 1) Charitable contributions 2) Purchase of package insurance policy for domestic operations ② Report on 2Q24 related party transactions
October 29
① Report on 3Q24 related party transactions
November 27
① Prior review on large-scale related party transactions 1) Payment of retirement pension plan 2) Subdivision and sale at Gumi Plant 1 site 3) Approval of 2025 large-scale product and service transactions

Compensation Committee

Agenda	Results	Independent Directors			
		Jeong Kim	HJ Kim	JS Kim	JY Shin
February 19					
① Review on 2024 fixed annual salary for each Executive Director	Approved	For	For	For	N/A
② Review on 2024 remuneration limit for Directors	Approved	For	For	For	(Newly appointed)

□ Committee participation in FY2025

The Independent Director Recommendation Committee

Agenda	Results	Independent Directors			
		JY Shin	EN Heo	MH Yoo	HJ Kim
January 29					
① Decision on date of Independent Director candidate recommendation	Approved	For	For	For	-
February 14					
① Recommendation of Independent Director candidate	Approved	For	For	For	For

Share Ownership Structure

□ Overview

As of the end of 2024, the total number of shares outstanding was 6,792,669,250. The number of common and preferred shares outstanding were 5,969,782,550 (87.9%) and 822,886,700 (12.1%), respectively.

As of the end of 2024, the number of total treasury shares was 33,750,000 (0.5%), comprised of 29,700,000 common shares (0.5% of common shares outstanding) and 4,050,000 preferred shares (0.5% of preferred shares outstanding)

Ownership structure as of end-FY2024

	Foreign	Domestic institutional	Domestic individual	Controlling shareholders	Treasury shares
Common	49%	14%	16%	20%	0.5%
Preferred	71%	3%	26%	0.1%	0.5%

Major shareholders of common stock as of end-FY2024

Ranking	Owner ¹	Number	Portion of total
1	Samsung Life Insurance Co., Ltd. ²	513,535,800	8.6%
2	National Pension Service of Korea	433,041,739	7.3%
3	Samsung C&T Corp.	298,818,100	5.0%
4	CITIBANK.N.A ³	202,827,925	3.4%
5	The Government of Singapore	106,211,340	1.8%
Total Number of Outstanding Common Stock		5,969,782,550	100.0%

1) Single institution/fund in the shareholder registry

2) The number of shares owned and share ratio includes special accounts.

3) SEC's GDR depository institution representing GDR shareowners; reported as an independent shareholder in the shareholder registry.

□ Voting shares

Samsung Electronics issued 5,969,782,550 common shares and 822,886,700 preferred shares.

The 29,700,000 common shares held in treasury do not have voting rights. Preferred shares do not carry voting rights. The 603,783,175 shares owned by affiliated companies have limited voting rights under relevant laws. Thus, the number of shares with voting rights is 5,336,299,375.

Total shares with voting rights as of end-FY2024

Category	Type	Number of shares	Note
Number of outstanding shares (A)	Common	5,969,782,550	-
	Preferred	822,886,700	-
Treasury shares (no voting rights) (B)	Common	29,700,000	Article 369-2 of the Commercial Act "Treasury Shares"
Shares with voting rights eliminated by Articles of Incorporation (C)	Preferred	822,886,700	
Shares with limited voting rights under relevant laws (D)	Common	603,325,350	Restricted by the Monopoly Regulation and Fair Trade Act: 508,157,148 shares held by Samsung Life Insurance; 88,802,052 shares held by Samsung Fire & Marine Insurance; 4,484,150 shares held by Samsung Welfare Foundation; 1,880,750 shares held by Samsung Foundation Of Culture; 1,250 shares held by Samsung Life Public Welfare Foundation
	Common	457,825	Restricted by the Insurance Business Act: Some part of shares held by special account of Samsung Life Insurance
Shares with revived voting rights (E)	-	-	-
Total Shares with voting rights (F)	Common	5,336,299,375	(F = A - B - C - D + E)

* Among shares with limited voting rights under relevant laws, some of the 603,325,350 shares that are restricted by the Monopoly Regulation and Fair Trade Act can exercise voting rights for appointment/dismissal of executives and modification of the articles of incorporation.

