SAMSUNG
LIFE INSURANCE

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2012 SAMSUNG LIFE INSURANCE INTEGRATED REPORT



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Contents

2012 Highlights 4
CEO MESSAGE 6
Business Concept & Vision 2020 8
Materiality Test 11

Our Company & Financial Performance 12
Corporate Overview 14
Corporate Governance 16
Risk Management 18
Financial Summary 20

Increasing CUSTOMER Values 24
1-1 Developing CUSTOMER-oriented products 26
1-2 Perfect selling practices of products that customers need 30
1-3 Enhancing CUSTOMER value 34

Enhancing Corporate Culture 38
2-1 Integrity is the overarching value in all our business activities 40
2-2 Establishing a communicative workplace 43
2-3 Growing as globally competent financial experts 47
2-4 Generous compensation based on fair evaluations 50

Creating Corporate Shared Values 52
3-1 Giving back to communities 54
3-2 Supporting green growth 59
3-3 Promoting open and honest communication within the organization 64

Building a Better Future 68
4-1 Strengthening sustainably 70
4-2 Promoting respect for people within the organization 72
4-3 Becoming intimately involved with social issues 74

Appendix 77
Financial Statements 78
Independent Assurance Statement 86
GRI G3.1 Indicators 88
Awards & Memberships 92
Report Overview 94

INTEGRATED REPORT OUTLINE

With the aim of becoming a highly respected global company, Samsung Life has implemented customer-oriented management principles to raise its corporate value, while actively promoting social benefits that help others. Starting in 2013, we began publishing an integrated report on our financial and non-financial performance results in relation to our business concept and mid- to long-term business plans, shedding light on the correlation between both financial and non-financial business results. It is our hope that this report will help all of our stakeholders better understand our efforts towards achieving the highest level of sustainability management.

Corporate Strategy

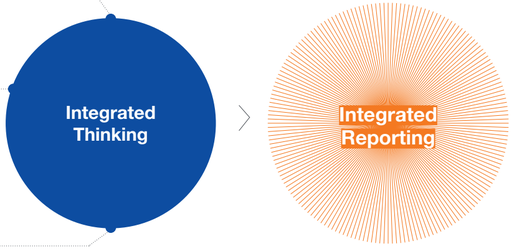
· Business concepts
· Vision 2020

Value Adding Activities

· Customer-oriented product development
· Perfect selling
· Policy administration services for customer convenience
· Quick and easy claims payment procedures
· Higher yields on investments

Corporate Shared Values

· Giving back to society
· Green management



Elements for Integrated Reporting

· Business Environments
· Corporate Vision & Strategy
· Corporate Governance
· Activities & Performance Results of Interest to Stakeholders
· Sustainability Goals

Key Performance Index

1. Increasing CUSTOMER Values

		Indicators	2012	2011
26p	1.1 Developing CUSTOMER-oriented products	Monthly protection coverage APE (KRW bil.)	157	147
		Annuities' monthly APE average (KRW bil.)	194	146
30p	1.2 Perfect selling practices of products that customers need	Value of new business (KRW bil.)	1,148	1,080
		Rate of mis-selling (%)	0.21	0.25
34p	1.3 Enhancing CUSTOMER value	13th month persistency rate (%)	87.4	86.1
		Rate of payment on the same date claims are made (%)	51.8	26.9
		NCSI ranking (insurance category)	1	1

2. Enhancing Corporate Culture

		Indicators	2012	2011
40p	2.1 Integrity is the overarching value in all our business activities	No. of trainees attending integrity training sessions (persons)	17,472	12,989
43p	2.2 Establishing a communicative workplace	Retirement rate (%)	1.5	2.4
47p	2.3 Growing as globally competent financial experts	Holders of important financial certificates (persons)	812	728
50p	2.4 Generous compensation based on fair evaluations	Benefit expenses (KRW 100 mil.)	1,176	914

3. Creating Corporate Shared Values

		Indicators	2012	2011
54p	3.1 Giving back to communities	Employee volunteer participation rate(%)	90.4	43.3
59p	3.2 Supporting green growth	Greenhouse gas emissions per square meter (tCO_2/1,000m²)	77.7	85.4
64p	3.3 Promoting open and honest communication within the organization	Top-of-mind awareness (%)	56	55

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Samsung Life corporate website
http://www.samsunglife.com/companyeng/index.html

Samsung Life corporate blog
www.samsunglifeblogs.com

Samsung Life corporate Twitter account
twitter.com/samsunglife

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This report details how we are fulfilling our commitment to ensuring a century of sustainable growth for the company.

Samsung Life aims to become a highly respected global company that can serve as an inspiration to other Korean companies.
For the past half century, we have been carrying out the highest level of customer service, giving back to society as we help our customers provide the best care for their loved ones.

Insurance is love

2012
Highlights

A global life partner that puts CUSTOMER needs first

Samsung Life
2012 Major Activities

Defining our business concept

08p



Samsung Life defines its business concept as one which helps customers care for those they love, and is based on a thorough analysis of the insurance business. We have also brought our management philosophy in line with the new business concept to ensure we remain a customer-oriented company that willfully embraces change and innovation.

CUSTOMER-oriented claims payment policy

34p



We have overhauled our claims payment procedure to make sure it is completely customer-oriented. The entire claims procedure, from filing a claim and claims adjustment to payments and follow-up services, has been revamped to enhance customer convenience when people need to check on their claims, paying out all claims promptly and with differentiated follow-up services.

1st in the NCSI's life insurance category for nine straight years

37p



We are continuously increasing customer satisfaction through a wide range of customer-oriented services. As a result, we ranked first in the prestigious National Customer Satisfaction Index (NCSI) survey for the ninth year in a row in 2012.

Listed on the Dow Jones Sustainability Index (DJSI) World

95p



In recognition of our outstanding performance in the financial and non-financial realms, Samsung Life was listed on the world's most renowned sustainability index, the DJSI World, in September 2012, making it the first Korean insurer ever to be named to the influential list. We were also named one of the world's top 14—and Asia's top 3—insurers in terms of sustainability management practices.

The mutual growth Junior CEO program

56p



As part of our commitment to mutual growth with suppliers and social contribution, we run a Junior CEO program for the children of SME owners. A total of 204 trainees from eight classes had completed the course as of December 2012.

Establishing a communicative corporate culture through a two-day camp

46p



In support of a more communicative organization, Samsung Life hosted a two-day camp to provide employees with an opportunity to meet with colleagues from different departments. The camp was a resounding success, with 5,480 employees, or 89.3 percent of the company's total workforce, participating in the event.

Serotonin Dream Festival supports the dreams of today's youth

55p



Samsung Life runs a music program called the Serotonin Drum Club for boys and girls at 100 middle schools across the nation. We held our first drum festival for these members in 2012 in an effort to provide them with a venue to hone their musical talents and build new friendships. We will further the scope of this event in the future by also making it an art festival.

Bridge of Life Project

66p



The Bridge of Life project is an unprecedented counseling service that Samsung Life launched to remind those who are experiencing difficult times about the inherent value of life. Phones have been installed on one notorious bridge over the Han River in Seoul which has seen a disturbing number of people attempt to take their own life.

Internalizing green management practices

60p



We have taken green management plans and put them into action in various ways. Samsung Life now runs a Green Office initiative and five key green initiatives, while also coordinating green volunteer activities at home and abroad. In addition, we lend our business acumen to green management projects, including socially responsible investments (SRI), as we constantly increase the number of green loan products we offer.

"We remain committed to supporting our customers as they care for their loved ones in our effort to ensure financial security for a better society."



Dear stakeholders,

I am pleased to report on Samsung Life's creative changes and innovation efforts as we continue to overcome substantial obstacles on our way to emerging as more than just Korea's top insurer, but one of the world's most respected global companies.

Over the past half century, Samsung Life has honored its promise to firmly secure the happiness of individuals, their families and society as a whole. We have also sustained tremendous growth while solidifying our foundation as a company with deep, long-lasting roots. In 2012, we strategically addressed rapidly changing business environments with a clear notion of our business concept and our 2020 Long-Term Vision. At the same time, we strengthened all of our customer-oriented, down-to-earth management practices. In addition, we proactively engaged in initiatives to give back to society and green management practices as we faithfully carried out our business philosophy, which entails caring greatly for everyone.

In 2013, Samsung Life is embracing change and innovation as we overcome every challenge on our way to becoming a highly respected global company. The path on which we find ourselves to accomplish this requires the support and collaboration of all our stakeholders. To that effect, we have set the following four goals to maintain the trust and support of our stakeholders.

Increasing creative changes and innovation in meeting challenges

We clearly understand that any company which is content with its past success will eventually be left behind. In 2013, the business environment is particularly formidable for everyone, especially for the insurance business, which faces great challenges in maintaining sustainable growth because of low growth that has arisen from the global economic slowdown and the Korean government's ultra-low interest rate policy. To preemptively address these issues, Samsung Life has established an innovative process of brainstorming and implementing new ideas to embrace creative changes and innovation. At Samsung Life, we define our business concept as one that supports our customers to care for their loved ones in our effort to ensure financial security for a better society. Applying this concept to the entire value chain, from creation and selling of policy products to policy administration and claims payments, we are committed to delivering the highest value in the insurance business. At the same time, we are beginning a new innovation drive in 2013, working on a future-oriented work process system, and an Enterprise Resources Planning (ERP) system to incorporate a more innovative work process into the organization. We will also continue to operate Speed Management and Synergy Management systems for greater efficiency in the decision-making process and subsequent implementation.

Remaining a customer-oriented company

Samsung Life is well aware that customers represent the foundation of all companies, and just with any other company, our own customers are always keeping a close eye on our every move. Thus, customer value is at the center of everything we do, from providing differentiated products and services to marketing activities. While developing products that best serve the needs of our customers and symbolize our commitment to bettering society, we are establishing a customer-oriented process that spans everything from policy underwriting to claims payments. For instance, we have raised the rate of claims payments on the same date they are filed by customers from 20 percent to 52 percent. By the end of 2013, we plan raising this figure to 80 percent. In recognition of customer-oriented business practices such as this, the National Customer Satisfaction Index (NCSI) ranked Samsung Life the top Korean insurer for the ninth straight year in 2012. With the unwavering belief that customer-oriented management practices will eventually benefit the company in the long run, we will continue to further strengthen our customer-oriented management practices.

Promoting respect for people within the organization

Samsung Life firmly believes that people constitute a company's real competitiveness, which is why we feel that our employees are Samsung Life's most valuable asset. As a result, we are constantly offering the brightest men and women from all fields with high-level education programs to foster them as next-generation leaders. Furthermore, we are promoting a more communicative corporate culture throughout the company, one which puts a premium on respecting others, while maintaining highly productive workplaces where employees enjoy coming to work every day with a sense of pride in their company. Open and honest communication will ensure that everybody at Samsung Life carries out the company's business concept precisely and just as it was meant to be fulfilled.

