

Appendix



Financial Data

The revenue of Samsung SDI is composed of production and sale of small-sized batteries used in cell phones and laptops, large-sized batteries used in vehicles and electric material used for products such as displays.

As of December 31, 2015, the total assets of the company were 16.2253 trillion won, which is a year over year growth of 2%.

The revenue of the 46th term was 7.5693 trillion won, of which the proportion breaks down to 43% of energy solution, 35% of chemical, and 22% of electric materials businesses.

Consolidated Financial Statement (Unit: Million won)

Category	End of 42nd	End of 43rd	End of 44th	End of 45th	End of 46th
[Current Assets]	2,364,109	2,414,856	2,063,192	3,535,555	4,773,880
Cash and Cash Equivalents	757,661	946,516	730,176	627,528	1,287,969
Account Receivable	921,072	776,408	685,034	980,558	1,203,289
Inventories	583,587	558,452	525,775	768,554	749,950
Other Investment Assets	43,915	65,011	71,489	1,079,634	595,558
Other Current Assets	57,874	68,469	50,718	72,824	78,710
Non-current Assets Held for Sale	-	-	-	6,457	858,404
[Non-current Assets]	6,163,302	8,480,231	8,492,479	12,432,995	11,451,423
Account Receivable	4,596	5,571	6,089	11,213	65,848
Investments in Associates	1,899,028	4,004,966	4,706,765	4,979,017	5,172,923
Tangible Assets	1,827,202	1,971,102	1,787,955	3,324,878	3,228,962
Intangible Assets	140,297	171,007	167,070	1,278,942	1,277,621
Real Estate Investments	54,754	34,079	35,534	168,728	228,182
Deferred Tax Assets	55,169	164,181	48,843	41,031	40,765
Other Investment Assets	2,097,182	2,047,301	1,667,225	2,549,201	1,298,650
Other Non-current Assets	85,074	82,024	72,998	79,985	138,472
Total Assets	8,527,411	10,895,087	10,555,671	15,968,550	16,225,303
[Current Liabilities]	1,749,983	2,004,041	1,526,957	2,254,255	3,201,336
[[Non-current Liabilities]]	462,901	1,326,564	1,486,298	1,887,384	1,770,775
Total Liabilities	2,212,884	3,330,605	3,013,255	4,141,639	4,972,111
[Controlling Interest]	6,118,122	7,373,225	7,378,093	11,586,432	11,011,996
Capital Stock	240,681	240,681	240,681	356,712	356,712
Consolidated Capital Surplus	1,258,120	1,258,440	1,262,958	5,032,601	5,031,244
Consolidated Other Capital	-165,395	-163,787	-163,442	-10,849	-10,849
Consolidated Accumulated Other Comprehensive Income	1,173,912	1,051,350	1,001,907	1,345,646	781,749
Consolidated Retained Earnings	3,610,804	4,986,541	5,035,989	4,862,322	4,853,140
[Non-controlling interest]	196,405	191,257	164,323	240,479	241,196
Total Stockholder's Equity	6,314,527	7,564,482	7,542,416	11,826,911	11,253,192

42nd: Up to Dec.31 2011 / 43rd Up to Dec.31 2012 / 44th Up to Dec.31 2013 / 45th Up to Dec.31 2014 / 46th Up to Dec.31 2015

Samsung SDI's 2015 gross profit was 1.3831 trillion won and operating income was -59.8 billion won. Earnings before taxes was 39 billion won and net income was 25.7 billion won; controlling interest was 53.8 billion won and non-controlling interest was -28.1 billion won.

Consolidated Statement of Comprehensive Income (Unit: Million won)

Category	End of 42nd	End of 43rd	End of 44th	End of 45th	End of 46th
Revenue	5,443,881	5,771,185	3,428,462	5,474,221	7,569,331
Cost of Goods Sold	4,760,612	4,863,336	2,812,023	4,545,477	6,186,193
Gross Profit	683,269	907,849	616,439	928,744	1,383,138
Selling and Administrative Expenses	573,301	720,975	627,756	857,927	1,442,970
Operating Income	109,968	186,874	-11,317	70,817	-59,832
Other Income	283,410	1,822,689	184,099	233,601	844,733
Other Expenses	189,663	452,675	64,951	303,118	1,004,964
Financial Income	292,715	179,178	177,190	193,322	235,717
Financial Expenses	303,367	210,436	177,843	185,522	256,496
Gains and Losses on Equity Method	285,037	503,791	405,998	190,268	279,900
Earnings Before Taxes	478,100	2,029,421	513,176	199,368	39,058
Income Tax Expenses	127,045	542,607	105,474	47,249	13,372
Income from Continuing Operations	351,055	1,486,814	407,702	152,119	25,686
Income from Discontinued Operations	0	0	-259,786	-232,433	0
Net income	351,055	1,486,814	147,916	-80,314	25,686
Controlling Interests	320,109	1,471,502	130,599	-83,847	53,846
Non-controlling Interest	30,946	15,312	17,317	3,533	-28,160

※ Following the suspension of business in PDP and photovoltaic areas, related gains and losses were classified as income from discontinued operations for the 44th and 45th terms.
 ※ This data was written according to the International Financial Reporting Standards that have been translated into Korean.

