

Samsung Electro-Mechanics Co.,Ltd.

2022 Annual General Meeting of Shareholders

Reference Material

Note about forward-looking statements

Certain statements in this reference material, other than purely historical information, including estimates, projections, statements relating to business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are “forward-looking statements”. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. A detailed discussion of the risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included in our financial reports available on our website at <http://www.samsungsem.com/global/index.jsp>

- Table of contents -

1. Letter to Shareholders	2	5. Corporate Governance	16
		- Overview	
2. Notice of 2022 AGM	5	- Board Committee	
		- Profile of BOD Members	
		- BOD Activities	
3. Agendas			
Agenda 1. Approval of Financial Statements(FY2021)	6		
		- Overview	
		- Financial Highlights & Shareholder Return	
Agenda 2. Election of Directors	8		
		- Overview	
		- Nominee for Independent Director	
		- Nominees for Executive Director	
Agenda 3. Approval of Director Remuneration Limit (FY2022)	13		
		- Overview	
		- Remuneration Limit of FY2021 (Actual) & FY2022 (To be approved)	
4. Business Report	14		
		- Business Overview	

1. Letter to Shareholders

Dear Shareholders of Samsung Electro-Mechanics,

I sincerely wish that the new year 2022 brings good health and happiness to you and your loved ones.

Looking back on 2021, the pandemic persisted with the spread of new variant viruses, and the external economic environment experienced significant volatilities including on-going tensions between the US and China and disruption of global semiconductor supply.

At the same time, people started to adjust to the new ways of working and learning from home, which drove strong demand for products such as PCs and servers. The potential demand for smartphones and automobiles also improved last year, and overall, the component market recorded stronger than expected performance and returned to an upward growth trend.

Amidst such market circumstances, last year SEMCO focused on developing products that address key customer needs and on further improving its product portfolio by increasing the share of high-end products. Thanks to such strategies, SEMCO was able to keep its growth momentum strong.

In 2021, SEMCO recorded revenue of KRW 9,675.0 billion, an approximately 25% increase from the previous year, and operating profit of KRW 1,486.9 billion, an approximately 63% growth, achieving record performance in company history in terms of both revenue and operating profit.

This would not have been possible without the hard work and dedication by every member of SEMCO and the sincere support and encouragement of its shareholders.

Dear Shareholders,

Even though the overall global economy is expected to maintain a growth trend in 2022, the business environment is likely to remain challenging, with headwinds expected from many fronts including lingering effects of COVID-19 variants, inflationary concerns and supply chain disruptions.

In downstream markets, even though smartphones and PCs, which were the main sources of growth last year, are expected to record lower growth rates, other applications including

servers and automobiles, in particular EVs, are expected to deliver meaningful growth, which presents positive business opportunities for SEMCO.

By effectively adjusting to these shifts in the market, SEMCO will concentrate on delivering business performance that once again meets the expectations of its shareholders.

In addition to financial performance, ESG is an important factor in SEMCO's decision-making process and will be incorporated into all parts of its business activities and strategic planning to ensure that SEMCO achieves business success with sustainability in mind.

Safety is another focus for SEMCO in 2022. With the belief that creating a safe workplace is the No.1 operational principle, SEMCO will take all measures necessary to create a safe work environment for everyone.

Dear shareholders,

As you may have noticed, SEMCO has been actively engaging the Korean and global investment community through its IR activities. To overcome the restrictions on in-person meetings due to COVID-19, SEMCO has been sharing its mid-to long-term vision and business strategy through quarterly earnings conference calls and IR meetings, as part of its efforts to maximize shareholder value.

Subject to the approval by the upcoming General Meeting of Shareholders, SEMCO is planning a dividend payment of a total of KRW 158.8 billion for FY 2021, which is an approximately 50% increase from KRW 105.9 billion paid to its shareholders in 2020. This is a dividend per share of KRW 2,100 for common shares and KRW 2,150 for preferred shares.

SEMCO will continue to seek to return greater value to shareholders through the growth of the company, while taking into account its cashflow situation and investment needs to ensure future growth.

Dear shareholders!

No matter what challenges emerge out in the market, a company in number one position with an absolute supremacy in technology will be able to generate steady earnings regardless of external volatilities.

For 2022, the goal of SEMCO is to take another meaningful step towards becoming “the absolute technology leader in the component business” by outgrowing both the market and competitors despite the uncertainties and shifts in the global business environment.

Also, SEMCO will do its best to earn the trust and respect in the global market as an honest and reliable partner by further raising the level of its global compliance culture that remains sensitive to local norms and regulations.

I ask for your continued support for SEMCO, and once again wish for the success and good health for you and your loved ones.

Thank you.

2. Notice of 2022 AGM

- Date : March 16, 2022 at 09:00 Korea Standard Time
- Place : Grand Hall, the 7th floor of L-Tower
(213, Gangnam-daero, Seocho-gu, Seoul, Korea)
- Record date : December 31, 2021. 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.