Strengthening green management and a culture of sharing in management practices

Samsung Life greatly values the importance of trust-based relationships within society. That is just part of the reason why we practice green management and never forget to give back to society, as we are consistently building higher levels of trust with society at large. While communicating and contributing to society, we aim to become a company that is not only admired by customers and the nation as a whole, but one which assists in the development of society and, ultimately, the country. An example of this commitment is Samsung Life's Sesalmaul program a community-based movement and research center for infants, toddlers and families which addresses social issues related to Korea's low birth rate. Another example is the Serotonin Drum Club program, which helps adolescents grow up to become hardworking adults who contribute to society. More recently, we launched Samsung Life's Bridge of Life project to reduce the nation's suicide rate and took part in a Purple Ribbon campaign to fight women's cancers. As a responsible member of the global community, we also supply rehabilitation devices to the disabled and provide numerous educational materials through our overseas operations in China, Thailand and Vietnam. To protect the environment and raise corporate value, we also have in place various green management practices. While internalizing green management practices into the day-to-day lives of our employees, both at work and at home, we also contribute to building a green society through our green finance products and services.

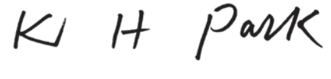
As a result of our indefatigable efforts to become a highly respected global company, we were the first Korean insurer to be listed on the DJSI World index in 2012. This confirms our status as one of the world's top 14—and one of Asia's top 3—insurers when it comes to sustainability management. Although we take pride in this achievement, we will not stop working hard as we continue to strengthen our foundation for sustainable growth.

Every employee and consultant at Samsung Life puts customers, society and the country before anything else in all of our business activities because we understand that the company can only prosper when our customers and society as a whole are prosperous.

As a responsible corporate citizen, we take pride in giving back to society and creating new social values that can benefit others.

I hope all of our stakeholders will accept my sincere gratitude when I thank them and ask for their continued support of Samsung Life as we move forward.

Thank you.



June 2013
Vice Chairman and Chief Executive Officer
Keun-hee Park

Looking Ahead to Our 2020 Vision

Based on this business concept, we aim to become one of the world's top 15 life insurers by 2020. To attain this goal, we have put in place the following mid- to long-term strategies as Korea's preeminent life insurer that is leading the way when it comes to change and innovation with creative, cutting-edge products and services.

Samsung Group's Business Philosophy

The Samsung Philosophy

Devoting our talent and technology to creating superior products and services that contribute to a better global society.

Samsung Values

People
Excellence
Change
Integrity
Co-prosperity

Samsung Business Principles

1. We comply with laws and ethical standards.
2. We maintain a clean organizational culture.
3. We respect customers, shareholders and employees.
4. We care for the environment, health, and safety.
5. We are a socially responsible corporate

Samsung Life's Business Concept

In the past, we spent a significant amount of time thoroughly examining the fundamentals of our business before deciding where to focus our efforts to succeed. We conducted extensive research and brainstorming sessions to discover the essence of the insurance business in 2012. Based on our findings, we defined our business concept surrounding insurance as supporting people so they can care for their loved ones. Thus, we are able to provide financial security to our customers, allowing them to care for their families and loved ones through our comprehensive insurance policies and asset management services, which grow our customers' assets. After setting a new vision to become a global life partner that puts customer value first, we have instituted five core values and 20 codes of conduct as behavioral guidelines centered around three moral principles.

Business Concept

Caring for your loved ones
- Caring for families
- Protecting the most precious things and people at all costs
- Defining the heart of the insurance business

Supporting our customers
- Helping each other
- Providing financial and emotional security against unknown risks

Ensuring financial security for a better society
- Long-term management activities for generations to come
- A business that soundly grows assets
- Asset services which grow and manage customer assets

Vision

CUSTOMER-focused

Establishing business processes centered around customer needs, while providing optimal financial and non-financial value

Global
- A globally competent company that can compete with the world's top corporations
- A new era of global management for the company

Life Partner
- A life-long partner for our customers
- A provider of the most successful solutions
- A promise ensuring prosperity and the highest customer value

Our Goal and Key Strategies

Goal

One of the world's top 15 insurers by 2020

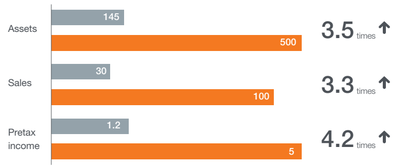
Key Strategies

Strengthening core competencies 01

Expanding global businesses 02

Exploring new business opportunities 03

Estimated Growth (2010-2020) (Unit: KRW trillion)



Core Values

In line with the business concept and vision we established, we have also instituted five core values—customers, people, professional, challenge, and communication—as the behavioral guidelines for all our employees, as well as 20 codes of conduct.

Customers
We aim to be a company that our customers are proud of, and will work hard to be the first choice customers rely on in difficult times.

People
We do our utmost so that employees and consultants can maintain a healthy work-life balance. By building great workplaces, employees can fully and happily commit themselves to their jobs with pride and affection for the company. At the same time, we respect diversity within the organization.

Professional
We always strive to remain among the very best financial experts customers can depend on. Every employee and consultant at Samsung Life is committed to their job and works tirelessly to improve their competencies and expertise, something that is required to become truly competent financial experts at a global level.

Challenge
While preemptively responding to today's rapidly changing markets, we are able to maintain our dominant market leadership. Our enterprising spirit and creative ideas are put into action through swift, industry-leading decision-making processes.

Communication
We promote open and honest communication both inside and outside the organization. Internally, we are building a communicative atmosphere, one in which people can speak their mind regardless of their position within the organizational hierarchy, generating synergies from this inter-departmental communication and cooperation. We also listen to the thoughts and opinions of communities, which in turn generates greater corporate value.

OUR RESPONSIBILITIES IN BUSINESS MODELS

Samsung Life creates and delivers real value to people and contributes to the happiness of customers, their families and society as a whole.

Product development:
Taking the inherent value of insurance to another level
Customers are at the top of our priority list when it comes to all product development activities concerning products, social responsibilities and values. As part of our commitment to customer-oriented product development, we have expanded the scope of our new business underwritings and developed new products exclusively for customers with geriatric diseases, further reinforcing our product competitiveness.

01

Product Distribution:
Delivering the inherent value of insurance to customers
We provide the best products and services to our customers, operating a wide range of channels for customers so they have greater accessibility to insurance products, with streamlined procedures for taking out insurance policies already in place.

02

Policy administration & asset management:
Upholding customer value
We are always eager to listen to the thoughts and opinions of our customers and constantly engage in numerous activities for higher customer satisfaction. At the same time, we are improving all of our customer satisfaction activities, such as providing adequate information on products to customers and addressing customer complaints as we strive to increase the value of our customers' assets.

03

Claims payments:
Putting the inherent value of insurance into action
We have revamped claims payment procedures to make them more customer-oriented. For instance, it is now more convenient than ever for customers to file for claims and gradually cut down on the duration of payments. This has led to higher levels of customer satisfaction.

04

Increased company-wide integrity:
Creating shared corporate values
We are actively fulfilling our corporate social responsibilities, as they benefit both our customers and society and address social issues.

05

Samsung Innovation Management

Towards Orchestrated Prominence

Samsung is doing its utmost to raise Group-wide competitiveness, supporting its affiliates by strengthening their competencies under the goal of reaching KRW 1 trillion in revenue and becoming one of the world's top 10 most admired companies by 2020.

Four Core Values

01. Clear
- Setting a long-term direction for innovation drives
- Establishing a clear vision and innovation goals
- Stipulating tasks and initiatives in line with our innovation goals

02. Results-oriented
- Addressing business issues
- Improving business fundamentals in a fruitful way
- Operating innovation performance indicators in line with business results

03. Well-organized
- Phasing in an integrated and highly advanced Group-wide innovation management system through practical initiatives that meet the needs of individual affiliates

04. Reliable
- Reinforcing internal competencies through persistent change management
- Maintaining expedient innovation drives
- Actualizing innovation results by establishing a platform that promotes change in the work process

Samsung Life Innovation Management
Consistent innovation drives that strengthen the fundamentals

At Samsung Life, we consistently implement innovation drives in order to bring about changes in our work process at the grassroots level, while also continually realigning business practices with our business concept. In 2012, we set a mid-term innovation goal to ensure superior competitiveness and attain our long-term goal of becoming one of the world's top 15 companies by 2020 (with assets of KRW 500 trillion and revenue totaling KRW 100 trillion).

Innovation Direction
- CUSTOMER-oriented
- For Financial Consultants
- Operational Excellence
- Globalization

Core Competencies
- Customer loyalty to our competitive products
- Competitive sales channels
- Pricing Highly advanced risk options and pricing policy
- Globally competent investment skills
- Preemptive risk management and micromanagement

Innovation Theme
- Offering differentiated, market/customer-tailored customer services
- Faster Time-To-Market
- Upgrading of rule-based underwriting and payment processes
- Optimal investment activities differentiated to the properties and risks of liabilities
- Real-time, analysis-based risk management and forecast management
- A business platform that meets the highest global standards

Effort 1. ERP-based innovation

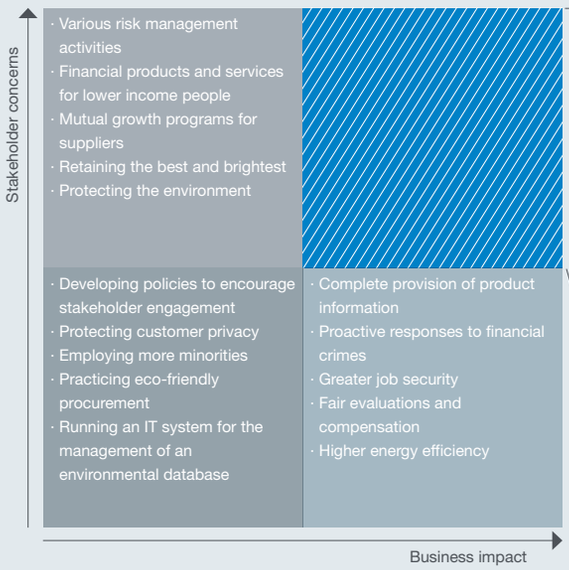
In 2013, we will be starting our innovation drive towards establishing an advanced work process and corporate culture. Through extensive reorganization, we plan on setting up an ERP Office that will design the work process and apply a "To-Be Process" system on enterprise resource planning (ERP) in line with our future goals. In addition, we will complement innovations made in our work process with a "Work Smart" initiative to ensure a great workplace for all employees.

Effort 2. Introducing a new marketing platform

To help promote a company-wide innovation drive, we have also implemented business innovation at all our customer contact points. In 2012, we developed a new tablet-based marketing platform which allows our financial consultants to provide customers with advanced paperless consulting services on insurance products. By computerizing all insurance contract paperwork, the platform has streamlined the procedure of buying insurance policies so that customers can now take out an insurance policy just by signing an e-document on a tablet.