Non-Financial Data Social

Employment (As of Dec. 31, 2015)

Samsung SDI's total number of employees is calculated as regular employees, irregular employees, and dispatched employees.

The total number of employees for 2015 was 20,938 which is a 3.5% increase from that of 2014. 93.7% of total employees were regular employees, which is a 4.4% increase from that of the previous year. In overseas, employee numbers for Asia, Europe, and America all increased. Employee turnover rate in 2015 was 15.7%. In Korea, the rate was 3.1% and overseas, it was 29.9%, which was a decrease of 3.7% and 20.9%, respectively, compared to that of the previous year. 2,443 people worked as R&D staff, which is an 11.8% increase from the previous year; and there were 316 female managers, which is a 10.1% increase from the previous year.

Item	Category	Unit	2011	2012	2013	2014	2015	
Employment	Total Headcount	Total Headcount	People	14,155	15,451	16,449	20,222	20,938
		Domestic	People	7,263	7,043	8,529	11,175	11,123
		Global Subtotal	People	6,892	8,408	7,920	9,047	9,815
	By Region	Asia	People	5,856	7,589	7,239	8,581	8,887
		Europe	People	411	300	138	308	735
		America	People	625	519	543	158	193
		Domestic	People	410	294	321	383	236
		Newly Recruited	Overseas	People	3,318	5,929	4,018	4,271
		Total Sum	People	3,728	6,223	4,339	4,654	3,613
	Employment Category	Employment Form	Regular Employees	People	13,085	13,990	14,397	18,794
Contract Employees			People	239	263	1,177	1,018	946
Dispatched Employees			People	831	1,198	875	410	371
Minority Class		Disabled	People	107	103	120	179	181
		Local Recruitment	Number of Sites with Local Recruitment	People	-	41	64	70
Number of Overseas Sites with Local Recruitment			People	-	147	158	159	222
Ratio of Local Recruitment			%	-	27.9	40.5	44.0	52.7
Female Employees		Female Managers (Manager or higher)	People	83	99	124	287	316
		Total Managers (Manager or higher)	People	2,390	2,678	2,857	4,347	4,641
		Ratio of Female Managers	%	3.5	3.7	4.3	6.6	6.8
R&D Employees (Domestic)	R&D Employees headcount	People	1,446	1,620	1,663	2,184	2,443	
	R&D Employees ratio	%	21	24	22	20	22	
Turnover Rate	Turnover Rate (based on permanent employees)	Total Sum	%	11.3	26.3	25.6	25.8	15.7
		Domestic	%	2.6	3.2	2.7	6.8	3.1
		Global Subtotal	%	21.2	47.8	50.4	50.8	29.9
	By Region	Asia	%	20.1	49.1	50.8	46.0	31.1
		Europe	%	35.8	48.3	115.9	61.4	9.4
		America	%	21.8	27.9	28.3	289.8	50.3
	Gender	Male	%	7.5	18.4	15.5	18.5	12.7
		Female	%	21.3	41.8	51.0	46.0	24.9
	By Age	Under 30	%	16.2	44.0	47.1	39.0	30.4
		30 – 50	%	7.0	6.4	8.2	14.8	5.2
Over 50		%	7.3	7.3	7.9	26.7	9.0	

Item	Category	Unit	2011	2012	2013	2014	2015
Average Training Hours per Employee		Hours	122	104	126	125	91
Child-care Leave Status (Domestic)	Number of People with Child-Care Leave	People	118	145	154	172	182
	Ratio of employees returned from their child-care leave within a year (Return Ratio)	%	93	90	90	77	100
	Ratio of employees who returned from their child-care leave and worked over 12 months (Maintenance Ratio)	%	86	83	96	88	79

Shared Growth

Samsung SDI signed shared growth contracts with 314 primary and secondary partner companies in 2015. This accounts for an increase of 134 partner companies compared to the previous year. The company supported 7.8 billion won for shared growth of partner companies and 69.6 billion won for purchases from partner companies, which was the target of the shared growth agreement. Total amount of purchases from suppliers was 2.9634 trillion won, and the local purchase rate was 45%.