- Agendas for the Resolution
 1. Approval of Financial Statements (FY2021)
 2. Election of Directors
 3. Approval of Director Remuneration Limit (FY2022)

3. Agendas

Agenda 1. Approval of Financial Statements (FY2021)

Overview

The Board of Directors is seeking approval of the following financial statements for FY2021 beginning on January 1, 2021 and ending on December 31, 2021.

- Consolidated Statements of Balance Sheet
- Consolidated Statements of Income Statement
- Consolidated Statements of Changes in Equity
- Consolidated Statements of Cash Flows
- Separate Statements of Appropriation of Retained Earnings

Financial Highlight & Shareholder Return

In 2021, the revenue of all three divisions grew vs. 2020.

The Component Division successfully captured the demand growth from applications including smartphones, PCs, TVs, servers and automotives. The Optics & Communication Solution Division leveraged its differentiated technology competitiveness in smartphones and automotives. The Package Solution Division increased the share of high-value substrates including multi-layer substrates for 5G antennas, substrates for mobile APs and package substrates for thin CPUs.

The dividend payment for 2021 will be KRW 2,100 per share (based on common shares), which is a 50% increase compared to 2020. Dividend payout ratio is 18%, same as 2020. In the future, our goal is to maintain payout ratio of at least 20%.

[Balance Sheet]

(Billion KRW)

	FY2021	FY2020
Total Assets	9,941.4	9,225.5
Liabilities	3,070.3	3,315.1
Equity	6,871.1	5,910.4

[Income Statement]

(Billion KRW)

	FY2021	FY2020
Sales	9,675.0	7,753.3
Operating Profit	1,486.9	912.7
Profit before tax from continuing operations	1,491.3	868.9
Profit from Discontinued Operations	-162.3	-60.5
Net Income	892.4	604.0
Dividend Total	158.8	105.9
Dividend (per share)	· Common: 2,100 KRW · Preferred: 2,150 KRW	· Common: 1,400 KRW · Preferred: 1,450 KRW
Dividend Payout Ratio	17.8%	17.5%

※ Net income attributable to owners of the parent

[Sales by Division]

(Billion KRW)

Division	Category	FY2021	FY2020
Component	Sales	4,778.2	3,645.0
	(%)	49%	47%
Optics & Communication	Sales	3,219.8	2,802.5
	(%)	33%	36%
Package	Sales	1,677.0	1,305.8
	(%)	17%	17%
Total	Sales	9,675.0	7,753.3
	(%)	100%	100%

Agenda 2. Election of Directors

Overview

Samsung Electro-Mechanics places top priority on enhancing corporate transparency and practicing responsible business management to maximize enterprise value. In order to achieve such business objectives, Samsung Electro-Mechanics has a board of directors consisting of 7 members including 4 independent directors with expertise in various fields.

Executive Directors(3)	Mr. Kye Hyun Kyung, Mr. Bong Yong Kang, Mr. Doo Young Kim
Independent Directors(4)	Mr. Yong Kyun Kim(Chairman), Mr. Ji Beom Yoo, Mr. Joon Kyung Kim, Ms. Yoon Kyung Yuh

※ As of the end of December 2021

Executive Directors are the former CEO, former Head of Corporate Business Support Team and Head of Component Division of the Company, while Independent Directors consist of experts in areas such as law, IT, finance and economics, capable of supervising management from an objective and balanced point of view.

The Board has separated the roles of CEO and Chairman of the Board since 2016, enabling the board to be more independent.

The directors shall be appointed at the Annual General Meeting of Shareholders.

The BOD and the Independent Director Recommendation Committee have nominated the following candidates as directors for 2022.

As Ji Beom Yoo, Kye Hyun Kyung and Bong Yong Kang resign, the Board nominates Yoon Jeong Lee as new independent director of the Board and nominates Duck Hyun Chang, the President & CEO of the company and Sung Jin Kim, the Executive Vice President of the Corporate Business Support Team as new executive directors of the Board.

[Nominee for Independent Director]

2.1 Yoon Jeong Lee (newly nominated)



• Yoon Jeong Lee (Expertise in environment and law)

Candidate Yoon Jeong Lee, currently an attorney at the law firm Kim & Chang, specializes in the field of environmental law. She is a leading expert in the area of environmental regulation and law, and will bring to the Board of Directors objective and professional knowledge in environment and legal matters as well as extensive experience gained while serving prominent positions including legal counsel for the Ministry of Environment and member of the Sustainable Development Committee. She will be able to contribute to the Company's ESG-focused management and strategy by offering practice advice.

Yoon Jeong Lee was recommended unanimously by all four attending members of the Independent Director Recommendation Committee.