Innovative Management

Key Sustainability Management Issues



Increasing CUSTOMER Values	· Diversifying our product portfolio and enhancing product competitiveness · Achieving growth through diversified channels · Strengthening customer-oriented management and customer satisfaction activities · Reinforcing the customer relationship management process
Enhancing Corporate Culture	· Developing training programs to foster financial experts · Enhancing employee benefits and working conditions · Establishing communication channels
Creating Corporate Shared Values	· Expanding the scope of social contribution activities · Realizing green management strategies and green office initiatives · Raising the brand value of our corporate philosophy)
Building a Better Future	· Securing future growth engines through market expansion · Reinforcing business innovation and execution power

Materiality Test Process

We run materiality tests to identify sustainability issues of high concern to stakeholders. Based on the results, we then prioritize reporting issues in order of their significance and implementation possibility.

STEP 1. Listing the issues

Samsung Life takes into account its business concept, business strategies, industrial trends and global standards when listing issues to be included in materiality tests.

STEP 2. Four-step material issue classification

Issues identified from sustainability practice reviews undergo a four-step materiality test.

Direct and short-term financial impact	Relevance to the company's strategies and policies	Industrial issues, international standards, media issues	Stakeholder surveys · No. of employees: 1,388 · No. of financial consultants: 5,006 · No. of customers: 442 (survey duration: Oct.-Nov. 2012)

STEP 3. Finalization of key sustainability issues

We finalize key sustainability issues by processing a materiality assessment matrix.

Our Company & Financial Performance

01 Company Profile
02 Corporate Governance
03 Risk Management
04 Financial Highlights



01. Company Profile

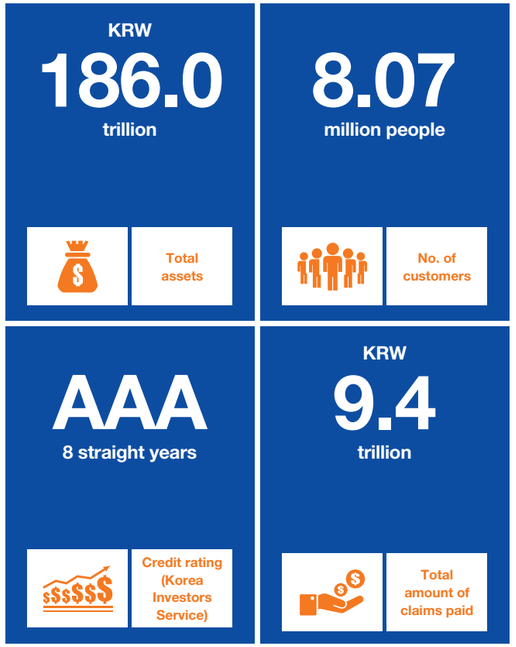
Samsung Life takes great pride in its long history of contributing to the development of the Korean insurance industry and society at large over the past half century. Today, the company has grown to become a leading Korean insurer, with total assets amounting of KRW 186 trillion and a customer base numbering 8.07 million people.

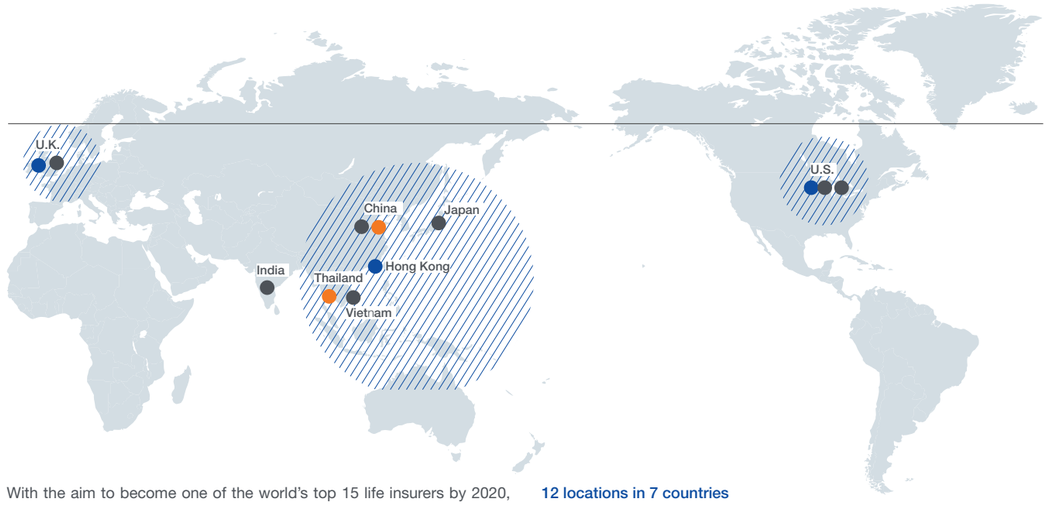
Supporting customers as they care for their loved ones

At Samsung Life, we believe our true value lies in supporting our customers as they care for their loved ones. Under the firm belief that the insurance business is all about helping people protect those whom they care about most from unknown risks, we strive to increase happiness not just for our customers, but for society as well.

Customer-oriented global life partner

Samsung Life delivers the highest customer value well beyond the Korean market, reaching people past our borders and around the world. While moving forward as the most reliable life partner, we aim to become a leading global insurer that puts customer value first.





With the aim to become one of the world's top 15 life insurers by 2020, Samsung Life is more aggressive than ever on the global front. While increasing our marketing activities in the Chinese and Thai markets, we plan to continue exploring new markets. At the same time, we will be carrying out the phase-by-phase expansion of our overseas investments, especially through our local investment subsidiaries. In addition, we will continue to reinforce our underwriting and risk managing capabilities, while diversifying the number of regions we invest in and our overall product portfolio.

Overseas investments

U.K. (1991), U.S. (1993), Hong Kong (1996)

KRW **12.6** trillion

Amount of overseas investments (third party consignment)

U.K. (1991), U.S. (1993), Hong Kong (1996)

KRW **6.2** trillion

12 locations in 7 countries

Location	• Representative office(s)	• Investment subsidiary	• Joint venture
New York, U.S.	2	1	
Beijing, China	1	1	1
London, U.K.	1	1	
Tokyo, Japan	1		
Mumbai, India	1		
Hanoi, Vietnam	1		
Bangkok, Thailand			1

Milestones

Since its foundation in 1957, Samsung Life has committed itself to strengthening the innate value of the insurance business for the sake of its customers and society, contributing to the development of Korea's life insurance industry at every step of the way. Beyond a remarkable half-century of monumental accomplishments and an enterprising spirit, we continue growing as a globally competent life insurer that is helping lead the world's insurance and financial sectors.

1950

Founded as Dongbang Life Insurance in May 1957

Dongbang Life was founded with family values at its heart and a goal to enrich individuals' and society's happiness. Back then, people knew very little about the life insurance business, but Dongbang Life made a significant first step towards ultimate success while championing the notion of hope.

1963

Incorporated into the Samsung Group in July 1963

In July 1963, Dongbang Life was merged to the Samsung Group, one of the main drivers of Korea's unprecedented economic growth at the time. The strategic incorporation into Korea's leading business Group allowed the company to establish a foundation for sustainable growth as the undisputed leader in the insurance industry.

1970

Computerization of business procedures in January 1971

In January 1971, Dongbang Life Insurance became the first Korean financial institution to set up an IT Team. The computerization procedure began with encoding insurance policy numbers, which was followed by computerizing its insurance business. The company then became the first Korean insurer to equip its nationwide branch network with personal computers in November 1985, taking a giant leap forward in office automation.

1990

First company to introduce an insurance quality guarantee policy in May 1994

In 1994, Samsung Life became the first Korean insurer to introduce an insurance quality guarantee program. As the unrivaled industry leader, the company was committed to raising public awareness about the insurance business. This program was a milestone in Korea's insurance industry, as it improved the nation's overall insurance service quality.

2000

2006

Joint venture launched in China in July 2005

In a joint venture with China Airlines, Samsung Life established China Airways-Samsung Life Insurance Company Limited in July 2005. This marked the first time a Korean life insurer had entered the world's most populous market, making it the third Asian insurer to do so after Japanese and Taiwanese insurers began operations in China in 2004.

2010

Total assets reach KRW 100 trillion in April 2006

Samsung Life was the first in Korea's non-banking sector to reach KRW 100 trillion in total assets. This achievement can be attributed to the company's systematic investment policy, which is based on thorough analysis. Since first reaching the KRW 1 trillion mark in 1983, its asset size continued to grow, reaching KRW 2 trillion in 1985, KRW 20 trillion in 1995, and KRW 50 trillion in 2000.

2012

Going public in May 2010

Samsung Life made an initial public offering (IPO) in May 2010 to lay the foundation for becoming a truly global financial company. Since then, everyone at Samsung Life has been dedicated to perfect selling practices in order to attain both qualitative and quantitative growth.

2013

Proclamation of business concept and new vision

Samsung Life redefined its business concept related to life insurance and set a new vision to become a customer-oriented global life partner. As a result, all business processes have since been turned into customer-oriented ones. By providing the best possible products and services, our goal is to be a global insurance company with KRW 500 trillion in assets by 2020.

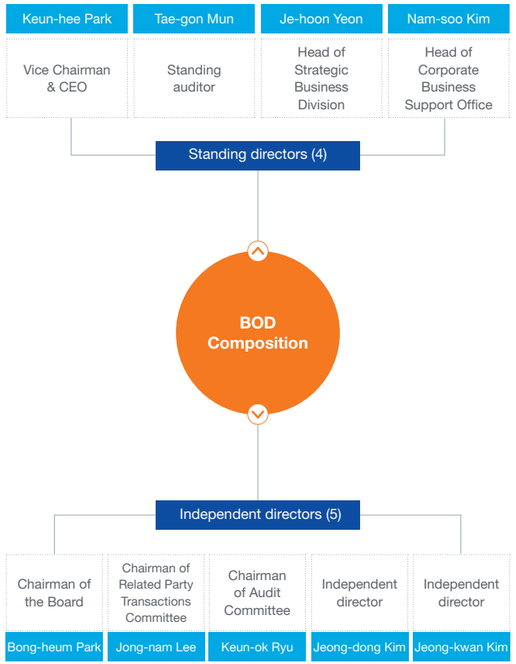
02. Corporate Governance

Board of Directors (BOD)

Samsung Life's top decision-making entity is the company's board of directors, which deliberates on and approves basic business principles and management issues, as well as individual agenda items as stipulated by corporate bylaws and its Articles of Incorporation, and plans authorized at the annual general shareholders' meeting (GSM). An independent director serves as chair of the BOD, ensuring the board's independence from management and allowing objective and balanced decision making by its board members. Both standing and independent directors are appointed by resolutions passed at the GSM. Candidates up for standing director are recommended by the BOD or GSM, while candidates for independent director are nominated by the Independent Directors Recommendation Committee.