□ Share ownership of Board Members

The following table presents shares and stock options held by members of the Board as of December 31, 2024.

(Shares)

Name	Status	Since	Common Shares
Jong-Hee Han	Executive Director	March 2020	25,000
Tae-Moon Roh	Executive Director	March 2022	28,000
Jung-Bae Lee	Executive Director	March 2022	21,800
Han-Jo Kim	Independent Director	March 2019	6,985
Jun-Sung Kim	Independent Director	March 2022	0
Eunbyeong Heo	Independent Director	November 2022	0
Myung-Hee Yoo	Independent Director	November 2022	0
Je-Yoon Shin	Independent Director	March 2024	0
Hye-Kyung Cho	Independent Director	March 2024	500

Independent Auditor Fees

The following table presents fees for professional audit services rendered by Samjong KPMG International Cooperative (“Samjong KPMG”) and Deloitte Touche Tohmatsu Anjin (“Deloitte Anjin”) for the audit of Samsung Electronics’ annual financial statements for the three years FY2021–2023, and fees billed for other services during those periods.

(KRW million)

Year of operation	Auditor	Audit services	Non-audit services	Audit opinion
55th (Jan 1, 2023–Dec 31, 2023)	Samjong KPMG	7,800	333	Fair
54th (Jan 1, 2022–Dec 31, 2022)	Deloitte Anjin	8,424	-	Fair
53rd (Jan 1, 2021–Dec 31, 2021)	Deloitte Anjin	7,900	394	Fair

* Non-Audit Services include advisory services on tax and E-Discovery services, etc.

* Upon termination of the contract with previous auditor, Deloitte Anjin, Samjong KPMG has been designated as the Company’s external auditor for three years ending December 31, 2025, in accordance with periodic designation regulation of Article 11 (1) and (2) of the “Act on External Audit of Stock Companies, Etc.” Article 17 of the “Enforcement Decree of the Act on External Audit of Stock Companies, Etc.”, and Article 10 and Article 15 (1) of “Regulations on External Audit and Accounting”

Corporate Governance Website

You can read more information about Samsung’s corporate governance practices from our website:

- Articles of Incorporation
<https://www.samsung.com/global/ir/governance-csr/global-code-of-conduct/>
- Board of Directors
<https://www.samsung.com/global/ir/governance-csr/board-of-directors/>
- Board Committees
<https://www.samsung.com/global/ir/governance-csr/board-committee/>
- Global Code of Conduct
<https://www.samsung.com/global/ir/governance-csr/global-code-of-conduct/>
- Sustainability Overview
<https://www.samsung.com/global/sustainability/>

Financial Statements

(FY2024)

CONSOLIDATED FINANCIAL STATEMENTS OF SAMSUNG ELECTRONICS CO., LTD. AND SUBSIDIARIES

INDEX TO FINANCIAL STATEMENTS

※ Audited financial statements with the independent auditor's opinion are available on the investors relations(IR) website.

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

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Convenience Translation into United States Dollar Amounts

The Company operates primarily in Korean won and its official accounting records are maintained in Korean won. The US dollar amounts provided in the consolidated financial statements represent supplementary information solely for the convenience of the reader. All Korean won amounts are expressed in US dollar at the rate of W1,363.09 to \$1, the average exchange rate for the year ended December 31, 2024. Such presentation is not in accordance with generally accepted accounting principles, and should not be construed as a representation that the Korean won amounts shown could be readily converted, realized or settled in US dollar at this or at any other rate.

Independent Auditors' Report

To the Shareholders and Board of Directors of
Samsung Electronics Co., Ltd.:

Opinion

We have audited the accompanying consolidated financial statements of Samsung Electronics Co., Ltd. and its subsidiaries ("the Group"), expressed in Korean won, which comprise the consolidated statements of financial position as of December 31, 2024, and 2023 and the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023 and its consolidated financial performance and cash flows for the years then ended in accordance with Korean International Financial Reporting Standards ("Korean IFRS").

Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing ("ISAs") and Korean Standards on Auditing ("KSAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountant's International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements as of and for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1) Evaluation of commencement of depreciation related to construction in progress

The Group's Device Solutions (DS) division is constructing factories for semiconductor production and begins depreciation of the production lines and equipment when they are available for use. Determining when the assets are available for use requires management's judgment, and as explained in Note 2, *Material Accounting Policies*, the Group's assessment of when the production lines and equipment are available for use requires management's subjective judgments on whether the assets are operating as intended.

We identified the evaluation of commencement of depreciation related to construction in progress as a key audit matter because the DS division's investments are significant and if the commencement of depreciation is determined contrary to the substance, the impact of depreciation amount on the consolidated financial statements would be significant.

The primary audit procedures we performed to address this key audit matter are as follows:

- Understanding of the Group's accounting policies and the processes and internal controls applied to the evaluation of when the assets are available for use;
- Evaluating the design and testing the operating effectiveness of the internal controls over the approval on commencement of depreciation related to construction in progress;
- Evaluating the design and implementation of the operating effectiveness of the internal controls regarding identification and monitoring of aged construction in progress;
- Inspecting documentation supporting the appropriateness of the commencement of depreciation of construction in progress during the year and subsequent to year-end on a sample basis; and
- Observing, on a sample basis, whether the Group's construction in progress is in operation.

2) Sales deduction related to sales promotion activities

The Group's Device eXperience (DX) division performs sales promotion activities, which includes providing price or volume discounts and incentives to customers including retail and telecommunication companies, based on explicit or implicit agreements. As disclosed in Note 2, *Material Accounting Policies*, and Note 3, *Material Accounting Estimates and Assumptions*, of the consolidated financial statements, the Group estimates the expected expenditures and discounts resulting from sales promotion activities at the time of revenue recognition and deducts the amount from revenue.

We identified the accuracy and completeness of sales deductions from promotional activities as a key audit matter because the calculation of sales deductions involves significant estimates and judgements by management and is subject to possible bias or error and the amount is material to the consolidated financial statements.

The primary audit procedures we performed to address this key audit matter are as follows:

- Evaluating the Group's accounting policies and understanding the processes and internal controls relating to the applied to sales deductions;
- Evaluating the design and testing the operating effectiveness of internal controls over the approval of the sales deduction policy;
- Evaluating the design and testing the operating effectiveness of internal controls over the sales deduction estimates and the approval of post-settlement adjustments;
- Evaluating the reasonableness of the estimates by inspecting, on a sample basis, the documentation supporting sales deductions estimates; and
- Evaluating the accuracy and completeness of sales deductions by comparing, on a sample basis, the period-end estimates to amounts settled subsequent to the period-end and examining relevant documentation.

Other Matters

The procedures and practices utilized in the Republic of Korea to audit such consolidated financial statements may differ from those generally accepted and applied in other countries.

The accompanying consolidated financial statements as of and for the years ended December 31, 2024 and 2023 have been translated into United States dollars solely for the convenience of the reader. We have audited the translation and, in our opinion, the consolidated financial statements expressed in Korean won have been translated into dollars on the basis set forth in Note 2.18 to the consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Korean IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and KSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs and KSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies used in the preparation of the consolidated financial statements and reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Han, Sang Hyun.

KPMG Samjory Accounting Corp.

Seoul, Korea
February 18, 2025

This report is effective as of February 18, 2025. Certain subsequent events or circumstances which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying consolidated financial statements and notes thereto. Accordingly, the readers of the audit report should understand that the above audit report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.18))