※ The independent director candidate above has no transaction history or related interests with the largest shareholder during the recent three years, and have no financial delinquencies, no history of serving as a manager of a distressed company nor any statutory grounds for disqualification.

Profile of Independent Director Nominees

Yoon Jeong Lee

	Education	Career
Date of Birth : Aug. 30, 1968	2005, Master's Degree in Environment Law, SOAS University of London, UK	1999 ~ Present Attorney, Kim & Chang 2021 ~ Present Legal counsel, Ministry of Environment
Start of term : Mar.16, 2022	1999, Completed 16th training course at the Judicial Research & Training Institute under the Supreme Court	2018 ~ Present Vice President, Korea Environmental Law Association
Expiration of term : Mar.16, 2025	1996, Passed the 38th Judicial Exam 1991, BA in English Literature, Seoul National University	2017 ~ Present Member, Central Environmental Dispute Mediation Committee, Ministry of Environment 2015 ~ 2016 Member of the 8th Sustainable Development Committee, Ministry of Environment 2014 ~ 2017 Member of the Statutory Interpretation Review Committee, Ministry of Government Legislation 2013 ~ 2017 Legal counsel, Ministry of Environment

[Nominees for Executive Director]

2.2
Duck Hyun Chang
CEO
(newly nominated)



2.3
Sung Jin Kim
Head of Corporate Business Support
Team (newly nominated)



The Board would like to nominate Duck Hyun Chang and Sung Jin Kim as Executive Directors of the Board. As Kye Hyun Kyung and Bong Yong Kang resign, the Board nominates Duck Hyun Chang, the President & CEO of the company and Sung Jin Kim, the Executive Vice President of the Corporate Business Support Team as new executive directors of the Board.

• **Duck Hyun Chang**

Candidate Duck Hyun Chang has been tapped for the position of Representative Director and CEO of Samsung Electro-Mechanics. He holds a Ph.D in Electronic Engineering from the University of Florida. He is a component and semiconductor technology expert who has served key positions in the S.LSI Division of Samsung Electronics, including the head of LSI Development, head of SOC Development, and the team leader of the Sensor Business Team. With expert knowledge and technology insight of the component sector, he is expected to effectively lead the Company towards its goal of becoming a global technology leader.

• **Sung Jin Kim**

Candidate Sung Jin Kim has been appointed as the incoming Head of the Corporate Business Support Team (Executive Vice President) of Samsung Electro-Mechanics. He received a BA in Economics from Korea University and is a corporate finance expert, having served key positions including the Head of the Global Support Group, Business

Support Office, Samsung Electronics and the Support Team Leader for the CE and IM Divisions of Samsung Electronics. Having demonstrated outstanding capabilities in business and operational strategy, he is expected to contribute to driving the sustainable growth of the Company by increasing its business competitiveness, driving revenue and profit growth and uncovering new business opportunities and to maximizing shareholder value by increasing the Company's enterprise value.

※ The two executive director candidates above have no transaction history or related interests with the largest shareholder during the recent three years, and have no financial delinquencies, no history of serving as a manager of a distressed company nor any statutory grounds for disqualification.

Profile of Executive Director Nominees

Duck Hyun Chang	Education	Career	
Date of Birth : Feb. 13, 1964	1997, PhD in Electronic Engineering, University of Florida 1988, M.E. in Electronic Engineering, Seoul National University	2021 ~ Present	President & CEO, Samsung Electro-Mechanics
Start of term : Mar.16, 2022	1986, B.E. in Electronic Engineering, Seoul National University	2020 ~ 2021	Head of Sensor Business Team, S.LSI Division, Samsung Electronics
Expiration of term : Mar.16, 2025		2017 ~ 2020	Head of SOC Development, S.LSI Division, Samsung Electronics
		2015 ~ 2017	Head of LSI Development, S.LSI Division, Samsung Electronics
		2013 ~ 2015	Head of Solution Development, Memory Divison, Samsung Electronics
		2012 ~ 2013	Flash Development, Memory Divison, Samsung Electronics
Sung Jin Kim	Education	Career	
Date of Birth : Mar. 6, 1965	1988, B.A. in Economics, Korea University	2021 ~ Present	Head of Corporate Business Support Team, Samsung Electro-Mechanics
Start of term : Mar.16, 2022		2020 ~ 2021	Head of Support Team, IT & Mobile Communications (IM) Division, Samsung Electronics
Expiration of term : Mar.16, 2025		2017 ~ 2020	Head of Support Team, Consumer Electronics (CE) Division, Samsung Electronics
		2015 ~ 2017	Head of the Global Support Group, Corporate Management Office, Samsung Electronics
		2011 ~ 2014	Head of Support Team, SEA & Oceania Office, Samsung Electronics

Agenda 3. Approval of Director Remuneration Limit (FY2022)

Overview

Under its Board of Directors, Samsung Electro-Mechanics currently operates a Compensation Committee, which is in charge of assessing the performance compensation of directors and examining the director remuneration limit for the following fiscal year. In order to enhance the transparency of decision-making, the Compensation Committee consists of four independent directors.