Compensation for Directors

Compensation for BOD members is made through a base annual salary, performance-based pay, and incentives within the limits approved for at the annual GSM. At the 2012 meeting, the limit was set at KRW 25.0 billion, the same figure as the previous year. From this amount, only KRW 15.2 billion was actually paid out. Base salaries are calculated depending on the job position of each director, with performance pay determined according to guidelines set out by the BOD. More details concerning compensation are deliberated on by the Compensation Committee, which then passes the motion onto the BOD for final resolution. The company operates a performance-based pay scheme to ensure fair compensation for management performance, with a performance-based pay scheme for the CEO determined through comprehensive evaluation after taking into account both qualitative and quantitative aspects of corporate business results as well as the CEO's direct contribution. Other directors are paid based on the combined estimate of business results and the CEO's evaluation.



Sub-committees

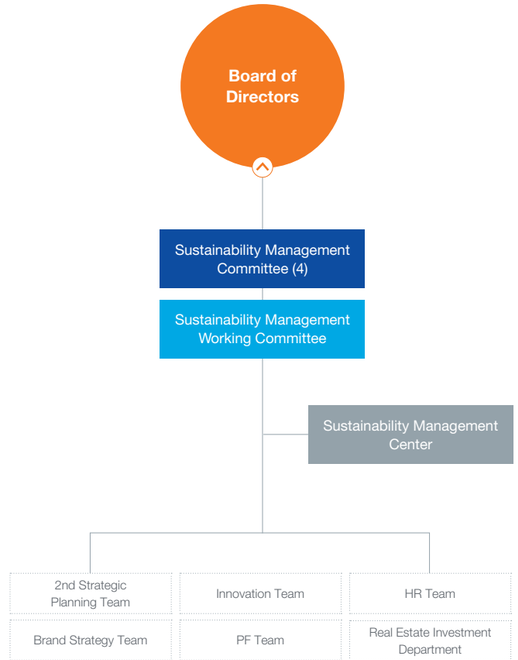
Name	Members	Subcommittee Functions
Sustainability Management Committee	Three standing directors	Deliberation and resolution of issues passed on by the BOD; other general management issues; management and supervision of general business operations matters, including sustainability management issues
Audit Committee	One standing auditor and two independent directors	Assessments and supervision related to the appropriateness of the company-wide internal control system; requesting reports on company information required for company audits
Related Party Transactions Committee	Three independent directors	Deliberation and resolution of related parties to ensure higher transparency in business management
Risk Management Committee	Two standing and three independent directors	Establishment of guidelines for risk management in line with management strategies; creation of risk-weighted master plan for management strategies; development of mid- to long-term business plans for efficient risk management
Compensation Committee	One standing and two independent directors	Annual review of compensation scheme independent from the management board; establishing, evaluating, deliberating and reviewing directors' remuneration and its appropriateness
Independent Director Recommendation Committee	One standing and two independent directors	Recommendation of independent director candidates to the GSM

BOD Activities

Samsung Life's management reports on the progress of operations to the BOD at least once every quarter to keep the BOD abreast of major management issues. Independent directors are also kept up to date with major management issues and general management activities, allowing them to contribute their specialized skills to the company.

In addition to these regular quarterly meetings, ad hoc meetings can also be convened whenever deemed necessary. To ensure an efficient, cost-effective decision-making process, some functions of the BOD are entrusted to related subcommittees so that every issue of great import is deliberated on prudently. The presence of a majority of directors constitutes a quorum for all BOD meetings, and a resolution is adopted when a majority of those directors in attendance vote in favor of said resolution. In addition, directors may exercise their voting rights via electronic means. However, BOD rules stipulate that any director who has a personal interest in a resolution at a general meeting cannot exercise their voting rights on that resolution. Furthermore, corporate governance regulations have been changed to strengthen the quorum for directors' self-dealing transactions or usurpation of corporate opportunities from the previous regulation, which required a majority of directors voting in favor, to the current regulation, which requires a two-thirds vote in favor from directors.

Samsung Life's BOD also maintains communication channels with internal and external stakeholders, including specific channels for disclosure. The GSM functions as the top decision-making body, with major decisions concerning management issues immediately disclosed to all stakeholders, including shareholders. Moreover, we have our own systems in place that are used as channels for active communication throughout the company called Life Dream World and CEO Message, where any employee can make suggestions to the CEO, who often responds in a timely manner to the submission.



Sustainability Governance

To ensure efficient sustainability management practices, Samsung Life established a Sustainability Management Committee and Sustainability Management Working Council under the BOD.

Sustainability Management Committee

Samsung Life reformed its Management Committee in April 2012, changing it to a Sustainability Management Committee as part of its commitment to building trust with insurance consumers and contributing to the sustainable development of society. This new Committee deliberates on and resolves general management issues connected to the company's mid- to long-term business strategies and plans, while also monitoring and managing general business operations matters. Additionally, it is responsible for making important decisions regarding investments and asset management, including real estate. It also oversees company-wide corporate social responsibility activities and green management strategies of high concern with major stakeholders, most notably customers and employees. For instance, the Sustainability Management Committee makes important decisions concerning social and environmental investments and sets targets for reducing greenhouse gas emissions and energy consumption. Another important responsibility of the committee concerns signing up with and supporting various sustainability-related international organizations and initiatives.

Sustainability Management Working Council

The Sustainability Management Working Council supports and implements decisions made by the Sustainability Management Committee. Consisting of six working-level departments, this council controls and fine-tunes various issues related to the company's financial and non-financial operations. The first council meeting was held in October 2012, where members discussed and resolved short- and long-term projects for the 18 key initiatives of the six departments. In the future, the council will convene on a quarterly basis to monitor and coordinate progress and performance results by department.

03. Risk Management

Strengthening our risk management capacity to protect customer and corporate value

At Samsung Life, we believe that corporate value can be increased by early preventative measures and systematic management of the risks associated with normal business activities. In addition, we maintain our RBC ratio well above the level recommended by Korea's financial supervisory authorities to ensure a sound financial structure and policy reserve.

Relentless risk control

Samsung Life classifies risk types into several categories: insurance, interest rates, credit, markets, liquidity, and operations. We use different empirical statistics and models by type to assess the effect of the risks involved, establishing risk tolerance and operational guidelines based on these assessments. We then attempt to minimize the risk potential through constant monitoring and counterplans.

Effective prevention and follow-up measures in controlling risks

Samsung Life employs a phase-by-phase approach to managing all potential risks throughout the asset management process. After a particular risk management policy is decided upon, the risk is managed and measures are taken to stem any potential losses. We begin by managing assets in consideration of their individual liability characteristics, preemptively ensuring all risks are under control while balancing risks and returns. Our approach is both qualitative and quantitative. In fact, we measure proprietary Value at Risk (VaR), stress testing instruments, and early warning and response tools through risk monitoring. Furthermore, our highly experienced underwriters and advanced credit risk management system allow us to filter out toxic assets even as we enhance our capabilities to analyze the quality of new financial instruments.

We also screen for any investment products that have potential risks related to customer complaints or legal disputes, or risks that could undermine the company's reputation.

Finally, to protect against any potential loss arising from an obligor's inability or unwillingness to meet its obligations to the company, we maintain provisions for loan loss reserves and secured guarantees to mitigate our exposure to credit risk.

*Value at Risk (VaR): a threshold value whereby the probability that the mark-to-market loss on the portfolio over a given time period exceeds this value (assuming normal markets and no trading in the portfolio) is the given probability level.

Detention and management of operational risks

Samsung Life has a system in place to detect and control operational risks to hedge potential losses from mis-selling, calamities, and other non-financial risks. As per standard protocol, all decisions concerning business-related matters must first obtain consent from the internal control department so as to control risks in the internal process. The accounting team is vigilant about checking the company's account balances to prevent discrepancies in settlements or payments, while the audit department runs periodic and ad hoc audits on the company's operations.

For the management of personnel risk, the HR department runs an online ombudsman site so employees can easily communicate any of their work-related grievances. Additionally, the real estate management department periodically runs safety checks on all the company's offices and buildings. To heighten security risk management, we also lock all electronic documents with a digital rights management (DRM) system, making the documents accessible only to approved personnel. Furthermore, each department has one employee in charge of information security. Samsung Life's recently installed dual firewall is already helping prevent any malicious hacking attempts into the company's computer system as well.

What is more is that we have developed a business continuity plan (BCP) to protect against unforeseeable risks and calamities. In recognition of our BCP, we obtained the BSI 25999 certificate in 2008, the first time a Korean financial institution had received this certificate. Since then, we have continued to properly and effectively manage the BCP system on a regular basis.

Risks faced by Samsung Life (as of September 2012)

Insurance risk	Exposure KRW 2,999.5 billion (risk-based capital (RBC) system)	Potential losses resulting from a discrepancy between the expected risk rate and the actual occurrence rate, as well as differences between the expected claims paid and the maximum amount of actual payments for the coming year
Interest rate risk	Exposure KRW 114,015.2 billion (RBC system)	The potential loss from a discrepancy in the value of assets and liabilities due to adverse fluctuations in interest rates (asset liability management risk)[1] ALM(Asset Liability Management) Risk1)
Credit risk	Exposure KRW 152,822.1 billion (RBC system)	The potential loss arising from an obligor's inability or unwillingness to meet its obligation of paying the principal on a loan or interest to the company
Market risk	Exposure KRW 21, 767.7 billion (RBC system)	An RBC system divides market risks into general market risks[2] and variable annuity guarantee[3] risks
Liquidity risk	Liquidity ratio: 283.84%	The potential inability to meet all payment obligations when they become due as a result of a discrepancy in asset-liability management or an unexpected insufficiency in cash flow
Operational risk	Exposure KRW 307,055.5 billion (RBC system)	A potential direct/indirect loss resulting from inadequate or failed internal processes, people, and/or systems, or from external events

*1) Asset Liability Management (ALM): the practice of managing risks that arise due to mis matches between a company's assets and liabilities (debts and assets)

*2) A general market risk refers to the potential loss arising from adverse fluctuations in interest rates, foreign currencies, equity and commodity prices, and their level of volatility

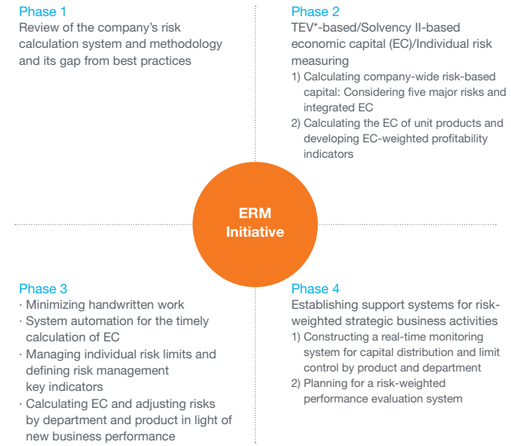
*3) Variable annuity guarantee risk refers to the potential loss in the value of the company's variable annuity insurance products arising from adverse fluctuations in the market value of investment assets

What kind of risk management process does Samsung Life run to more effectively manage risks?