		December 31,	December 31,	December 31,	December 31,
	Notes	2024	2023	2024	2023
		KRW	KRW	USD	USD
Assets					
Current assets					
Cash and cash equivalents	4, 28	53,705,579	69,080,893	39,399,770	50,679,489
Short-term financial instruments	4, 28	58,909,334	22,690,924	43,217,376	16,646,635
Short-term financial assets at amortized cost	4, 28	-	608,281	-	446,250
Short-term financial assets at fair value through profit or loss	4, 6, 28	36,877	27,112	27,054	19,890
Trade receivables	4, 5, 7, 28	43,623,073	36,647,393	32,002,989	26,885,454
Non-trade receivables	4, 7, 28	9,622,974	6,633,248	7,059,657	4,866,318
Prepaid expenses		3,362,824	3,366,130	2,467,053	2,469,478
Inventories	8	51,754,865	51,625,874	37,968,677	37,874,046
Other current assets	4, 28	6,046,740	5,038,838	4,436,043	3,696,620
Assets held-for-sale	33	-	217,864	-	159,831
		227,062,266	195,936,557	166,578,619	143,744,011
Non-current assets					
Financial assets at fair value through other comprehensive income	4, 6, 28	10,580,932	7,481,297	7,762,439	5,488,469
Financial assets at fair value through profit or loss	4, 6, 28	1,175,749	1,431,394	862,559	1,050,107
Investments in associates and joint ventures	9	12,592,117	11,767,444	9,237,895	8,632,894
Property, plant and equipment	10	205,945,209	187,256,262	151,086,611	137,375,927
Intangible assets	11	23,738,566	22,741,862	17,415,212	16,684,005
Net defined benefit assets	14	3,089,571	4,905,219	2,266,587	3,598,593
Deferred income tax assets	25	14,236,468	10,211,797	10,444,233	7,491,632
Other non-current assets	4, 7, 28	16,111,070	14,174,148	11,819,488	10,398,513
		287,469,682	259,969,423	210,895,024	190,720,140
Total assets		514,531,948	455,905,980	377,473,643	334,464,151

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.18))

		December 31,	December 31,	December 31,	December 31,
	Notes	2024	2023	2024	2023
		KRW	KRW	USD	USD
Liabilities and Equity					
Current liabilities					
Trade payables	4, 28	12,370,177	11,319,824	9,075,075	8,304,509
Short-term borrowings	4, 5, 12, 28	13,172,504	7,114,601	9,663,682	5,219,451
Other payables	4, 28	18,547,365	15,324,119	13,606,816	11,242,161
Advances received	17	1,841,420	1,492,602	1,350,912	1,095,011
Withholdings	4, 28	991,812	892,441	727,618	654,717
Accrued expenses	4, 17, 28	29,613,258	26,013,273	21,725,035	19,083,995
Current income tax liabilities		4,340,171	3,358,715	3,184,059	2,464,038
Current portion of long-term liabilities	4, 12, 13, 28	2,207,290	1,308,875	1,619,324	960,224
Provisions	15	8,216,469	6,524,876	6,027,809	4,786,814
Other current liabilities	4, 17, 28	2,025,833	2,308,472	1,486,202	1,693,553
Liabilities held-for-sale	33	-	61,654	-	45,231
		93,326,299	75,719,452	68,466,532	55,549,704
Non-current liabilities					
Debentures	4, 13, 28	14,530	537,618	10,660	394,410
Long-term borrowings	4, 12, 28	3,935,860	3,724,850	2,887,446	2,732,644
Long-term other payables	4, 28	5,510,455	5,488,283	4,042,609	4,026,343
Net defined benefit liabilities	14	521,410	456,557	382,520	334,942
Deferred income tax liabilities	25	528,231	620,549	387,524	455,250
Long-term provisions	15	3,120,044	2,878,450	2,288,943	2,111,704
Other non-current liabilities	4, 17, 28	5,383,049	2,802,356	3,949,141	2,055,879
		19,013,579	16,508,663	13,948,843	12,111,172
Total liabilities		112,339,878	92,228,115	82,415,375	67,660,876

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.18))

		December 31,	December 31,	December 31,	December 31,
	Notes	2024	2023	2024	2023
		KRW	KRW	USD	USD
Equity attributable to owners of the parent company					
Preference shares	18	119,467	119,467	87,644	87,644
Ordinary shares	18	778,047	778,047	570,795	570,795
Share premium		4,403,893	4,403,893	3,230,807	3,230,807
Retained earnings	19	370,513,188	346,652,238	271,817,840	254,312,844
Other components of equity	20, 33	15,873,008	1,280,130	11,644,840	939,136
		391,687,603	353,233,775	287,351,926	259,141,226
Non-controlling interests	31	10,504,467	10,444,090	7,706,342	7,662,049
Total equity		402,192,070	363,677,865	295,058,268	266,803,275
Total liabilities and equity					
		514,531,948	455,905,980	377,473,643	334,464,151