- FY2021 Remuneration (Actual) & FY2022 Remuneration (To be approved)
(Billion KRW)

FY2021		FY2022
Approved	Actual	Proposed
7.0	5.0 - Executive Director : 4.6 - Independent Director : 0.4	7.0
※ Number of Directors (Independent) : 7 (4)		

* FY2022 total remuneration limit KRW 7.0 billion

: regular remuneration KRW 7.0 billion, long-term performance bonus KRW 0.0 billion

FY2021 total remuneration limit KRW 7.0 billion

: regular remuneration KRW 6.5 billion, long-term performance bonus KRW 0.5 billion

In 2021, a total of KRW 5.0 billion was executed as director compensation including wage income such as salary and bonuses as well as retirement benefits for the executive directors and the remuneration for the independent directors. This is approximately 71% of the approved limit for director remuneration for FY2021.

The remuneration limit for directors presented to the 2022 General Meeting of Shareholders for approval has been calculated by taking into account the expected performance-based incentives payable assuming that the Company achieves business targets similar to the previous year's levels, in addition to ordinary salaries.

4. Business Report

In 2021, smartphone and automotive demand growth fell short of expectations, mainly due to the semiconductor supply issue. Despite such negative factors to component demand including weak component demand from TVs, SEMCO actively captured demand in high-end products for applications such as high-end smartphones, PCs, servers, network devices and automobiles to record consolidated revenue of KRW 9,675.0 billion and operating profit of KRW 1,486.9 billion in 2021.

While uncertainties are likely to continue in 2022 due to factors including the COVID-19 omicron variant and reduced spending power from inflation, SEMCO is preparing to further expand its business by capturing the opportunities emerging from the new technology inflection points unfolding in applications such as 5G, AI, servers and automobiles.

In response to this business environment, SEMCO will focus on strengthening its development capabilities needed to build a stronger presence in high-end markets targeting newly emerging platforms as well as its marketing capabilities to acquire new markets. At the same time, SEMCO will focus on building a stronger product lineup to capture applications where solid growth is expected including servers, networks and other industrial applications and automobiles.

To briefly introduce the key products and core strategies of each business division,

The Component Division supplies passive chip components, which are essential in most electronic devices. The key products of the Component Division include MLCC(Multi-Layer Ceramic Capacitor), chip inductor and chip resistor. A passive component business requires expertise in multiple fields including material development, process technology, equipment technology and quality control, and is therefore characterized by a high entry barrier.

SEMCO already has all of these key points well covered. It has its own proprietary materials including dielectric and magnetic material, which are key elements of passive components, and has been developing competitive new products using proprietary production processes and equipment.

In 2022, downstream demand in applications such as servers and automobiles is expected to expand, and MLCC demand is likely to grow in line with the wider adoption of 5G smartphones. In particular, the growth of the high-end segment consisting of small-size,

high-capacitance, and high-reliability MLCCs is likely to benefit from several upcoming trends including the recovery of smartphone growth with improved chip supply, the roll out of new mobile base stations, the expansion of the EV market, and the increased adoption of ADAS.

To capture this opportunity, SEMCO will focus on increasing the sales of its high-end MLCCs to secure profitability and to create a stable business portfolio.

The main products of the Optics and Communication Solution Division are camera modules and communication modules, which have witnessed continued demand growth from automotive applications on top of the existing IT customers.

SEMCO's camera module business will focus on expanding its high-end product line-up such as folded zoom and high pixel camera modules that address the smartphone trends of adopting multi-camera solutions or advanced camera functions. Leveraging its technology edge in core components including lens and actuators, SEMCO will focus on strengthening its market leadership and profitability.

For communication modules, the focus will be on developing differentiating products that meet the higher performance requirements and smaller and lighter form factor requirements of new applications including 5G to maintain its competitive edge.

The Package Solution Division supplies package substrates used for mounting semiconductors and electrically connecting semiconductors with the main board.

The main products of the Package Solution Division are BGAs, which are for mobile applications, and flip chip (FC) BGAs, which are package substrates for PCs. They are used for packaging chips for applications such as smartphones, PCs, wearables and servers.

The key trend in the package substrate market is the increasing demand for micro-circuits and high multilayer package substrates needed for high-end applications such as 5G smartphones, PCs, servers and network equipment.

Leveraging its edge in micro-circuit and high multilayer substrate technology, SEMCO has been strengthening its strategic collaboration with key customers and has continued to drive growth around high-end substrates.

SEMCO will continue to lead the market by developing next generation package solutions and acquiring new applications and customers.