Establishing an ERM system

Samsung Life is phasing in an enterprise risk management (ERM) system in order to strengthen its management of risks related to economic capital. Based on Samsung Life's actual risks, we reviewed the gap between our risk management practices and best practices to determine the appropriate level for our capital position. We also formed an integrated decision-making system within the given risk limit, and a risk policy to ensure stable risk management and public relations management as a publicly traded company. In addition, we are working to establish a work process and infrastructure that meet the highest global standards. Since 2011, we have worked tirelessly on these matters through a task force team that completed the second phase of the project (calculating risks) in November 2012.

*TEV(Traditional Embedded Value): Present value of projected future distributable profits at risk-adjusted discount rate



INPUT

What kind of risk management organization does Samsung Life operate to keep risks in control more effectively?

Risk management organization

At Samsung Life, the BOD runs the Risk Management Committee as the top decision-making group governing company-wide risk management practices. The Risk Management Committee's mandate is to establish risk management regulations, develop risk management procedures, set risk tolerance and guidelines by type, and monitor and manage our risk limits. For the efficient management of different risks, the committee also operates subcommittees that include the Insurance Risk Management Committee, Asset Risk Management Committee, Crisis Management Committee, Product Committee, Investment Committee, and Loan Committee.

Samsung Life also has risk management departments on company-wide and division levels to support the Risk Management Committee and implement risk management policies in the field. The company-wide risk management department is independent from other operational departments and is under the direct command of the CEO, overseeing general, company-wide risk management that includes insurance, interest, credit, market, liquidity, and operational risks. The division-level risk management departments serve each appropriate operational department by risk type. With the insurance risk management team, it supports the product development department and the insurance review department, while the asset management division oversees the financial review team and the retail finance risk management team.

Major functions of risk organization



INPUT

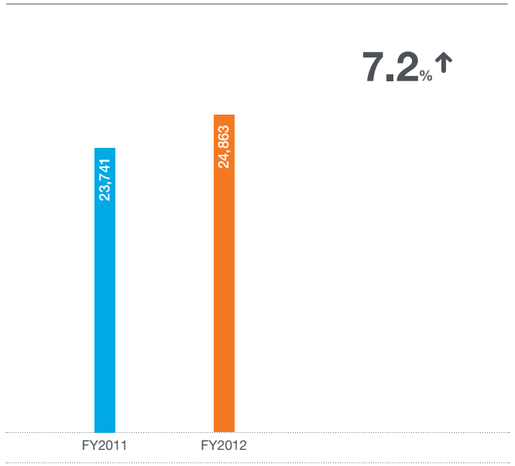
04. Financial Highlights

Achieving growth through customer-oriented management practices

Through firmly established customer-oriented management practices, Samsung Life was able to generate KRW 30,755.5 billion in premiums income in FY 2012. Excluding corporate pensions and other retirement plans, the figure stood at KRW 27,312.2 billion, up 38.7 percent from the previous year.
As a result of our customer-oriented management practices, our embedded value (EV) amounted to KRW 24,863.0 billion (KRW 124,315 per share), up 7.2 percent year on year, as of the end of March 2013.

* Embedded Value (EV): the present value of future profits plus adjusted net asset value

EV (Embedded Value) (Unit: KRW billion)



FY 2012 Business Results

Coupled with the strong growth in protection products, the rapid growth in demand for pension plans by retirees pushed up the overall APE to 35.7 percent. Backed by high growth in profitable products, such as protection and pension plans, we realized unrivaled performance results for the year. Net income for the period saw positive growth despite challenging market conditions, which arose partly because of a decline of 140 basis points in 10-year Korean Treasury Bond rates over the past two years. In FY 2012, net income stood at KRW 984.3 billion, up 3.8 percent year on year. Due to this stable level of profitability, Samsung Life has maintained the highest shareholder value in the Korean financial sector for the past three years. Through timely cash dividends and buybacks, our unparalleled shareholder return ratio, which has remained at over 60 percent since our IPO, speaks volumes about our commitment to shareholder value and is backed by the industry's highest solvency margin.

Sub-committees

		FY 2012	FY 2011	Change %
I/S Summary	Premium Income	30,755	22,864	34.5%
	APE	5,299	3,905	35.7%
	Net Income	984	948	3.8%
B/S Summary	Total Assets	186,039	161,072	15.5%
	Invested Assets	150,667	130,272	15.7%
	Shareholder Equity	21,730	18,113	20.0%
	RBC Ratio	408	386%	22%p
EV Summary	EV	24,863	23,741	7.2%
	New Business Value	1,148	1,080	6.3%
	New Business Margin	21.7%	27.7%	-6.0%p

Interview



Jang Hyun Jin
Head of Equity Operations Division
Hana USB Asset Management

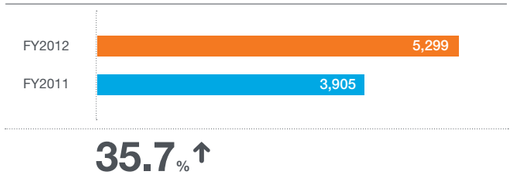
Realizing sustainable growth through strategic channel management and asset management policies

As an investor, I think Samsung Life is a sound investment for its unrivaled market dominance, brand reputation and extensive customer base. That being said, I would like to suggest that the company keep two things in mind so that it continues to grow in an environment featuring low interest rates and a low-growth market. First, it should come up with an effective plan to strategically manage its diverse channels. While it successfully expanded its exclusive channels and diversified its sales channels in 2012, it should now come up with an effective way to enhance efficiency and customer loyalty for each type of channel. Second, the company should devise a more comprehensive asset management policy that includes a risk management system. As low interest rates are here to stay for the time being, the company needs to conceive of new AUM plans and monitor its performance in order to maintain an appropriate yield on its investments. By timely addressing these two issues in line with its business strategies for sustainable growth, Samsung Life will be able to further enhance its reputation and make itself a more attractive investment target for investors.

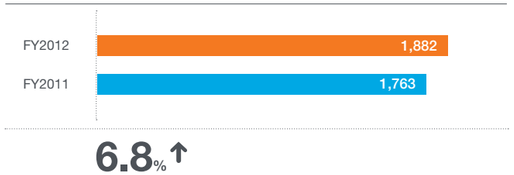
New Business & Product APE

Samsung Life's annual premium equivalent (APE) for FY 2012 was KRW 5,298.7 billion, 35.7 percent higher than the previous year. By product, new business APE for the most profitable protection plans grew by 6.8 percent year on year, reaching KRW 1,882.0 billion, and exceeding the 5 percent growth target initially set at the beginning of the year. The second highest profitable product was pension plans, of which APE increased by 32.7 percent, reaching KRW 193.8 billion (monthly average), due to expanding market demand for pension plans as baby boomers started retiring. As for new business APE with savings plans, its contribution to the overall new business volume was insignificant, though it did almost triple, going from KRW 32.5 billion (monthly average) in FY 2011 to KRW 90.9 billion (monthly average) in FY 2012.

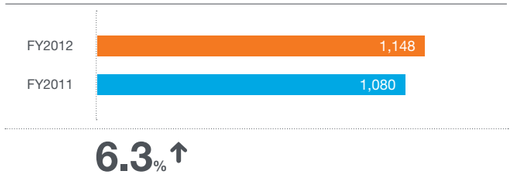
New Business APE (Unit: KRW billion)



Protection Plan New Business APE (Unit: KRW billion)



APE by Product (Monthly Average) (Unit: KRW billion)



Enhancing asset management efficiency and soundness

Total assets, invested assets and RBC ratio

As of March 2013, Samsung Life's total assets grew 15.5 percent, to KRW 186 trillion year on year, while our investment assets grew 15.7 percent year on year, reaching KRW 151 trillion. The company's risk-based capital (RBC) ratio jumped 22 percentage points year on year, reaching 408 percent by the end of March 2013. This industry leading performance, along with our sound capital position, has given us a substantial competitive edge in Korea's financial markets.

*RBC ratio: an indicator of an insurer's solvency margin as stipulated in the regulation on supervision of insurance business

RBC

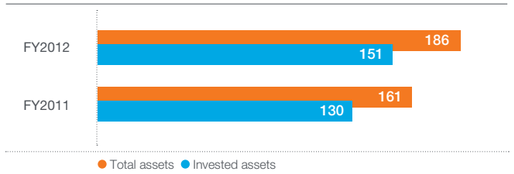
408%

FY2012

Sound investment yields despite low interest rates

Samsung Life adheres to an effective asset liability matching (ALM) investment strategy to ensure the stable operation of policy reserves, while also maximizing shareholder and corporate value. To that end, we keep interest-bearing assets such as bonds and loans at 80 percent of our overall investment assets. Recently, despite low interest rate trends, our investment yields have remained at 5 percent thanks to our consistent efforts to ensure higher returns, such as increasing the percentage of low-risk investments with high returns that include public and corporate bonds, MBS and policy loans. In FY 2013, we will continue to invest in high return interest-bearing assets as we expand our timely investments in equities, real estate and private equity.

Asset Growth (Unit: KRW trillion)



Investment Asset Portfolio & Yield (Unit: KRW trillion, %)

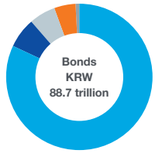
FY2012 Investment asset profit percentage: 4.3 %
FY2012 Adjusted invested asset profit percentage: 5.1 %



Bonds	89	Real estate	6
Loans	25	Beneficiary certificates	5
Equities	21	Cash & deposits	5

*Adjusted invested asset profit percentage: invested assets excluding profit/loss from evaluation on available-for-sale securities

Bond Portfolio by Credit Rating (Unit: KRW trillion, %)



	72.7		4.0
	6.0		0.7
	5.3		

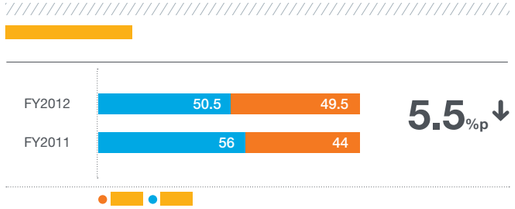
Debt restructuring through improved long-term reverse margin

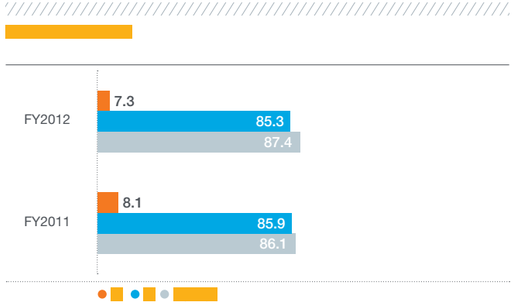
Since we pegged the interest rates on our products to market interest rates in 2001, the portion of fixed rate policy reserves has continued to shrink every year. This figure sharply declined from 56 percent in FY 2011 to 50.5 percent in FY 2012 as a result of the rapid sales growth in immediate annuities. In FY 2013, we expect the figure to dip under 50 percent. Immediate annuities are long-term policy plans that remain in place for at least 10 years, though their interest rates change on a monthly basis, with the new interest rates applicable to both new and existing businesses. We believe that the rapid growth in immediate annuity sales and single premium products will contribute to improving our reverse margin in the long run.