Item	Category	Unit	2011	2012	2013	2014	2015	2016(Goal)
Partner Companies with Shared Growth Agreement	Primary	Sites	69	92	97	75	140	100
	Secondary	Sites	108	131	142	105	174	100
Shared Growth	Total Supported Amount	100 million won	500	725	730	730	780	780
	Purchased amount by Partner Companies	100 million won	682	532	628	678	696	600
Purchased Amount	Total Purchased Amount	100 million won	31,390	33,536	32,190	30,365	29,634	35,117
	Purchasing costs of Raw and Subsidiary Materials	100 million won	27,172	29,175	28,002	26,094	24,990	30,370
	Cost of Equipment Purchases	100 million won	2,367	2,481	2,331	2,368	2,852	3,302
	MRO purchase cost (Including packing material)	100 million won	609	756	831	739	775	939
	Outsourced Processing Cost	100 million won	1,243	1,124	1,026	1,165	1,016	506
Local Purchases	Local Purchase Ratio	%	53	52	49	48	45	43

Social Contribution

Samsung SDI is operating its matching grant program as one of its social contribution fundraising methods, where whenever an employee contributes a certain amount each month, the company also donates the same amount. In 2015, the total amount of matching grants reached a total of 2.48 billion won, comprising of 1.24 billion won from employees and 1.24 billion won from the company. 97.1% of employees participated in social contributions and an average of 7.4 hours per employee was spent on volunteering activities. The company set the standard for hours of participating in volunteering activities at 12 hours in order to vitalize employee participation in 2016.

Item	Category	Unit	2011	2012	2013	2014	2015	2016(Goal)
Matching Grant	Employees	1 million won	300.3	336.9	663.5	1,035.2	1,240.6	1,000.0
	Company	1 million won	300.3	336.9	663.5	1,035.2	1,240.6	1,000.0
	Total sum (Employees+Company)	1 million won	600.6	673.9	1,327.0	2,070.4	2,481.2	2,000.0
Social Contribution Activities Participation Rate		%	94.2	89.9	97.3	100.0	97.1	90.0
Average Volunteering Activity Hours per Employee		Hours	-	9.0	11.0	10.1	7.4	12.0
Accumulated No. of Beneficiaries of Free-of-Charge Eye Surgery (Korea + Overseas)		People	178,733	187,303	196,702	206,124	212,372	221,452

* 2014 matching grant expense was recalculated and revised.

Non-Financial Data

Environmental

Environment

Samsung SDI has been conducting proactive climate change response activities since 2002 to reinforce its image as an eco-friendly company which suits the concept of the business. Samsung SDI emitted 646,292tCO₂e of GHG in 2015, showing a decrease by 11.6%(84,797tCO₂e) YoY, and the company emitted 11,609TJ of energy, which is a 15.2%(2,075TJ) reduction YoY, conforming to the energy and GHG target management system. The company emitted 5.246 million tons of water, decreasing by 17.7% (1.13013 million tons) YoY, due to the termination of PDP business and separation of SDI Chemical's business division.

Item	Category	Unit	2011	2012	2013	2014	2015	
GHG	Direct and Indirect Emissions	Company-wide	tCO ₂ e	908,721	888,856	886,939	731,089	646,292
		Domestic	tCO ₂ e	668,163	641,018	612,850	481,280	356,766
		Overseas	tCO ₂ e	240,558	247,838	274,089	249,809	289,526
		Unit (In Won)	tCO ₂ e/ 100 million won	13.12	12.12	13.38	12.88	13.04
	Other Emissions	Company-wide	tCO ₂ e	-	3,531	2,460	2,473	3,550
		Employee Business Trips	tCO ₂ e	-	2,825	1,860	1,925	2,155
		Product Transportation	tCO ₂ e	-	706	600	549	1,395
Energy	Company-wide	TJ	16,455	16,618	16,278	13,684	11,609	
	Domestic	TJ	13,295	13,473	12,937	10,247	7,612	
	Overseas	TJ	3,160	3,145	3,360	3,436	3,997	
	Unit (In Won)	TJ/100 million won	0.24	0.23	0.25	0.24	0.23	
Water	Company-wide	1000 Tons	9,703	9,043	7,553	6,376	5,246	
	Domestic	1000 Tons	6,444	6,032	5,744	4,751	3,456	
	Overseas	1000 Tons	3,258	3,011	1,809	1,625	1,790	
	Unit (In Won)	1000 Tons/ 100 million won	0.14	0.12	0.11	0.11	0.11	
Treated Water Treatment Amount	Company-wide	1000 Tons	8,304	6,831	6,241	4,196	2,908	
	Domestic	1000 Tons	6,476	5,371	5,481	3,771	2,535	
	Overseas	1000 Tons	1,827	1,461	759	425	373	
	Unit (In Won)	1000 Tons/ 100 million won	0.12	0.09	0.09	0.07	0.06	
Waste	Amount of Emissions	Company-wide	Ton	76,636	61,864	54,760	48,508	48,138
		Domestic	Ton	60,482	43,244	42,641	41,902	35,705
		Overseas	Ton	16,155	18,619	12,119	6,606	12,433
		Unit (In Won)	1000 Tons/ 100 million won	1.11	0.84	0.83	0.85	0.97
	Recycling Rate	Company-wide	%	94.3	94.8	95.5	96.1	95.9
		Domestic	%	96.5	96.5	97.1	97.8	98.9
		Overseas	%	86.2	90.7	89.7	85.4	87.1
	Landfill Rate	Company-wide	%	5.7	5.2	4.5	3.9	3.8
		Domestic	%	3.5	3.5	2.9	2.2	0.8
		Overseas	%	13.8	9.3	10.3	14.6	12.6

