

# Preemptive Risk Management / Quality Assurance



About Samsung Electronics

Before setting up a new business site, Samsung Electronics carries out the QA procedure as part of the investment decision-making process. QA gives consideration to issues relevant to local communities and involves assessment of local laws including those on labor, human rights, environment and workplace safety. A project is given final approval following the assessment. QA consists of the preliminary review, business plan, preparation, and formation and follow-up. It is an integral part of investment decision-making at Samsung Electronics.

1  
Stage

### Preliminary review and groundwork

Review of region-specific issues such as local labor laws, human rights and compensation levels

2  
Stage

### Business plan

Draw up plan for operation of local subsidiary (set up internal organization, apply local laws, etc.)

3  
Stage

### Preparation to establish subsidiary

Based on global HR policy, formulate regulations for the subsidiary, determine pay and employee benefits, organize training on human rights and labor issues, comply with environment and safety laws, etc.

4  
Stage

### Formation and follow-up

Create a grievance handling body, draw up employee communication plan, etc.