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(In millions of Korean won, in thousands of US dollars (Note 2.18))

	Notes	For the years ended December 31,			
		2024	2023	2024	2023
		KRW	KRW	USD	USD
Revenue	29	300,870,903	258,935,494	220,726,499	189,961,623
Cost of sales	21	186,562,268	180,388,580	136,866,795	132,337,621
Gross profit		114,308,635	78,546,914	83,859,704	57,624,002
Selling and administrative expenses	21, 22	81,582,674	71,979,938	59,851,112	52,806,302
Operating profit	29	32,725,961	6,566,976	24,008,592	4,817,700
Other non-operating income	23	1,960,338	1,180,448	1,438,154	866,006
Other non-operating expense	23	1,625,229	1,083,327	1,192,309	794,757
Share of net profit of associates and joint ventures	9	751,044	887,550	550,985	651,129
Financial income	24	16,703,304	16,100,148	12,253,966	11,811,476
Financial expense	24	12,985,684	12,645,530	9,526,626	9,277,080
Profit before income tax		37,529,734	11,006,265	27,532,762	8,074,474
Income tax expense (benefit)	25	3,078,383	(4,480,835)	2,258,380	(3,287,254)
Profit for the year		34,451,351	15,487,100	25,274,382	11,361,728
Profit attributable to					
Owners of the parent company		33,621,363	14,473,401	24,665,482	10,618,053
Non-controlling interests		829,988	1,013,699	608,900	743,675
Earnings per share <i>(in Korean won, in US dollars)</i>	26				
- Basic		4,950	2,131	3.63	1.56
- Diluted		4,950	2,131	3.63	1.56

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In millions of Korean won, in thousands of US dollars (Note 2.18))

	Notes	For the years ended December 31,			
		2024	2023	2024	2023
		KRW	KRW	USD	USD
Profit for the year		34,451,351	15,487,100	25,274,382	11,361,728
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss:					
Gain on valuation of financial assets at fair value through other comprehensive income, net of tax	6, 20	2,300,166	1,481,091	1,687,460	1,086,566
Share of other comprehensive income (loss) of associates and joint ventures, net of tax	9, 20	(71,581)	13,150	(52,514)	9,647
Remeasurement of net defined benefit liabilities (assets), net of tax	14, 20	(766,078)	(828,298)	(562,014)	(607,659)
Items that may be reclassified subsequently to profit or loss:					
Share of other comprehensive income of associates and joint ventures, net of tax	9, 20	305,327	61,962	223,996	45,457
Foreign currency translation differences for foreign operations, net of tax	20	15,116,099	2,621,479	11,089,552	1,923,183
Gain (loss) on valuation of cash flow hedge derivatives	20	(38,946)	927	(28,572)	679
Other comprehensive income for the year, net of tax		16,844,987	3,350,311	12,357,908	2,457,873
Total comprehensive income for the year		51,296,338	18,837,411	37,632,290	13,819,601
Comprehensive income attributable to:					
Owners of the parent company		50,048,199	17,845,661	36,716,624	13,092,028
Non-controlling interests		1,248,139	991,750	915,666	727,573

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In millions of Korean won)