Item	Category	Unit	2011	2012	2013	2014	2015	
Hazardous chemicals	Company-wide	Ton	29,047	29,091	25,569	13,517	21,429	
	Domestic	Ton	27,796	28,314	25,324	13,330	20,984	
	Overseas	Ton	1,251	777	245	187	445	
	Unit (In Won)	Tons/100 million won	0.42	0.40	0.39	0.24	0.43	
Pollution Level	Water Quality (Domestic)	BOD	kg/100 million won	3.87	2.58	2.07	0.41	0.09
		COD	kg/100 million won	3.92	3.15	2.52	0.78	0.44
		SS	kg/100 million won	2.48	1.80	2.18	0.53	0.27
	Atmosphere (Domestic)	Nox	kg/100 million won	0.12	0.07	0.15	0.08	0.05
		Sox	kg/100 million won	0.00	0.00	0.00	0.07	0.02
		Dust	kg/100 million won	0.32	0.27	0.23	0.33	0.25
	Substances that destroy the Ozone Layer	Company-wide	kgCFC11eq	1,296	822	369	130	1,487
		Domestic	kgCFC11eq	81	92	86	65	26
		Overseas	kgCFC11eq	1,215	729	283	65	1,461
		Unit (In Won)	kgCFC11eq/100 million won	0.019	0.011	0.006	0.002	0.030

Notes related to the generation of data

1. The scope of data collection includes all production subsidiaries, headquarters, and research centers in Korea and overseas except for sales subsidiaries and offices. (In the case of production subsidiaries, only those with production records in 2015 were included)
2. The sales used for calculating intensity is the sum of annual sales of both energy and electronic materials businesses. (excluding chemical business)
3. Wastewater output represents the amount of treated process water and excludes sewage water. (municipal wastewater)
4. Hazardous chemicals data is based on the substances in Korea's Toxic Chemicals Control Act.
5. The reason why reporting of substance emission volume for atmospheric and water pollutants was limited to domestic cases was because some overseas corporate bodies have a different legal measuring cycle of pollution items that it is difficult to derive the annual unit.
6. The GHG verification statement on page 78 includes the chemical business division. Therefore, the data from page 85 and 78 have some discrepancies in numbers. (As for the environmental data, if there were any changes due to the sale of Samsung SDI's Chemical Division, the data was recalculated and reported.)

Employee's rate of injury (Number of accidents / Total work hours × 1,000,000)

Category	2011	2012	2013	2014	2015	
Company-wide	0.74	0.46	0.35	0.34	0.47	
By Region	Domestic	0.10	0.19	0.13	0.22	0.32
	Overseas	1.40	0.70	0.58	0.52	0.64

Employee's rate of loss (Days of loss / Total work hours × 1,000,000)

Category	2011	2012	2013	2014	2015	
Company-wide	22.48	18.57	18.59	17.19	13.09	
By Region	Domestic	2.60	18.41	9.14	21.13	15.15
	Overseas	42.73	18.72	27.88	11.55	10.63

1. Rate of injury and rate of loss since 2014 was marked as the total for Samsung SDI and the former materials division of Cheil Industries.
2. When calculating the rate of injury and rate of loss, the number of scales was changed to one million, and previous years were included and recalculated.
 Rate of injury = Total accidents / Total work hours × 1,000,000
 Rate of loss = Total absences / Total work hours × 1,000,000
3. Recuperation cases in 2016 were excluded from the calculation of rate of loss for 2015.

