The continued economic crisis and recession, the growing gap between rich and poor, as well as the growing unemployment rate, have led to a strong demand for more responsible capitalism. As a result, society is demanding not only the government but the business sector to take responsibility for problems of the capitalism system. As a responsible corporate citizen, Samsung Electronics believes that we must play a vital role in maintaining and enhancing the sustainability of local communities in which we operate. We are seeking a fundamental solution to the problems we are facing today, in addition to increasing our traditional contribution programs in donations and volunteer activities.

Launching a Global Social Contribution Program

In 2011, Samsung integrated various social contribution activities which have been conducted in different regions into a single program titled ‘Samsung Hope for Children.’ Focused on supporting good health and education of children and youth, Samsung subsidiaries in different regions conducted various support programs including youth education support, low-income youth health benefits and job trainings, tailored for needs of the youth and children of respective local communities. In 2011, Samsung Hope for Children program activities were conducted in 30 countries in nine different regions. We plan to expand the program to 55 countries including Turkey, Malaysia, Canada and more.

Global Social Contribution Activities
The result of 10 years in North America

In 2011, Samsung Hope for Children (formerly Four Seasons of Hope), organized by Samsung Electronics’ North American Regional Headquarters, and known as one of American top charity events, ended in great success with celebrities including former President Bill Clinton, Demi Moore, and Jennifer Lopez attending the event to celebrate its 10th anniversary. The Samsung Hope for Children initiative is a fundraising program which collects a part of the profit from sales of Samsung Electronics products in the US for donation to several charitable organizations. A total of US$1.4 million was donated in 2011.

In 2011, President Obama launched an “Educate to Innovate” campaign to improve the participation and performance of American students in science, technology, engineering, and mathematics (STEM). President Obama also announced a plan to allocate USD 100 million to support science and math teachers in 2012.

As a leading IT company, Samsung Electronics held a competition, titled “Solve for Tomorrow.” Designed to support STEM education, the competition invited students to develop local environment improvement ideas. Participants apply their knowledge of STEM to solve real-world problems using donated technology products from Samsung Electronics and its partners. Approximately 1,500 schools across America entered the competition, and West Salem High School in Oregon was selected as the grand prize winner based on online voting results and reviews by experts.

Korea – Children’s Learning Center

Samsung Electronics supports local children’s learning centers for low-income families as part of its youth support program. The first local children’s learning center in Onyang was jointly launched in collaboration between the local community center and Samsung Electronics’ employees who volunteered to tutor elementary school students at the center. Because the program is only offered to current elementary school students, our volunteers launched night classes every Tuesday, Wednesday and Thursday to extend the tutoring program to students beyond elementary school.

Many students who participated in the program entered high school with merit-based scholarships in 2010 and 2011. The positive turnout at the Onyang local children’s learning center led to the establishment of a similar learning center for children in Gumi in collaboration with the Gumi Regional Education Office and the Gumi Volunteer Center.

The local children’s learning center not only provides education, health and cultural experience programs but also focuses on improving the welfare of the children by offering dinner and other support. College students who tutor in these local children’s center not only take an opportunity to make a positive contribution, but receive compensation to help them pay their tuition and expenses. We plan to open other children’s learning centers in other parts of Korea in the near future.

<table>
<thead>
<tr>
<th>Samsung Hope for Children Donation in US</th>
<th>(USD thousand)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>850</td>
</tr>
<tr>
<td>2009</td>
<td>2,807</td>
</tr>
<tr>
<td>2010</td>
<td>3,100</td>
</tr>
<tr>
<td>2011</td>
<td>3,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>24,937</strong></td>
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* Four Seasons of Hope program was renamed
Africa

According to a recent report by the World Bank, Africa has entered a high economic growth phase as China did 30 years ago and India did 20 years ago. Africa, with the presence of 300 million middle class citizens with a daily consumption of more than US$20, is evolving into a land of opportunity. Samsung Electronics publicly announced its sales goal of KRW 10 billion by 2015 in Africa, and launched a range of Samsung Hope for Children programs. Samsung Hope for Children in Africa is designed to provide educational opportunities as well as other various community support programs. Thanks to the effective social contribution programs, Samsung Electronics was selected as one of Africa’s 10 Most Valued Brands in 2011.

Engineering Academy

Samsung Electronics launched the Samsung Electronics Engineering Academy in South Africa in March 2011. The Samsung Electronics Engineering Academy provides hands-on, vocational skills training for 120 Grade 10-12 students selected through recommendations. All members of the first graduating class in 2012 succeeded in finding jobs. As a part of Samsung Electronics Africa’s broader goal to develop 10,000 electronics engineers across the continent by 2015, a second academy was launched in Kenya in February 2012, and a third academy will be founded in Nigeria in July 2012.

Solar LED Lanterns

Electricity coverage in Africa averages about 20%; but for some countries, the coverage is less than 5%. In order to improve the level of electricity access, Samsung has teamed up with the Korea International Volunteer Organization (KVO) and donated 1,000 Solar LED lanterns in the village of Oromia, Ethiopia. Manufactured using durable Samsung Electronics’ parts including LEDs, solar panels, and batteries, the LED lantern is designed to last for more than 10 years.

Solar-powered Internet School

In October 2011, Samsung unveiled its first Solar-Powered Internet School in South Africa. The solar panels, installed on the roof of a 12-meter long container house, can generate enough electricity to power and operate all the electronic equipment inside the classroom for up to nine hours. This allows students to concentrate on their studies without having to worry about electricity or Internet connectivity. Up to 21 students can use the classroom which is equipped with a 50-inch electronic display screen, Internet-enabled solar-powered notebooks, Samsung Galaxy tablets as well as Wi-Fi-enabled cameras.

2011 Employee Volunteer Programs

Employee volunteer programs in Africa commenced in 2010 and in 2011 increased the number of employee volunteers to 150. The participating employees were sent to Sudan, Zambia, Ghana, Ethiopia and the Republic of Congo. In 2011, 2,100 Samsung employees applied for the overseas volunteer program in Africa, recording a ratio of 14 applicants for each slot. Selected applicants spent their summer vacation in Africa while conducting volunteer activities. The volunteer activities included computer lessons, renovation of school buildings, and Taekwondo lessons. The volunteers also participated in cultural exchange programs such as lessons on traditional African musical instruments.