For the year ended December 31, 2024	Notes	Preference shares	Ordinary shares	Share premium	Retained earnings	Other component s of equity	Equity attributable to owners of the parent company	Non- controlling interests	Total
Balance as of January 1, 2024		119,467	778,047	4,403,893	346,652,238	1,280,130	353,233,775	10,444,090	363,677,865
Profit for the year		-	-	-	33,621,363	-	33,621,363	829,988	34,451,351
Gain on valuation of financial assets at fair value through other comprehensive income, net of tax	6, 20	-	-	-	49,024	1,960,896	2,009,920	290,246	2,300,166
Share of other comprehensive income (loss) of associates and joint ventures, net of tax	9, 20	-	-	-	-	239,431	239,431	(5,685)	233,746
Foreign currency translation differences for foreign operations, net of tax	20	-	-	-	-	14,963,848	14,963,848	152,251	15,116,099
Remeasurement of net defined benefit liabilities (assets), net of tax	14, 20	-	-	-	-	(747,417)	(747,417)	(18,661)	(766,078)
Loss on valuation of cash flow hedge derivatives	20	-	-	-	-	(38,946)	(38,946)	-	(38,946)
Total comprehensive income for the year		-	-	-	33,670,387	16,377,812	50,048,199	1,248,139	51,296,338
Dividends declared	19	-	-	-	(9,809,437)	-	(9,809,437)	(1,102,625)	(10,912,062)
Capital transactions under common control		-	-	-	-	-	-	(8,511)	(8,511)
Changes in consolidated entities		-	-	-	-	-	-	(76,626)	(76,626)
Treasury shares purchased	20	-	-	-	-	(1,811,775)	(1,811,775)	-	(1,811,775)
Others		-	-	-	-	26,841	26,841	-	26,841
Total transactions with owners		-	-	-	(9,809,437)	(1,784,934)	(11,594,371)	(1,187,762)	(12,782,133)
Balance as of December 31, 2024		119,467	778,047	4,403,893	370,513,188	15,873,008	391,687,603	10,504,467	402,192,070

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousands of US dollars (Note 2.18))

For the year ended December 31, 2024	Notes	Preference shares	Ordinary shares	Share premium	Retained earnings	Other components of equity	Equity attributable to owners of the parent company	Non-controlling interests	Total
Balance as of January 1, 2024		87,644	570,795	3,230,807	254,312,844	939,136	259,141,226	7,662,049	266,803,275
Profit for the year		-	-	-	24,665,482	-	24,665,482	608,900	25,274,382
Gain on valuation of financial assets at fair value through other comprehensive income, net of tax	6, 20	-	-	-	35,965	1,438,563	1,474,528	212,932	1,687,460
Share of other comprehensive income (loss) of associates and joint ventures, net of tax	9, 20	-	-	-	-	175,653	175,653	(4,171)	171,482
Foreign currency translation differences for foreign operations, net of tax	20	-	-	-	-	10,977,857	10,977,857	111,695	11,089,552
Remeasurement of net defined benefit liabilities (assets), net of tax	14, 20	-	-	-	-	(548,324)	(548,324)	(13,690)	(562,014)
Loss on valuation of cash flow hedge derivatives	20	-	-	-	-	(28,572)	(28,572)	-	(28,572)
Total comprehensive income for the year		-	-	-	24,701,447	12,015,177	36,716,624	915,666	37,632,290
Dividends declared	19	-	-	-	(7,196,451)	-	(7,196,451)	(808,914)	(8,005,365)
Capital transactions under common control		-	-	-	-	-	-	(6,244)	(6,244)
Changes in consolidated entities		-	-	-	-	-	-	(56,215)	(56,215)
Treasury shares purchased		-	-	-	-	(1,329,164)	(1,329,164)	-	(1,329,164)
Others		-	-	-	-	19,691	19,691	-	19,691
Total transactions with owners		-	-	-	(7,196,451)	(1,309,473)	(8,505,924)	(871,373)	(9,377,297)
Balance as of December 31, 2024		87,644	570,795	3,230,807	271,817,840	11,644,840	287,351,926	7,706,342	295,058,268

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In millions of Korean won)

For the year ended December 31, 2023	Notes	Preference shares	Ordinary shares	Share premium	Retained earnings	Other components of equity	Equity attributable to owners of the parent company	Non- controlling interests	Total
Balance as of January 1, 2023		119,467	778,047	4,403,893	337,946,407	1,938,328	345,186,142	9,563,462	354,749,604
Profit for the year		-	-	-	14,473,401	-	14,473,401	1,013,699	15,487,100
Gain (loss) on valuation of financial assets at fair value through other comprehensive income, net of tax	6, 20	-	-	-	4,041,867	(2,554,690)	1,487,177	(6,086)	1,481,091
Share of other comprehensive income of associates and joint ventures, net of tax	9, 20	-	-	-	-	70,157	70,157	4,955	75,112
Foreign currency translation differences for foreign operations translation, net of tax	20	-	-	-	-	2,611,915	2,611,915	9,564	2,621,479
Remeasurement of net defined benefit liabilities (assets), net of tax	14, 20	-	-	-	-	(797,916)	(797,916)	(30,382)	(828,298)
Gain on valuation of cash flow hedge derivatives	20	-	-	-	-	927	927	-	927
Total comprehensive income (loss) for the year		-	-	-	18,515,268	(669,607)	17,845,661	991,750	18,837,411
Dividends declared	19	-	-	-	(9,809,437)	-	(9,809,437)	(101,984)	(9,911,421)
Capital transactions under common control		-	-	-	-	-	-	(9,368)	(9,368)
Changes in consolidated entities		-	-	-	-	-	-	230	230
Others		-	-	-	-	11,409	11,409	-	11,409
Total transactions with owners		-	-	-	(9,809,437)	11,409	(9,798,028)	(111,122)	(9,909,150)
Balance as of December 31, 2023		119,467	778,047	4,403,893	346,652,238	1,280,130	353,233,775	10,444,090	363,677,865