5. Corporate Governance

Overview

Samsung Electro-Mechanics protects shareholders' rights through transparent management. The governance of Samsung Electro-Mechanics consists of legal and transparent procedures based on the Commercial Act of Korea and the Company's Articles of Association. Each member of the Board of Directors contributes to the management and growth of the Company, and effectively performs monitoring/checking functions.

Board Composition

Election of Directors and Terms of Office

Directors are elected by shareholders at a general meeting of shareholders. Candidates for executive directors are nominated by the Board of Directors, while candidates for independent directors are nominated by the Independent Director Recommendation Committee. The total number of directors shall be greater than three and no more than nine. In the case of electing two or more directors, the cumulative voting system prescribed in Article 382-2 of the Commercial Act is not applied. The term of office is three years, and a director may be re-elected at a shareholders' meeting.

Election of Chairman

The chairman of the Board of Directors is elected from among the directors following a resolution of the Board. Currently, independent director Yong Kyun Kim is serving as chairman.

Board Expertise and Diversity

The Company does not set restrictions pertaining to race, sex, region of origin, or area of expertise when considering Board members. It actively considers individuals who can participate in the Board with new and diverse perspectives. In particular, for independent directors, the Company seeks candidates who meet the qualifications set forth by relevant laws and regulations, and have expertise or experience in areas such as management, economics, accounting, law or relevant technologies.

Director Independence

The "independence" of independent directors is evaluated in accordance with Article 382 and Article 542-8 of the Commercial Act, and with Article 22-2 of the Articles of Incorporation of the Company. If a requirement is not met, a determination of no "independence" is made. In particular, individuals who engage in Company business, have key interests with major shareholders or with the Company, or have worked as employees of the Company within the past two years are prohibited from serving as independent directors.

Operations of the Board of Directors

Board Types

- Regular Board Meetings: Meetings are held once every quarter as a general rule.
- Special Board Meetings: Meetings are held as needed.

Board Meetings

The chairman calls the meeting of the Board of Directors and must notify each director of the meeting date at least 12 hours before the time of meeting. A director may request the chairman convene a meeting of the Board by submitting the agenda and objectives if he or she has determined that there are justifiable reasons for business purposes. If the chairman refuses to convene the Board without just cause, the director who raised the subject matter may himself or herself call a meeting of the Board.

Board Resolution

A resolution of the Board of Directors shall be made when a majority of the directors are in attendance and by a majority vote of the directors in attendance. However, to the extent permitted by relevant laws and ordinances, it is possible to conduct a meeting by means of telecommunication. In order to conduct a fair evaluation and engage in a rational decision-making process, directors with special interests in the subject matters being reviewed are prohibited from exercising their voting rights and are not included in the number of voting rights of the directors in attendance.

Main Matters Considered

Shareholders Meetings and Proposals

- Convening general meetings of shareholders
- Approval of operating reports and financial statements
- Amendments to the Articles of Incorporation
- Appointment and dismissal of directors
- Matters relating to the Company's dissolution, mergers and acquisitions, and transfer of the entire business or key parts of the business, as well as transfer of the entire business or key parts of the business of another company that can have significant implications for the Company
- Directors' compensation, etc.

Management Matters

- Decisions regarding basic management policies of the Company, and amendments
- Approval of management plans and of quarterly and semi-annual reports

Financial Matters

- Matters concerning issuance of shares(Decisions regarding issuance of new shares, Issuance of convertible bonds and bonds with subscription rights)
- Acquisition, disposal and retirement of treasury stock
- Approval of internal transactions
- Matters involving other key corporations and pertaining to investment/disposal, furnishing of collateral/debt guarantees, credit agreements, etc.

Matters Concerning Directors, Board of Directors, Committees

- Approval of directors' involvement in competitive businesses, of concurrent service for another business in the same industry, and of transactions between a director and the Company
- Appointment of the chairman of the Board of Directors
- Appointment of the CEO of the Company and joint representatives
- Establishment of committees, appointment and dismissal of committee members
- Establishment and dismissal of other operating rules for the Board and committees

Other

- Matters set forth in the law or the Articles of Incorporation
- Matters delegated by the meeting of shareholders and matters deemed necessary by the CEO

Responsibilities and Obligations

Fiduciary Duty of Directors

Directors have a duty of care in making decisions as corporate fiduciaries.

Duty in Good Faith

Directors must perform their duties faithfully for the Company in accordance with the provisions of the law and the Articles of Incorporation.

Prohibition of Directors' Involvement in Managing Competitive Businesses

Unless approved by the Board or by a committee set by the Board, directors may not engage in operating businesses that are in the same industry as the Company

Other

Liability Insurance

- In accordance with internal regulations and with approval from the Board or the appropriate committee, the Company provides directors with liability insurance.