Increasing socially responsible investments (SRI)

Samsung Life is continually mobilizing its diversified and advanced financial engineering skills to meet the varied financial needs of our customers. In fact, our extensive financial services include build-transfer-operate (BTO) and built-transfer-lease (BTL) as SOC financing means through the private sector, fundraising for power plant construction and operation, LBO* financing for M&As, real estate financing, asset-backed securities (ABS), and asset-backed loans (ABL). Today, 94 percent of our SOC investments go to building roads, railways, ports, sewage facilities, schools and military facilities. We also maintain our portion of project financing to SMEs versus large corporations at a ratio of 6.5:3.5.

*Leveraged buyouts (LBO): any acquisition of a company where the purchase price is financed through a combination of equity and debt, and in which the cash flows or assets of the target are used to secure and repay the debt.
*Asset-backed securities (ABS): securities whose value is derived from and collateralized by a special pool of underlying assets





Samsung Life SOC Investment Portfolio by Industry (Unit: %)



Roads, railways, ports (BTO)	49.4
Sewage facilities, schools, military facilities (BTL)	44.6
Power plants, energy processing facilities	6.0

Samsung Life Investment Portfolio (Unit: %)

	Large Corporations	SMEs	Total
SOC	0.6	37.8	38.5
Real estate development PF	0.0	19.0	19.0
Loans that make use of offices as collateral	29.2	1.8	31.0
Others	5.5	6.0	11.5
Total	35.3	64.7	100.0

*As of the end of December 2012

1

Increasing CUSTOMER Values

1.1 Developing CUSTOMER-oriented products
1.2 Perfect selling practices of products that CUSTOMERS need
1.3 Enhancing CUSTOMER value

KRW **156.8** billion
Protection-type APE
(monthly average, FY 2012)

KRW **193.8** billion
Protection-type APE
(monthly average, FY 2012)

KRW **90.9** billion
Savings-type APE
(monthly average, FY 2012)

Developing CUSTOMER-oriented products 1-1

OUR APPROACH

Samsung Life offers diverse products that are not only tailored to specific customer needs, but also to benefiting society. Over the years, we have increased the percentage of whole life insurance plans in our protection-type portfolio, while reinforcing the competitiveness of our specialized products that have lower premiums. At the same time, we have introduced several socially responsible products, notably those for low-income people and the disabled

OUR EFFORTS

Developing customer-oriented products
Introducing insurance plans that are customized to people's specific stage of life
Supplying socially responsible insurance plans that also benefit society
Developing products that are customized to the needs of elderly people

OUR EFFORT 1. Developing customer-oriented products

Samsung Life has established a meticulously organized customer relationship management (CRM) system that encompasses the entire insurance product process, from the initial stages of product development to aftersales feedback. Ever since we adopted an advanced product development process in 2002, we have been committed to developing products that meet the needs of both customers and society. More recently, we have consolidated our marketing and product development activities to ensure we have an advantage in emerging markets such as retirees and the affluent. In the future, we will further reinforce our customer-oriented product development process so they seamlessly fall in line with our customer-oriented management practices.

Product Development Process

1 Market Opportunity Analysis
- Generating ideas for new products (collaboration among departments in charge of the product/marketing/sales channels)
- Reviewing target markets and customers in line with strategies

2 Feasibility Studies
- Specification of products: developing and fine-tuning product concepts
- Pre-commercialization studies: feasibility review, risk factors, risk ratio statistics, possibility of authorization

3 Feasibility Tests
- Planning each product structure and testing the product concept
- Reviewing product development and revisions by related department
- Testing each concept to verify its marketability

4 Commercialization
- Developing marketing strategies and anticipating sales volume
- Listing business cases
- Product Committee consultation: final review of products and associated risks from customers' point of view

5 Strategy Review
- Finalizing the product development/renewal proposal (in terms of risks and products)

6 Internal & External Approval
- Approval by the CEO: product development
- Paperwork completed and preparation for the licensing of products by the relevant authorities
- License acquisition

7 Preparation for Launch
- Preparation for launch and launch planning
- Checking potential legal risks and compliance risks during the preparation of all related materials

8 Final Review Prior to Launch
- Distributing training materials/customer promotion materials/marketing materials
- Ensuring proper training on the new product has been provided to customer service staff

9 Launch
- Approval for the launch: go-ahead given for the launch
- Launch: notification of established regulations

10 Performance Review & Feedback
- Marketing performance (sales) analysis and operational results (profit/loss, risks) analysis
- Checking for shortcomings or what needs improvement by the Product Committee for changes to the conditions of sale or possible termination of sale





Combination Universal Whole Life Insurance Plan 2.0 (non-participating):
Flexible planning of benefits depending on the different needs of a customer and their respective stage of life

Perfect Combination Life Insurance Plan I 2.0 (non-participating)
Whole life insurance plans with living benefits rider for CI/LTC*
*LTC: long-term care

Perfect Combination Life Insurance Plan II 2.0 (non-participating)
Floating interest rate/80-year term life insurance

OUR EFFORT 2. Introducing insurance plans that are customized to each customer's specific stage of life

Samsung Life offers a variety of products and services to best serve customer needs. In 2011 and 2012, we adhered to our strategic focus on maintaining a protection-type product portfolio, especially with respect to whole life insurance plan products, to secure adequate coverage planning. In addition, we reinforced our product competitiveness with insurance plans featuring lower premiums and special products, which resulted in outstanding new business performance. In the future, we will continue to develop high-value products and services for our customers.

Whole life insurance plans: Lifetime coverage
Whole life insurance plans offer lifetime coverage, with death benefits, regardless of the cause of death or one's age of death. With an aging Korean society giving rise to concerns over preparing for retirement, we launched our Top-Class Variable Universal Whole Life plan, as it caters to the different needs and incomes of customers, while contributing to higher customer value. At the same time, we have expanded the coverage period of critical illnesses such as cancers, cerebral concussions, and cardiac diseases for customers up to 100 years old. Some of our other products that are tailored to different groups of customers include Women's Happy Life Annuity (for females) and Bravo 7080 Annuity (for retirees).

Combination life insurance: Insuring the whole family under a single policy
With flexible benefits that cover people from childbirth to retirement, this product plan offers comprehensive insurance coverage for every family member.

What kind of R&D process does Samsung Life make use of to ensure better products? INPUT

Product R&D and Support for Future Growth Engines
Samsung Life established a future/overseas product line to secure future growth engines. Its R&D activities are supported by a number of information exchange activities, such as seminars exploring the market-sensing process to timely read and respond to market trends through research on leading international insurers. In addition, we closely collaborate with our global partners on product development and review their operational strategies through various international exchange activities.

A Creative Challenge for more innovative products
As part of our commitment to developing more innovative, customer-oriented products, we ran a Creative Challenge competition from April to May of 2012 to systematically gather some of the thoughts and opinions of our internal stakeholders on new product development and work efficiency.

SLI's Retirement Research Center: Where infrastructure is playing a leading role in the retirement insurance plan market
Samsung Life is proud to contribute to Korea's social safety net through its various research, education, promotion and policy-building initiatives as the country prepares for an aging society. In particular, our Retirement Research Center plays a pivotal role in our financial and non-financial research activities to develop and promote an advanced retirement planning model that is customized to the special needs of the Korean market. It is also engaged in a number of customer promotion campaigns to raise public awareness about retirement planning. In collaboration with Seoul National University's Translational Gerontology and Retirement Research Center, the center helped empirically measure Koreans' preparedness for retirement, after which we developed the Samsung Life Retirement Readiness Index. This center also runs an interactive portal site dedicated to retirement planning. Partnering with the press and academia, the center hosts a variety of lectures, seminars, forums and expos to enlighten the public about the importance of properly preparing for retirement. Furthermore, the center also hosts lectures on retirement planning to retirees and those soon to be retired, publishes a magazine called Retirement Journal and the *Samsung Life Retirement White Papers*, both of which provide a wide range of information on retirement and retirement planning. In addition, the center is also active in national policy-building activities, making suggestions to deal with relevant social issues and seeking solutions to raise the role of life insurers in the retirement market.





Baby Angel Insurance clauses
Delivering Hope & Love Insurance clauses

Delivering Hope & Love Insurance performance (as of Dec. 2012)

4,753

No. of beneficiaries

KRW 4.4 billion

Accumulated sales as of Dec. 2008
(based on premiums written)

Gomduri Comprehensive Coverage Insurance performance (as of Dec. 2012)

6,314

No. of policyholders

KRW 19.9 billion

Accumulated sales as of Feb. 2001
(based on premiums written)

In September 2008, we became the first Korean life insurer to introduce “perfect combination” plans, which bring together whole life, critical illness (CI), and medical indemnity plans under a single insurance policy. As of the end of December 2012, more than 2.1 million of these plans had been sold.

Health/CI insurance: Risk protection
Our health/CI insurance plans offer a comprehensive lifetime of benefits, covering hospital bills, operations, therapeutic expenses, long-term care expenses and other benefits when someone is diagnosed with a critical illness such as cancer, cerebral concussion, cardiac disease, or liver disease. With respect to critical illnesses, policyholders can benefit from the same plan on two separate occasions for the same disease. Specific plans include Top-Class Variable Universal CI Whole Life 2.0 (non-participating), a merit-allotted variable insurance plan, and Perfect Up Combination 2.0 (non-participating), a floating rate-based plan.
Universal Living Care Whole Life 2.0 (non-participating) protects the whole family from risks throughout life, with three major forms of coverage: family benefits, living needs benefits, and medical indemnities. This single product also comes with a universal life insurance feature that allows people to draw their claims before the policy matures on top of an additional premiums payment. My Kids Coverage Insurance 1.0 (non-participating) protects children from potential risks they may face at each stage of their growth, from conception to adulthood.

EFFORT 3. Supplying socially responsible insurance plans that also benefit society

Products for underprivileged children
The Delivering Hope & Love Insurance plan is a special program exclusively for underprivileged children and serves as one of our microinsurance projects organized by Smile Micro Bank. By tapping into dormant claims, the product offers coverage to beneficiaries free of any premiums. Starting with 131 cases when launched in December 2008, the number of new businesses has gone from 1,145 in 2009 to 1,037 in 2010 and up to 1,327 in 2011.

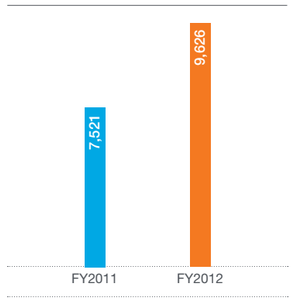
Products for the disabled
Samsung Life introduced its Gomduri Comprehensive Coverage Insurance plan especially for disabled customers to help protect them from risks associated with accidents, damages, and diseases at competitive premiums over general plans. As of December 2012, the premium income from this plan amounted to KRW 19.9 billion, with a total of 6,314 policyholders.