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousands of US dollars (Note 2.18))

For the year ended December 31, 2023	Notes	Preference shares	Ordinary shares	Share premium	Retained earnings	Other components of equity	Equity attributable to owners of the parent company	Non- controlling interests	Total
Balance as of January 1, 2023		87,644	570,795	3,230,807	247,926,026	1,422,007	253,237,279	7,015,997	260,253,276
Profit for the year		-	-	-	10,618,053	-	10,618,053	743,675	11,361,728
Gain (loss) on valuation of financial assets at fair value through other comprehensive income, net of tax	6, 20	-	-	-	2,965,216	(1,874,185)	1,091,031	(4,465)	1,086,566
Share of other comprehensive income of associates and joint ventures, net of tax	9, 20	-	-	-	-	51,469	51,469	3,635	55,104
Foreign currency translation differences for foreign operations, net of tax	20	-	-	-	-	1,916,167	1,916,167	7,016	1,923,183
Remeasurement of net defined benefit liabilities (assets), net of tax	14, 20	-	-	-	-	(585,371)	(585,371)	(22,288)	(607,659)
Gain on valuation of cash flow hedge derivatives	20	-	-	-	-	679	679	-	679
Total comprehensive income (loss) for the year		-	-	-	13,583,269	(491,241)	13,092,028	727,573	13,819,601
Dividends declared	19	-	-	-	(7,196,451)	-	(7,196,451)	(74,818)	(7,271,269)
Capital transaction under common control		-	-	-	-	-	-	(6,873)	(6,873)
Changes in consolidated entities		-	-	-	-	-	-	170	170
Others		-	-	-	-	8,370	8,370	-	8,370
Total transactions with owners		-	-	-	(7,196,451)	8,370	(7,188,081)	(81,521)	(7,269,602)
Balance as of December 31, 2023		87,644	570,795	3,230,807	254,312,844	939,136	259,141,226	7,662,049	266,803,275

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions of Korean won, in thousands of US dollars (Note 2.18))