Scope of indemnification: The insurance covers the damages to shareholders and other stakeholders arising from a director's violation of his or her duty of care as a fiduciary and of his or her duty in good faith.

Efforts to Support Independent Directors

In accordance with relevant regulations, independent directors, who play an integral role in maintaining the independence of the Board of Directors, may receive the assistance of external specialists in making important decisions. To this end, the Company has made it a policy to provide external support to the greatest extent possible, such as providing the services of legal or accounting advisers, upon request by independent directors.

In order to provide opportunities for independent directors to exchange opinions and suggestions on matters of overall management of the Company, meetings of independent directors without members of management present are held regularly (at each quarterly meeting of the Board) or when needed.

The Company does not hesitate to provide all the support necessary for independent directors to actively and independently serve the Company. The Company supports regular educational or training efforts such as visits to domestic and international management sites and reports on the status of operations.

Board Committees

The Board of Directors has six sub-committees consisting of the Management Committee, the Audit Committee, the Independent Director Recommendation Committee, the Related Party Transaction Committee, the Compensation Committee and the ESG Committee.

The Management Committee

The Management Committee deliberates and decides matters either delegated by the BOD, or specified in the Articles of Incorporation or Regulations of the Board of Directors, 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 Committee currently consists of four independent directors.

The Related Party Transaction Committee

The Related Party Transaction Committee (also known as Internal Transaction Committee) is a compliance body to enhance corporate governance and to promote fair transaction. 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's compensation to be submitted for resolution at a general meeting of shareholders. The Committee is composed of four independent directors.

The ESG Committee

The ESG Committee deliberates and takes resolutions over matters related with shareholder value enhancement and corporate social responsibility with a focus on Environmental, Social and Governance matters.

Composition of the BOD committees

Committee	Members		
	Chair	Executive Director	Independent Director
Management	Kye Hyun Kyung	Kye Hyun Kyung Bong Yong Kang Doo Young Kim	-
Audit	Yoon Kyung Yuh	-	Yoon Kyung Yuh Joon Kyung Kim Yong Kyun Kim
Independent Director Recommendation	Ji Beom Yoo	-	Yoon Kyung Yuh Joon Kyung Kim Yong Kyun Kim Ji Beom Yoo
Related Party Transactions	Joon Kyung Kim	-	Joon Kyung Kim Yong Kyun Kim Ji Beom Yoo
Compensation	Yong Kyun Kim	-	Yoon Kyung Yuh Joon Kyung Kim Yong Kyun Kim Ji Beom Yoo
ESG	-	Kye Hyun Kyung Bong Yong Kang	Yoon Kyung Yuh Joon Kyung Kim Yong Kyun Kim Ji Beom Yoo

※ As of the end of December 2021

Profile of the BOD members

[Executive Directors]



Kye Hyun Kyung

Date of Birth : Mar. 5, 1963

Start of term : Mar.18, 2020
(1st term started in Mar. 2020)

Expiration of term : Mar.18, 2023

2021 ~ Present

2020 ~ 2021

2019 ~ 2019

2016 ~ 2018

2014 ~ 2015

2012 ~ 2013

President & CEO, Device Solutions, Samsung Electronics
President & CEO, Samsung Electro-Mechanics
EVP, Head of Memory Solution, Memory Division, Samsung Electronics
EVP, Head of Flash Product & Technology, Memory Division, Samsung Electronics
SVP, Head of Flash Design Team, Memory Division, Samsung Electronics
Vice President, Head of Flash Design Team, Memory Division, Samsung Electronics



Bong Yong Kang

Date of Birth : Jan. 4, 1964

Start of term : Mar.18, 2020
(1st term started in Mar. 2020)

Expiration of term : Mar.18, 2023

2021 ~ Present

2020 ~ 2021

2019 ~ 2019

2018 ~ 2018

2015 ~ 2017

2012 ~ 2013

EVP, Samsung Electro-Mechanics
EVP, Head of Corporate Business support team, Samsung Electro-Mechanics
EVP, Head of Corporate Business support team, Device Solution, Samsung Electronics
EVP, Head of Corporate Business support team, Device Solution, Samsung Electronics
SVP, Head of Corporate Business support team, Device Solution, Samsung Electronics
VP, Head of Corporate Business support team, Memory Division, Samsung Electronics



Doo Young Kim

Date of Birth : Dec. 13, 1966

Start of term : Mar.17, 2021
(1st term started in Mar. 2021)

Expiration of term : Mar.17, 2024

2020 ~ Present

2018 ~ 2019

2015 ~ 2018

2011 ~ 2015

EVP, Head of Component Division, Samsung Electro-Mechanics
EVP, Component Manufacturing Team, Samsung Electro-Mechanics
SVP, LCR Manufacturing Team, Samsung Electro-Mechanics
VP, LCR Development Team, Samsung Electro-Mechanics

[Independent Directors]