GRI Index

General Standard Disclosures

Aspect	Indicators	Managerial Issues Report Contents	Page	Related Compilation	External Assurance
Strategy and Analysis	G4-1	Statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy	6, 7		V
	G4-2	Provides a description of key impacts, risks, and opportunities	28-35,38, 42, 46,50, 56		V
	G4-3	Report the name of the organization	86		V
	G4-4	The primary brands, products, and services	24-25, 28-35		V
	G4-5	The location of headquarters	88		V
	G4-6	The number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	10-11		V
	G4-7	The nature of ownership and legal form	9		V
Organizational Profile	G4-8	The markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	10-11		V
	G4-9	Scale of the organization	10-11		V
	G4-10	Total workforce	10, 76		V
	G4-11	The percentage of total employees covered by collective bargaining agreements	70		V
	G4-12	The organization's supply chain	50, 53-54		V
	G4-13	Any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	4-5		V
	G4-14	Whether and how the precautionary approach or principle is addressed by the organization	18-19		V
	G4-15	List externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	53-54		V
	G4-16	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization	59		V
	Identified Material Aspects And Boundaries	G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents	2	
G4-18		The process for defining the report content and the Aspect Boundaries	64-65		V
G4-19		List all the material Aspects identified in the process for defining report content	65		V
G4-20		For each material Aspect, report Aspect Boundaries within the organization	65		V
G4-21		For each material Aspect, report the Aspect Boundaries outside the organization	65		V
G4-22		The effect of any restatements of information provided in previous reports, and the reasons for such restatements	2		V
G4-23		Significant changes from previous reporting periods in the Scope and Aspect Boundaries	4-5		V
Stakeholder Engagement	G4-24	List of stakeholder groups engaged by the organization	63		V
	G4-25	Basis for identification and selection of stakeholders with whom to engage	63		V
	G4-26	Organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	63		V
	G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	63-65		V
Report Profile	G4-28	Reporting period such as fiscal or calendar year for information provided	2		V
	G4-29	Date of most recent previous report (if any)	2		V
	G4-30	Reporting cycle such as annual, biannual	2		V
	G4-31	Provide the contact point for questions regarding the report or its contents	2		V
	G4-32	Report the 'in accordance' option that the organization has chosen	2		V
	G4-33	Report the organization's policy and current practices with regard to seeking external assurance for the report	86-87		V

Aspect	Indicators	Managerial Issues Report Contents	Page	Related Compilation	External Assurance
Governance	G4-34	The governance structure of the organization, including committees of the highest governance body	16		V
	G4-35	The process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	62		
	G4-36	Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	62		
	G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics and if consultation is delegated, to whom is delegated to and any feedback processes to the highest governance body	62		
	G4-38	The composition of the highest governance body and its committees (Executive or non-executive, independence, tenure on the governance body, number of each individual's other significant positions and commitments, and the nature of the commitments, gender, membership of under-represented social groups, competences relating to economic, environmental and social impacts, stakeholder representation)	17		
	G4-39	Whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement)	16		
	G4-40	The nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members (Whether and how diversity, independence, expertise and experience relating to economic, environmental and social topics are considered and how stakeholders are involved)	16-17		
	G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed, and whether conflicts of interest are disclosed to stakeholders (Cross-border membership, cross-shareholding with suppliers and other stakeholders, Existence of controlling shareholder, etc.)	17		
	G4-42	The highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	62		
	G4-43	The measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	62		
	G4-44	The processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics	GRI Index	None	
	G4-45	The highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes	62		
	G4-46	The highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	18		
	G4-47	The frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	62		
	G4-48	The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered	62		
	G4-49	The process for communicating critical concerns to the highest governance body	62		
	G4-50	The nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	GRI Index	None	
	G4-51	The remuneration policies for the highest governance body and senior executives	17		
	G4-52	The process for determining remuneration	17		
	G4-53	How stakeholders' views are sought and taken into account regarding remuneration (if applicable)	GRI Index	None	
G4-54	The ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country	GRI Index	None		
G4-55	The ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country	GRI Index	None		
Ethics and Integrity	G4-56	The organization's values, principles, standards and behavioral norms such as codes of conduct and codes of ethics	9, 20		V
	G4-57	The internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity	21		
	G4-58	The internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity	GRI Index	None	

Specific Standard Disclosures - Economic

Aspect	Indicators	Managerial Issues Report Contents	Page	Related Compilation	External Assurance
Economic performance	EC1	Direct economic value generated and distributed	13, 15, 74-75		V
	EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	42-44		V
	EC3	Coverage of the organization's defined benefit plan obligations	GRI Index	None	V
	EC4	Financial assistance received from government	27, 53		V
	EC6	Proportion of senior management hired from the local community at significant locations of operation	49		V
Indirect Economic Effects	EC7	Significant indirect economic effects, including the extent of impact	67-69		
	EC8	Development and impact of infrastructure investments and services supported	49, 67-69, 77		
Procurement Practices	EC9	Proportion of spending on local suppliers at significant locations of operation	77		V