	Notes	For the years ended December 31,			
		2024	2023	2024	2023
		KRW	KRW	USD	USD
Operating activities					
Profit for the year		34,451,351	15,487,100	25,274,382	11,361,728
Adjustments	27	42,947,079	36,519,534	31,507,063	26,791,653
Changes in assets and liabilities arising from operating activities	27	(1,567,557)	(5,458,745)	(1,150,000)	(4,004,673)
Cash generated from operations		75,830,873	46,547,889	55,631,445	34,148,708
Interest received		4,008,359	4,786,010	2,940,633	3,511,138
Interest paid		(675,049)	(844,691)	(495,233)	(619,687)
Dividends received		268,482	269,169	196,965	197,469
Income tax paid		(6,450,044)	(6,620,950)	(4,731,914)	(4,857,296)
Net cash provided by operating activities		72,982,621	44,137,427	53,541,896	32,380,332
Investing activities					
Net decrease (increase) in short-term financial instruments		(32,976,756)	39,421,565	(24,192,582)	28,920,657
Net decrease (increase) in short-term financial assets at amortized cost		620,858	(195,616)	455,477	(143,509)
Net decrease (increase) in short-term financial assets at fair value through profit or loss		(9,735)	2,718	(7,142)	1,994
Disposal of long-term financial instruments		4,100,008	4,565,426	3,007,870	3,349,312
Acquisition of long-term financial instruments		(3,987,279)	(5,307,770)	(2,925,169)	(3,893,914)
Disposal of financial assets at fair value through other comprehensive income		389,680	6,521,568	285,879	4,784,387
Acquisition of financial assets at fair value through other comprehensive income		(185,876)	(124,488)	(136,363)	(91,328)
Disposal of financial assets at fair value through profit or loss		309,970	63,962	227,402	46,924
Acquisition of financial assets at fair value through profit or loss		(70,982)	(130,459)	(52,074)	(95,708)
Disposal of investment in associates and joint ventures		33,178	33,457	24,340	24,545
Acquisition of investment in associates and joint ventures		(11,710)	(78,690)	(8,591)	(57,729)
Disposal of property, plant and equipment		156,191	98,341	114,586	72,145
Acquisition of property, plant and equipment		(51,406,355)	(57,611,292)	(37,713,001)	(42,265,100)
Disposal of intangible assets		15,869	11,744	11,642	8,616
Acquisition of intangible assets		(2,335,284)	(2,922,875)	(1,713,223)	(2,144,295)
Cash outflow from business combination		(142,156)	(356,511)	(104,289)	(261,545)
Cash inflow from disposal of held-for-sale assets		101,563	-	74,509	-
Cash inflow (outflow) from other investing activities		17,114	(913,897)	12,554	(670,458)
Net cash used in investing activities		(85,381,702)	(16,922,817)	(62,638,175)	(12,415,006)

(In millions of Korean won, in thousands of US dollars (Note 2.18))

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

		For the years ended December 31,			
	Notes	2024	2023	2024	2023
		KRW	KRW	USD	USD
Financing activities					
Net increase in short-term borrowings	27	5,871,346	2,145,400	4,307,368	1,573,920
Increase in long-term borrowings	27	404,954	354,712	297,084	260,226
Repayment of debentures and long-term borrowings	27	(1,364,508)	(1,219,579)	(1,001,038)	(894,714)
Dividends paid		(10,888,749)	(9,864,474)	(7,988,261)	(7,236,827)
Treasury shares purchased		(1,811,775)	-	(1,329,164)	-
Transactions with non-controlling interests		(8,511)	(9,118)	(6,244)	(6,690)
Net cash used in financing activities		(7,797,243)	(8,593,059)	(5,720,255)	(6,304,085)
Reclassification to assets held-for-sale	32	-	(14,153)	-	(10,383)
Effect of foreign exchange rate changes		4,821,010	792,785	3,536,815	581,607
Net increase (decrease) in cash and cash equivalents		(15,375,314)	19,400,183	(11,279,719)	14,232,465
Cash and cash equivalents					
Beginning of the year		69,080,893	49,680,710	50,679,489	36,447,024
End of the year		53,705,579	69,080,893	39,399,770	50,679,489

SEPARATE STATEMENTS OF APPROPRIATION OF RETAINED EARNINGS

For the years ended December 31, 2024 and 2023

<i>(In millions of Korean won)</i>	2024	2023
Retained earnings before appropriations		
Unappropriated retained earnings carried over from prior year	30	30
Interim dividends:		
In 2024 - ₩1,083 (dividend rate: 1083%)	(7,356,461)	(7,356,461)
In 2023 - ₩1,083 (dividend rate: 1083%)		
Profit for the year	23,582,565	25,397,099
Disposal of financial assets measured at fair value through profit or loss	(2,163)	(12,327)
Retained earnings available for appropriation	16,223,971	18,028,341
Transfers from other reserves	-	-
Appropriations of retained earnings		
Cash dividends:	2,454,307	2,452,976
In 2024:		
Ordinary shares - ₩363 (dividend rate: 363%)		
Preference shares - ₩364 (dividend rate: 364%)		
In 2023:		
Ordinary shares - ₩361 (dividend rate: 361%)		
Preference shares - ₩362 (dividend rate: 362%)		
Reserve for research and human resources development	13,769,634	15,575,335
Total appropriations of retained earnings	16,223,941	18,028,311
Unappropriated retained earnings to be carried forward	30	30