Yong Kyun Kim

Date of Birth : Jul. 2, 1954

Start of term : Mar. 17, 2021
(1st term started in Mar. 2018)

Expiration of term : Mar. 17, 2024

2010 ~ Present
2018 ~ Present

2010 ~ 2018

2013 ~ 2017

2009 ~ 2010

1979

Managing Partner, Barun Law
Independent Director, Samsung
Electro-Mechanics
Honorary Ambassador, Bapsang
Community Foundation
Adjunct Professor, School of Law,
Seoul National University
Chief Judge, Seoul Administrative
Court & Chief Judge, Seoul Family
Court
Graduated from the Judicial Research &
Training Institute



Ji Beom Yoo

Date of Birth : Sep. 6, 1959

Start of term : Mar. 18, 2020
(1st term started in Mar. 2017)

Expiration of term : Mar. 18, 2023

1994~Present

2015 ~ 2018

2011 ~ 2014

2009 ~ 2014

Professor, Advanced Materials Science
and Engineering Department,
Sungkyunkwan University
Vice-President of the Natural Sciences
Campus & Head of the Academic-
Industrial Cooperation Group,
Sungkyunkwan University
Dean of Engineering College,
Sungkyunkwan University
Vice-President of the Sungkyun Nano-
Science Institute



Joon Kyung Kim

Date of Birth : Apr. 10, 1956

Start of term : Mar. 18, 2020
(1st term started in Mar. 2020)

Expiration of term : Mar. 18, 2023

2008 ~ Present

2013 ~ 2017

2008

2006 ~ 2007

2004 ~ 2007

Professor, KDI School of Public Policy
and Management
President, Korea Development Institute
(KDI)
Secretary to the President for Economy
and Finance
Vice-President, KDI
Head of Macro-economic/Finance
Research, KDI



Yoon Kyung Yuh

Date of Birth : Nov. 17, 1968

Start of term : Mar. 18, 2020
(1st term started in Mar. 2020)

Expiration of term : Mar. 18, 2023

2006 ~ Present

2017 ~ 2019

2014 ~ 2016

2012 ~ 2014

2008 ~ 2015

Professor, College of Business
Administration, Ewha Women's
University (Finance)
Member of the Investment Pool
Management Committee, Ministry of
Finance and Planning
Member of the Fund Management
Evaluation Board, Ministry of Finance
and Planning
Member of the Financial Supervision
Advisory Committee, Financial
Supervisory Service
Non-executive Director &
Head of the Financial Planning Center,
Management Research Center, Ewha
Women's University

BOD Activities

Board meetings & voting results of independent directors

R o u n d	Date	Agenda	Result	Board Members and Attendance			
				Yong Kyun Kim (Attendance : 100%)	Joon Kyung Kim (Attendance : 100%)	Ji Beom Yoo (Attendance : 100%)	Yoon Kyung Yuh (Attendance : 100%)
				For / Against			
21 - 1st	2021-01-27	1. Reporting of 2020 Actual Performance and 2021 Target	Approval	For	For	For	For
		2. Approval of the 48th Financial Statements and Sales Report	Approval	For	For	For	For
		3. Implementation of the Electronic Voting System	Report item	-	-	-	-
21 - 2nd	2021-02-16	1. Agenda Items and Decision to Call the 48th Regular General Meeting of Shareholders	Approval	For	For	For	For
		2. Reporting on the Status of the Operations of the 2020 Internal Accounting Control System	Report item	-	-	-	-
		3. Reporting on the Assessment of the Operations of the 2020 Internal Accounting Control System	Report item	-	-	-	-
		4. Revisions to the Agreement and Regulations Regarding the Installation and Operation of the Samsung Compliance and Audit Committee	Approval	For	For	For	For
21 - 3rd	2021-03-17	1. Nomination of the Chairman of the Board of Directors	Approval	For	For	For	For
		2. Designation of the Duties of Directors	Approval	For	For	For	For
		3. Approval of the Execution of Compensation for Directors	Approval	For	For	For	For
		4. Nomination of the Samsung Compliance and Audit Committee Members	Approval	For	For	For	For
21 - 4th	2021-04-28	1. Reporting of 1Q 2021 earnings and 2Q outlook	Report item	-	-	-	-
		2. Funding for a supplier's establishment of smart factory	Approval	For	For	For	For
21 - 5th	2021-06-21	1. Approval of large internal transactions	Approval	For	For	For	For
		2. Execution of a donation to the incorporated school Sungkyunkwan University	Approval	For	For	For	For
21 - 6th	2021-07-28	1. Q2 2021 earnings and Q3 outlook report	Report item	-	-	-	-
		2. Operation of Samsung Software Academy for Youth	Approval	For	For	For	For