Specific Standard Disclosures - Environmental

Aspect	Indicators	Managerial Issues Report Contents	Page	Related Compilation	External Assurance
Materials	EN1	Materials used by weight or volume	45		
	EN2	Percentage of materials used that are recycled input materials	45, 78		
Energy	EN3	Energy consumption within the organization	45, 78		V
	EN4	Energy consumption outside of the organization	45, 78		V
	EN5	Energy intensity	78		V
	EN6	Reduction of energy consumption	43		V
	EN7	Reductions in energy requirements of products and services	43		V
Water	EN8	Total water withdrawal by source	45, 78		
	EN9	Water sources significantly affected by withdrawal of water	GRI Index	None	
	EN10	Percentage and total volume of water recycled and reused	78		
Biodiversity	EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	GRI Index	None	
	EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	GRI Index	None	
	EN13	Habitats protected or restored	GRI Index	None	
	EN14	Total number of IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	GRI Index	None	
Emissions	EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	45, 78		V
	EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	45, 78		V
	EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	45, 78		V
	EN18	Intensity of greenhouse gas (GHG) emissions	78		V
	EN19	Reduction of greenhouse gas (GHG) emissions	44		V
	EN20	Emissions of ozone-depleting substances (ODS)	79		V
	EN21	Nox, Sox, and other significant air emissions	79		V
Effluents and Waste	EN22	Total water discharge by quality and destination	GRI Index	None	V
	EN23	Total weight of waste by type and disposal method	45, 78		V
	EN24	Total number and volume of significant spills	GRI Index	No incidents of related case	V
	EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention ² Annex i, ii, iii, and viii, and percentage of transported waste shipped internationally	GRI Index	No incidents of related case	V
Products and Services	EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	GRI Index	No incidents of related case	V
	EN27	Extent of impact mitigation of environmental impacts of products and services	44		V
	EN28	Percentage of products sold and their packaging materials that are reclaimed by category	GRI Index	None	V

Aspect	Indicators	Managerial Issues Report Contents	Page	Related Compilation	External Assurance
Compliance	EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	GRI Index	No incidents of related case	V
Transport	EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	45		
Overall	EN31	Total environmental protection expenditures and investments by type	13, 66		V
Supplier	EN32	Percentage of new suppliers that were screened using environmental criteria	53		
Environment	EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	53		
Environmental Grievance Mechanisms	EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	GRI Index	No incidents of related case	

Specific Standard Disclosures - Social

Aspect	Indicators	Managerial Issues Report Contents	Page	Related Compilation	External Assurance
Employment	LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	76		V
	LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	71-72		V
	LA3	Return to work and retention rates after parental leave, by gender	77		
Labor/ Management Relations	LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	70		
Occupational Health and Safety	LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	39		V
	LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	79		V
	LA7	Workers with high incidence or high risk of diseases related to their occupation	39		V
	LA8	Health and safety topics covered in formal agreements with trade unions	40		V
Training and Education	LA9	Average hours of training per year per employee, by gender, and by employee category	48, 77		V
	LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	72		V
	LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	47		V
Diversity and Equal Opportunity	LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	76		
Supplier	LA14	Percentage of new suppliers that were screened using labor practice criteria	53		V
Assessment for Labor Practices	LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	53		V
Labor practices Grievance Mechanisms	LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	GRI Index	No incidents of related case	
Investment	HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	54		V
	HR2	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	53		
Non-discrimination	HR3	Total number of incidents of discrimination and corrective actions taken	GRI Index	No incidents of discrimination	
Freedom of Association and Collective Bargaining	HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	70		

Aspect	Indicators	Managerial Issues Report Contents	Page	Related Compilation	External Assurance
Child Labor	HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	53-54		
Forced or Compulsory Labor	HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	53-54		
Security Practices	HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	GRI Index	None	
Indigenous Rights	HR8	Total number of incidents of violations involving rights of indigenous people and actions taken	GRI Index	No incidents of related case	
Assessment	HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	53		
Supplier Human Rights Assessment	HR10	Percentage of new suppliers that were screened using human rights criteria	53		
	HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	53-54		
Human Rights Grievance Mechanisms	HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	GRI Index	No incidents of related case	
Local Communities	S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs	69		
	S02	Operations with significant actual and potential negative impacts on local communities	GRI Index	No incidents of related operations	
Anti-corruption	S03	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	21		
	S04	Communication and training on anti-corruption policies and procedures	21		
	S05	Confirmed incidents of corruption and actions taken	21		
Public Policy	S06	Total value of political contributions by country and recipient/beneficiary	GRI Index	None	
Anti-competitive Behavior	S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	GRI Index	No incidents of related case	V
Compliance	S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	GRI Index	No incidents of related case	
Supplier Assessment for Impacts on Society	S09	Percentage of new suppliers that were screened using criteria for impacts on society	53		
	S010	Significant actual and potential negative impacts on society in the supply chain and actions taken	53		
Grievance Mechanisms for Impacts on Society	S011	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	GRI Index	No incidents of related case	
Customer Health and Safety	PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	59		V
	PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	GRI Index	No incidents of related case	V
Product and Service Labeling	PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant products and services subject to such information requirements	24-25, 59		
	PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	GRI Index	No incidents of related case	V
	PR5	Results of surveys measuring customer satisfaction	58-59		
Marketing Communication	PR6	Sale of banned or disputed products	GRI Index	No incidents of related case	
	PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	GRI Index	No incidents of related case	
Customer Privacy	PR8	Total number of substantiated complaints regarding breaches of customer privacy and loss of customer data	GRI Index	No incidents of related case	
Compliance	PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	GRI Index	No incidents of related case	