Socially responsible products
Samsung Life is a proud sponsor of the Sesalmaeul program, through which it proactively addresses social issues related to Korea’s low birth rate and provides support for childcare. We also offer a plan called Baby Angel Insurance for newborns through the Sesalmaeul program. This product covers the beneficiary’s entire labor expenses, as well as any necessary operations and other hospital bills until the child reaches three years of age.



SLI Retirement Research Center

Retirement Pension Funds (Unit: KRW billion)



OUR EFFORT 4. Developing products customized to the needs of seniors

Grouping our customers in their 40s and 50s as retirees-to-be and those over 60 as retirees, we segment them into yet smaller groups based on their financial situation so that we can offer customer services tailored to their specific needs. In addition, we are enhancing our product competitiveness in the retirement market by developing new investment vehicles and new guarantee options for variable insurance products.

To start, we diversified our variable pension funds portfolio and developed new guarantee options. We then diversified premium payment methods and segmented product offerings by customer group, while developing new and independent retirement accounts (IRA) that come with an annuity rider. Finally, we increased the portion of long-term investments in riskless assets and discovered new and profitable investment targets, reinforcing our overall investment competencies.

In cooperation with SLI’s Financial Planning (FP) Center, the Retirement Research Center operates a portal system dedicated to retirement planning, providing retirement planning and consulting services for our customers and consultants as well as retirement marketing teams. Furthermore, we are raising our brand power in the retirement market with a new comprehensive retirement service system that combines non-financial services such as health and life care services with the asset management services.

PERFORMANCE

Insurance Product Development
Throughout the entire process of product development, we put customer value at the top of our priority list. Also, our socially responsible insurance plans benefit not just customers, but society in a broader context. In FY 2011, we introduced a total of 15 new products, including six protection plans and six annuity plans, two of which were the Beautiful Life Insurance Plan and Baby Angel Insurance. In FY 2012, we launched nine new products, which included specialized plans such as our VVIP UL/VUL Whole Life Insurance Plan and Women’s Happy Life Annuity.

Insurance Product Portfolio by Stage of Life (FY2012)



Growth/Education (Ages 0-24 yrs.)	Career Beginning (Ages 25-34 yrs.)	Family Building (Ages 35-44 yrs.)	Family Expansion (Ages 45-54 yrs.)	Retirement (Over 55 yrs.)
· Kids’ Sarang Coverage · My Kids’ Rich Annuity · My Kids’ Variable Annuity · My Kids’ Variable Education	· New Ace Savings · New Ace Variable · Cash Value · Direct Savings/e-Savings · Direct Whole Life/Annuity · Annuity Savings Gold Annuity	· Top Class VUL/VULCI Whole Life · Perfect Combination Life Ⅰ/Ⅱ · Centenarian Sarang Coverage · VIP Term Life · Smart Up Variable Annuity · Platinum Smart Up Variable Annuity	· VVIP UL/VUL Whole Life · SLI Annuity · Platinum Annuity · Top Class Variable Annuity · New Platinum Variable Annuity	· Power Immediate Annuity · Bravo 7080 Annuity · Happy Life for Women Insurance Plan · Beautiful Life Insurance Plan

KRW 5.3 trillion
New Business APE (FY2012)

KRW 1.1 trillion
Value of New Businesses (FY2012)

0.21 %
Mis-selling ratio (FY2012)

Perfect selling practices of products that CUSTOMERS need 1-2

OUR APPROACH

Samsung Life pursues customer-oriented management practices. As a reliable life partner to our customers, we are committed to providing the highest quality of products and services. In line with this, we have revamped all our insurance policy-related procedures to make them more customer-oriented. Specifically, we have enhanced customer convenience with all our procedures, ranging from policy underwriting to developing sales channels with higher customer accessibility, while at the same time developing differentiated products and services with higher customer value.

OUR EFFORTS

Diversifying channels
Improving the underwriting process
Minimizing mis-selling practices
Increasing new business underwriting

Major Responses

AM (Agency Marketing)
Increasing corporate and tax account branch start-ups, promoting free competition growth system, reshuffling older staff members

GFC (Group Financial Consultants)
Building competencies of new consultants, developing new products such as specialized annuities for office workers

BA (Bancassurance)
Strengthening our sales force, establishing a seller history management system

GA (General Agency)
Continuing to improve the GA-exclusive system, alliances with small GAs showing sound performance results, raising the working rate of mileage-based life insurance plans, preventing sales risks to improve overall market health

OUR EFFORT 1. Diversifying channels to increase customer contact points

Diversifying channels for growth
Samsung Life is strategically diversifying its sales channels from traditional exclusive channels consisting of financial consultants (FC) into non-exclusive channels such as BAs and GAs to ensure sustainable growth, offering differentiated products and services through each channel. Our exclusive channel network is maintaining sustainable growth and is backed by an established organization, while non-exclusive channels are continuing to increase their market power through our competitive edge in products, prices, and core competencies. In fact, we are steadily growing our exclusive channel network through a GFC internship, an AM free competition growth program and our SFA (Samsung Financial Agency), a franchised general agency program. Our non-exclusive channels are also expanding their sales networks and reinforcing product competitiveness by developing variable insurance plans and adding new savings insurance products.
With our GA channels, we have aggressively expanded the number of GA alliances from 231 in 2011 to 326 by the end of 2012. Furthermore, we have developed a new system dedicated to GA channels and reinforced our sales support system for branch managers and coaching managers.

*BA (Bancassurance): sales alliance channels with banks and financial institutions
*GFC (Group Financial Consultants): sales channels dedicated to corporate clients and group and corporate client markets
*AM (Agency Marketing): a sales channel consisting of an exclusive corporate agency comprised of representatives who have retired from Samsung Life and employees who have retired as financial consultants at Samsung Life, AM branches of individual agency owners, tax accountant branches, and SFAs
*GA (General Agency): an agent channel comprised of a non-exclusive corporate agency
*SA (Samsung Life Advisors): a channel comprised of experts with bachelor's degrees for marketing aimed at affluent clients and professionals

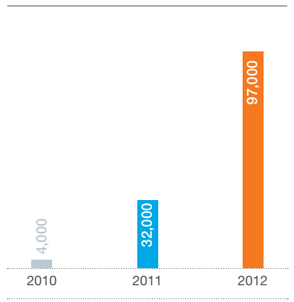
A more professional sales channel
Samsung Life led a paradigm change in the insurance business when it successfully established a university channel that consists of young professional financial experts. By offering university students with insurance/financial consulting internship programs, we turn aspiring young people into financial experts. This also helped transform our sales network from one consisting entirely of female financial consultants into a group of young professional salespeople. Additionally, this program helps us effectively deal with youth unemployment as a responsible corporate citizen.

In May 2007, we set up a taskforce team dedicated to diversifying sales channels and introducing a younger sales force. In March 2008, we opened our first university branch and in 2009 we promoted the task force team so that it was under the direct command of Samsung Life's headquarters. With the university channel continuing to demonstrate a sound performance, the network did not stop growing in 2010 and 2011.



Samsung Life Finance Cafe

No. of subscribers to Samsung Life Finance Cafe Membership (Unit: persons)



Samsung Life Finance Cafe
Samsung Life's Finance Cafe is an innovative lounge where free coffee is served and financial consultants provide visitors with financial consulting services, including insurance planning and retirement planning. Now in its second year, this pilot program received high customer satisfaction, which contributed to the great work financial consultants carried out there. In fact, the average number of monthly visitors to each of these 13 pilot cafes ranged from 20 to 30 people. With each cafe bringing in roughly 20 contracts of new business a month, this innovative concept proved resoundingly successful as a new sales channel.

OUR EFFORT 2 . Improving the underwriting process

Samsung Life has streamlined all the paperwork and procedures involved with taking out an insurance policy in a number of ways, such as establishing an FC hotline and process innovation. We have improved our underwriting procedures by reinforcing our prior advice process so that customers can make an informed decision when taking out an insurance policy. We have also adopted a document recognition system for the application form. In addition, we have improved the Insurance Claims Pooling System (ICPS) process, while providing on-site education to our FCs and employees on guidelines connected to taking out insurance policies and raising the efficiency of our hotline. For customer convenience, we have also established a mobile-based process when obtaining customer consent for insurance planning services.

What has Samsung Life done to ensure a better product sales process? INPUT

Establishing the right infrastructure for sales channels
Samsung Life is reinforcing its HRM and education system to strengthen its sales channel network. At the same time, we have established an effective infrastructure that includes a digital platform. On top of running a consultant training center and certificate program, we encourage our FCs to improve their competencies through our in-house and outsourced education programs and seminars, as well as various other competency-building programs. Furthermore, we put a great deal of thought into the emotional management of our FCs through such programs as our GFC Family Day event and special rewards for AM representatives who have excellent performance results. We also have incentives for branch managers. For instance, newly appointed branch managers are given advantageous points in their first-year merit ratings and are guaranteed to work a set term.

Tapping into the Korea's advanced wireless communication infrastructure, we have developed an exclusive system that allows on-the-spot handling of customer service and new business contracts for FCs. Built on Samsung's latest tablet PC, the Galaxy Note 10.1, the system facilitates FCs with their marketing activities wherever they may be. By eliminating unnecessary paperwork, the tablet-based procedure of signing up new business also reduces our carbon emissions. We plan on gradually phasing in digital signature application procedures company-wide, with the aim to raise the digital signature rate up to 50 percent by June 2013.

Tablet-based electronic application for insurance policies



Digital signature rates (Unit: %)

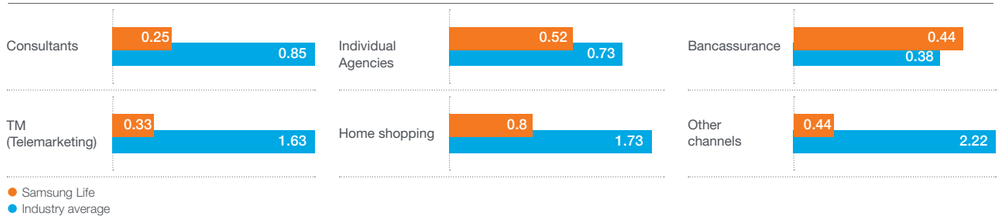
		Oct. 2012	Dec. 2012	June 2013 (target)
Individual Insurance Business Division	Others	26	30	50
Strategic Channel Division	AM/GFC	12	20	30
	SA	34	40	60

*Target will be raised when the Korean Commercial Act is revised to increase the scope of digital signature-based contracting



Samsung Life upholds perfect selling practices.

Mis-selling rate (FY2011) (Unit: %)



*Mis-selling rate (%): (warranty rescission + complaint-driven rescission + invalidity) No. of cases/No. of new contracts
*The industry average mis-selling rate is based on figures disclosed by the Korea Life Insurance Association (KLIA).