R o u n d	Date	Agenda	Result	Board Members and Attendance			
				Yong Kyun Kim (Attendance : 100%)	Joon Kyung Kim (Attendance : 100%)	Ji Beom Yoo (Attendance : 100%)	Yoon Kyung Yuh (Attendance : 100%)
				For / Against			
21 - 7th	2021-10-15	1. Vietnam subsidiary's exit of the RFPCB business	Approval	For	For	For	For
		2. MLCC investments of Tianjin/Philippines subsidiaries	Approval	For	For	For	For
21 - 8th	2021-10-27	1. Q3 2021 earnings and annual outlook report	Report item	-	-	-	-
		2. Participation in Samsung Heavy Industries' stock offering	Approval	For	For	For	For
		3. Execution of a donation to the Samsung Foundation	Approval	For	For	For	For
		4. Approval of a donation to the R&D Cooperation Fund	Approval	For	For	For	For
		5. Approval of the establishment of safety and health plans	Approval	For	For	For	For
		6. Establishment of the ESG committee under the BOD and related regulations	Approval	For	For	For	For
21 - 9th	2021-11-30	1. Execution of a donation to the Community Chest of Korea	Approval	For	For	For	For
21 - 10th	2021-12-08	1. Approval of large-scale insider trading	Approval	For	For	For	For
		2. Approval of the transaction limit with related persons	Approval	For	For	For	For
		3. Report on the evaluation results of compliance effectiveness	Report item	-	-	-	-
		4. Report on the status and implementation direction of ESG	Report item	-	-	-	-
21 - 11th	2021-12-23	1. Vietnam subsidiary's FCBGA investment	Approval	For	For	For	For
		2. Vietnam subsidiary's investment in loans	Approval	For	For	For	For
		3. Election of the chairman of the Samsung Compliance Committee	Approval	For	For	For	For

Committee participation of Independent Directors in FY2021

The Audit Committee

Date	Agenda
Feb. 16 2021	<ol style="list-style-type: none"> 1. Report on the 2020 Operational Status of the Internal Control over Financial Reporting System 2. Report on the 2020 Assessment of the Operation Status of the Internal Control over Financial Reporting System 3. Report on the 48th Period Financial Statements and Business Report 4. Report on Audit Results for Second Half of 2020 5. Report of the External Auditor's Audit Results 6. Report of Execution of External Donations during 4th Quarter of 2020
Apr. 14 2021	<ol style="list-style-type: none"> 1. Appointment of Consulting Firm for the Internal Control over Financial Reporting System
Apr. 28 2021	<ol style="list-style-type: none"> 1. Affirmation of External Auditor's Compliance in 2020 2. Report on the 2021 Operation Plan for Internal Control over Financial Reporting 3. Report on 1st Quarter 2021 Financial Statements 4. Report on Results of External Auditor's Review for 1st Quarter 2021 5. Report of Execution Results of External Donations during 1st Quarter 2021
Jul. 28 2021	<ol style="list-style-type: none"> 1. Report on Audit Results for 1st Half 2. Report on Financial Statements for 2nd Quarter 2021 3. Report on Results of External Auditor's Review for 2nd Quarter 2021 4. Report on Plan for Establishment of Consolidated ICFR 5. Report of Execution Results of External Donations during 2nd Quarter 2021
Oct. 27 2021	<ol style="list-style-type: none"> 1. Report on 3rd Quarter 2021 Financial Statements 2. Report on Results of External Auditor's Review for 3rd Quarter 2021 3. Report on the Assessment Plan for the Internal Control over Financial Reporting System 4. Report of Execution Results of External Donations during 3rd Quarter 2021

The Related Party Transaction Committee

Date	Agenda
Feb. 16 2021	<ol style="list-style-type: none"> 1. Report on Related Party Transactions in 2020
Apr. 28 2021	<ol style="list-style-type: none"> 1. Report on Related Party Transactions in 1st Quarter 2021
Jun. 21 2021	<ol style="list-style-type: none"> 1. Deliberation regarding Large-scale Related Party Transactions
Jul. 28 2021	<ol style="list-style-type: none"> 1. Report on Related Party Transactions in 2nd Quarter 2021
Oct. 27 2021	<ol style="list-style-type: none"> 1. Report on Related Party Transactions in 3rd Quarter 2021
Dec. 8 2021	<ol style="list-style-type: none"> 1. Deliberation regarding Large-scale Related Party Transactions 2. Deliberation regarding Related Party Transaction Ceiling

The Compensation Committee

Date	Agenda
Feb. 16 2021	1. Deliberation regarding Compensation Ceiling for Registered Directors for the 49th Period 2. Deliberation regarding Individual Annual Compensation for Executive Directors for the 49th Period
Dec. 12 2021	1. Deliberation regarding Special Bonus Payment to Registered Director for the 49th Period

The Independent Director Recommendation Committee

Date	Agenda
Feb. 16 2021	1. Recommendation of Independent Director Candidate