Verification Statement on GHG Emission



Introduction

Korean Foundation for Quality (hereinafter 'KFQ') has been approached by Samsung SDI Co., Ltd.(hereinafter 'the Company') to independently verify its 2015 Greenhouse Gas Emission Report according to the 'Greenhouse Gas and Energy Target Management Scheme (Notification No.2014-186 of Ministry of Environment)' and 'ISO-14064-1:2006', and KFQ has the responsibility to conduct verification based on ISO 14064-3 to provide verification opinion on compliance of the Report against verification criteria.

Verification Scope

In this verification, domestic corporations and 6 overseas subsidiaries under operational control of Samsung SDI Co., Ltd., and reported emissions in including Scope 1 (Direct) and Scope 2 (Indirect) emissions. Scope 3(Indirect-business trip and logistics) is also considered in the total scope of Greenhouse Gas Emissions.

Verification opinion

Through the verification process according to ISO 14064-3, KFQ could obtain reasonable basis to express following conclusion on the Greenhouse Gas Emissions.

- 1) 2015 Samsung SDI Co., Ltd., Greenhouse Gas Emission Report was prepared in accordance with the 'Greenhouse Gas and Energy Target Management Scheme' and 'ISO 14064-1:2006'
- 2) As a result of the materiality assessment of the 2015 domestic Greenhouse Gas Emissions (Scope 1 and Scope 2), material discrepancy is less than the criteria of 2.5% for the organization who emits more than 500,000tCO₂e/year and less than 5,000,000tCO₂e/year in accordance with the requirements of the 'Greenhouse Gas Emission Management Scheme';
- 3) For the 6 overseas subsidiaries, material assessment was conducted according to the document review result and it shows that material discrepancy is less than 5.0%.
- 4) Among reported Greenhouse Gas Emissions, purchased electricity and LNG consumption occupy the largest percentage of total emissions. Activity data of those emission sources were checked through the objective evidence provided by supplier, therefore, KFQ can confirm the validity of the data. For the overseas subsidiaries, national net caloric value and electricity emission factor were preferentially used but net caloric value in 'Greenhouse Gas and Energy Target Management Scheme' was used in the event of data absence. For Scope 3 of domestic corporations, emissions were calculated according to company methodology considering travel distance for business trips. In addition, for the factors considered in emission calculation, data was recorded in accordance with the latest updates available in the 2015 Greenhouse Gas Emission Report against internal guidelines of Samsung SDI Co., Ltd.
- 5) Except unconsidered emission sources in the 'Samsung SDI Co., Ltd., Greenhouse Gas Inventory Guideline', material error, omission or insignificant issues were not found within the 2015 Samsung SDI Co., Ltd., Greenhouse Gas Emission Report.

Samsung SDI Co., Ltd., 2015 Greenhouse Gas Emissions

Unit: tCO₂e_q

Report year		2015. 1. 1~2015. 12. 31							
Verification Scope		Domestic	Overseas						Overseas Total
			Tianjin	Suzhou	Xi'an	Austria	Malaysia	Vietnam	
GHG	Scope 1, 2	746,844	153,293	2,912	25,545	39	101,996	5,741	287,526
Emissions	Scope 3	3,550							

April 25th, 2016

Daehyun Nam
President & CEO Korean Foundation for Quality

Third Party Verification Statement

Preface

DNV GL Business Assurance Korea. (hereinafter "DNV GL"), a member of the DNV GL Group, is commissioned to carry out an independent third-party assurance engagement of the Sustainability Report 2015 (hereinafter "the Report") of Samsung SDI Co., Ltd. (hereinafter "Samsung SDI").

Samsung SDI is responsible for the collection, analysis, aggregation and presentation of all information within the Report. DNV GL's responsibility in performing the work follows terms of reference and scope of work agreed.

The assurance engagement is based on the assumption that the data and information provided to DNV GL is complete, sufficient and authentic.

Scope of Assurance

This Assurance Engagement covered data from the 2015 calendar year. The scope of DNV GL's Assurance Engagement includes the review and assessment of the following:

- Evaluation of adherence to Accountability principles provided in AA1000 Accountability Principles Standard (APS) 2008 with Type 1, a moderate level of assurance as stated in AA1000 Assurance Standard (AS) 2008. Decision on sustainability report content following GRI G4 and evaluation on quality definition principles
- Verification of disclosure is prepared in accordance with the GRI Guidelines G4 ('In accordance' - Core) (Aggregated level of data that refers to the period between January and December in 2015)
- Major decision processes for the drafting of the Report, management approach process regarding important issues, and qualitative and quantitative data calculation, aggregation and management processes

Verification Method

The process of verification was conducted in the form of restricted assurance according to the DNV GL Sustainable Management Report Verification Protocol (VeriSustain™¹) and AA1000AS(2008). The verification was conducted at Samsung SDI's headquarters between April and May of 2016.

Verification was implemented in the following method based on sampling technique.

- Confirmation of phrases and claims within the Report, data management system utilized in the drafting of the report, evaluation of information flow and robustness of control
- Interview with managers of major divisions
- Review of documents, data sampling, database utilized in the drafting of the Report, testing of computer system
- Review of Materiality Assessment Results

Limitations

The engagement excluded the sustainability management, performance and reporting practices of Samsung SDI's affiliated companies, suppliers, contractors and any third-parties mentioned in the report. DNV GL did not interview external stakeholders as part of this Assurance Engagement. Financial statements, information included in the Financial Supervisory Service's DART System (<http://dart.fss.or.kr>) and data listed on the website of Samsung SDI are not included in the scope of the assurance. As for data verification, questions were asked and analysis was conducted on the data collected by Samsung SDI and a confirmation of the basis was carried out in a limited scope including a limited form of sampling method. Economic performance based on financial data were cross-checked with internal documents and audited financial statements. The aggregation and calculation process for creating economic performance is reviewed and tested by the verification team. The baseline data for environment and social performance are not verified, while the aggregated data are used for the verification. DNV GL expressly disclaims any liability or coresponsibility for any decision a person or an entity may make based on this Assurance Statement.

1: The VeriSustain protocol is available on DNV GL website(www.dnvgl.com).

Conclusion

DNV GL found no inappropriate aspect in Samsung SDI's report. Its reports and application of decisions and principles suggested in AA1000AP(2008) were deemed to be just and fair. DNV GL confirms that the report is 'in accordance' with the Guidelines – Core. Further conclusions and observations on the Adherence to the principles of Inclusivity, Materiality and Responsiveness, as set forth in the AA1000APS(2008) are made below:

The Foundation Principle of Inclusivity

Samsung SDI, in consideration of the direct and indirect impact of business activities, classifies the company's stakeholders into customers, shareholders and investors, employees, partner companies, government institutions, industrial associations, research institutions, local communities and NGOs.

Materiality

The materiality determination process is clearly presented in the Report.

Issue pool to identify material issues is formed by analyzing internal and external information sources. Major issues were selected based on possibility of occurrence and level of impact.

The eleven identified material issues were prioritized by reflecting the opinions of stakeholders.

Responsiveness

The communication channel with stakeholders is well presented in this Report and stakeholder's views, interests and expectations have been considered in the preparation of this report. The Report provides information on the activities and performances of Samsung SDI within the material aspects of sustainability which took place in the reporting period. Response to material issues are mainly covered in the Report.

Opportunities for Improvement

The following is an excerpt from the observations and opportunities reported to Samsung SDI's management.

However, these do not affect our conclusions on the report and are provided to encourage continual improvement.

Outcome information should state the economic, environmental, social contributions within each area in the larger context of sustainability from a regional, national and international level rather than an independent report.

Statement of Competence and Independence

DNV GL Business Assurance is a member of the DNV GL Group. It is an international institution that provides services related to sustainable management service including certification, verification, evaluation and educational training. DNV GL Business Assurance supports the company so that it yields a sustainable business outcome.

DNV GL's expert judges in the areas of environment and social verification are active in 100 countries around the world. Verification of Samsung SDI's report was conducted independently by a well-qualified team of judges with expertise and competence. DNV GL was not involved in the preparation of any statement or data included in the report except for this assurance statement.

May 13, 2016
Seoul, Republic of Korea

CEO In-gyun An
DNV GL Business Assurance Korea Co., Ltd.