OUR EFFORT 3. **Minimizing mis-selling practices**

In order to minimize mis-selling practices, Samsung Life monitors new business selling and educates FCs on how to prevent mis-selling. Additionally, we have instituted preventive policies, internal regulations and behavioral guidelines to prevent risks associated with our sales practices. Other systems to prevent losses from mis-selling include our Service Call program, a seller's certificate program and dispatching compliance managers to front offices, while of course vigilantly monitoring monthly mis-selling practices.

- Monitoring monthly mis-selling practices by department
- Monthly check-ups and education programs for FCs
- Special education for regional divisions with a high mis-selling rate

OUR EFFORT 4. **Increasing new business underwriting**

Samsung Life is developing special coverage insurance plans for customers who have diabetes and/or high blood pressure, as these people have been left out of traditional protection-type insurance products in the past.

More options for those with chronic diseases
Samsung Life is continuously easing the restrictions for people who have been diagnosed with a disease to take out an insurance policy. We have already made it easier for people who have thyroid gland cancer and circulatory diseases, including the cardiac and blood vessel diseases, to take out an insurance policy. Recently, we have been accepting customers with 10 major geriatric diseases, including high blood pressure and diabetes, and those diagnosed with minor angina and myocardial infarction. In the future, we plan to further ease up on medical qualifications for our policy application through extensive analysis of customer needs.

Easing up on qualifications for living benefit policies and indemnity
Samsung Life is loosening the restrictions on living benefit policies so that customers have more opportunities to take out insurance plans. In particular, we have raised the limit on our cancer diagnosis rider from KRW 30 million to KRW 50 million, while also expanding the limit on the hospitalization rider and easing up on the criteria for disqualification of indemnity so that customers working in dangerous jobs can also take out insurance policies. At the same time, we have improved our occupational risk classification and grading criteria to lessen the number of restrictions when applying for an insurance policy. As we move forward, we plan to further increase people's chances of taking out an insurance plan by adopting advanced underwriting techniques for healthy customers.



Value of New Business (Unit: KRW billion)



PERFORMANCE

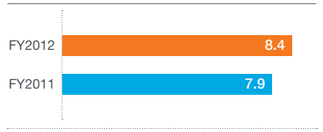
New Business Value
Samsung Life continues to enhance the its new business value by providing sufficient information to customers, while diversifying its online and off-line customer communication channels. As of FY 2011, our new business value amounted to KRW 1,080.0 billion, up 5.8 percent from the previous year.

New Business Performance
Our customer-oriented process innovation in underwriting and balanced growth with our sales channels led to an increase in new business. In FY 2011, our APE for new business stood at KRW 3,904.9 billion. Our exclusive channels, a strategic medium for highly profitable coverage insurance, had an APE of KRW 2,901.6 billion, a year-on-year growth of 7.4 percent. This sound growth can be attributed to the qualitative and quantitative growth in the organization of our consultants. In fact, the number of our FCs grew by 2,156 people from the previous year, bringing the total number of FCs to 31,934, with per capita NB performance improving 10 percent year on year and reaching KRW 7.8 million.

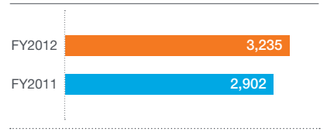
Although non-exclusive channels like GAs and bancassurance had relatively weak performance results, in total these channels experienced 21.7 percent year-on-year growth in terms of new business APE, which stood at KRW 1,002.5 billion, significantly raising their contribution to overall new business performance. This was the result of our continued efforts to maximize sales of annuities through GAs and bancassurance and to achieve a balanced growth in sales through exclusive and non-exclusive channels as well as in sales of coverage plans and annuity plans.

*Annualized Premium Equivalent (APE): a measure used for cost comparison by determining what the price would be if payments were made only once a year
*Value of New Business (VNB): a measure of the economic value of profits expected to emerge from new business

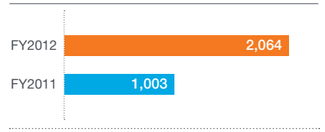
Monthly average APE per FC (Unit: KRW million)



Exclusive channels' APE (Unit: KRW billion)



Non-exclusive channels' APE (Unit: KRW billion)



Mis-selling Rate (Unit: %)

Channel	FY2011	FY2010	FY2009
Financial Consultants	0.21	0.25	0.32
Individual Agencies	0.26	0.52	0.56

Mis-selling Rate
A higher mis-selling rate can lead to complaints, legal action, damage to professional reputations and mandatory regulations, ultimately costing a company a great deal. In order to minimize the mis-selling rate, the Compliance Office monitors all branches with a higher than 50 percent mis-selling rate so as to preemptively prevent related risks. As a result, Samsung Life's mis-selling rate has continued to improve at all our sales channels, including FCs and individual agencies, cutting down on the potential costs associated with countermeasures. A lower mis-selling rate also helps protect consumer rights and raise customers' trust of insurance companies.

58,240 viewers
No. of visitors to the Samsung Life Blog (monthly average)

87.4 %
13th month persistency rate (FY2012)

51.8 %
Rate of claims payment within 24 hours (Dec. 2012)

NO.1 (9th straight year)
National Customer Satisfaction Index (NCSI): Life insurance industry (2012)

Enhancing CUSTOMER value 1-3

OUR APPROACH

Samsung Life's customer-oriented management goes beyond providing the best possible products and services. We listen to what people have to say through active two-way communication channels and strive for higher customer convenience with faster, more accurate claims payment procedures. At the same time, we seek the most efficient means of management with customer assets to maximize customer value, while constantly increasing our socially responsible investments. Through these efforts and more, Samsung Life is paying customers back for their unwavering trust in the company.

OUR EFFORTS

Improving claims payment services
Active communication with customers
Customer satisfaction activities

OUR EFFORT 1. Improving claims payment services

Claims payments represent the ultimate goal of insurance services. As a highly trusted insurer, we always carry out our pledge to customers by paying out claims quickly and conveniently. Unfortunately, in the past Samsung Life was known by some customers as a company with complicated procedures in place for filing claims, paying out claims slowly, and offering little to no aftercare services. After closely studying these observations, we completely revamped our claims payment procedures, from filing claims and claims adjustments to payments and follow-ups, which greatly enhanced customer convenience.

Convenient claims filing procedures

In order to make filing claims more convenient, Samsung Life set up a call center dedicated to claims filing (1577-4118) in addition to our existing call center (1588-3114). At the new call center, customers are connected directly to one of 120 tellers who deal exclusively with claims payment services, and this has significantly reduced the wait time on the phone. Another convenient channel for filing claims is through our FCs, who visit customers in person and gather the required documents for dealing with the entire procedure by proxy.

Quick claims payments

For faster, more accurate claims adjustments and payment procedures, Samsung Life established an auto remittance system so that now when a filed claim meets all the requirements for auto remittance, the system automatically sends the claims payment to the insured's designated bank account. This system has considerably increased the claims payment rate within 24 hours of filing, contributing to a lighter workload for departments related to claims and payments. In addition, the insured is informed via text message or phone call about the filing, adjustment and payment procedures on a real-time basis.

Differentiated aftercare services

Samsung Life offers differentiated aftercare services to the recipients of survivor benefits. After paying out a claim, we offer the claim recipient with consulting services on how to protect and manage their newly acquired assets. As for recipients of living benefits, they are provided with useful information on treating diseases and healthcare services. We also send text messages to our customers and inform them of useful health information that is customized to their age and health condition. In the future, we will continue to increase the number of customer satisfaction services we provide.

Auto Remittance System for Claims



Expected benefits
1. Reduced workload with the claims process (tellers working at SLI Plaza and claims adjusters)
2. Increased immediate payment rate, with shortened intervals connected to handling claims filing and payments


Young Samsung Life Cafe

Online communication channels (as of Dec. 2012)

58,240
No. of Samsung Life blog viewers (monthly average)

43,719
No. of Samsung Life Twitter followers

56,507
No. of Samsung Life Facebook subscribers

OUR EFFORT 2. Active communication with customers

Online channels for customer communication
Samsung Life provides exceptional customer services on its website by consulting with and offering suggestions to customers, while also highlighting important information for them to lead a more affluent life. In addition to our newsletters, which are customized to the different age groups of our customers, we offer discounts in conjunction with 30 business partners via online channels. We are also active with social media via our corporate blog, Twitter and Facebook. Full of touching stories and useful information, Samsung Life's SNS services are attracting more subscribers and followers every day, and serve as an important online communication channel. Moving forward, we plan to develop new and unique ways of communicating with customers as we enhance customer convenience and provide differentiated digital content.

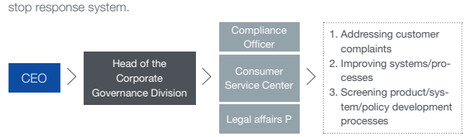
Customer Panels
Samsung Life's customer-oriented management begins with listening to what our customers have to say. In 2004, we became the first Korean financial institution to adopt a customer panel, which ultimately helped to reflect people's thoughts and opinions in our management activities. Consisting of customers insured with Samsung Life, the panel gathers for regular meetings twice a year. In 2011, they compared four major customer contact points (SLI Plaza, call center, FCs and the SLI website) and were then asked about Samsung Life's reputation online. Later, they even got to experience firsthand what it is like to go through the claims payment procedure. Based on these results, we renovated our SLI Plaza, established a call center dedicated to claims payments, separated claims adjusters according to different customer groups, and raised the rate of claims payments made within 24 hours.

Samsung Life Cafe for Young People
In order to reach out to younger people in their 20s and 30s, Samsung Life opened a Young Samsung Life Cafe exclusively for people in this age bracket. The cafe allows young people a glimpse of the insurance business and Samsung Life's brand image. The cafe also serves as an effective communication channel to promote the insurance business to these same men and women, who may be less interested in insurance than those who are older than them. At the cafe, visitors run simulation programs with their life financial planning and can learn more about investment strategies. In addition, they are offered free financial consulting services.

What has Samsung Life done to strengthen customer-oriented management?

INPUT

Exclusive organization for customer-oriented management
To guarantee better organized consumer right protection activities, Samsung Life operates a Consumer Service Center that is under the direct command of the Corporate Governance Division, the control tower of company-wide Jeongdo Management. As the central department dealing with the Consumer Complaints Management System (CCMS), the Consumer Service Center supervises the eight regional CS centers across the nation that handle the voice of the customer (VOC) process and prevent consumer complaints. In 2011, we set up a dedicated VOC team within the main call center to ensure consumer complaints are immediately addressed through a one-stop response system.



VOC and Compliance Education
Samsung Life has all its employees and consultants complete a mandatory CCMS course.

Channel		Education
Online		Mandatory VOC course and compliance for the entire workforce
Offline	Regular course	· Including VOC/compliance course in FC training curriculum · Including VOC/compliance course in Introduction/Promotion courses for employees and manager training courses · Compliance education for financial consultants
	Ad hoc course	· VOC handling and prevention education





Samsung Life's tellers talk to customers with courtesy and respect

OUR EFFORT 3. Customer satisfaction activities

Six customer-oriented services
Samsung Life carries out its customer services through a variety of customer-oriented management campaigns. Our FCs remind their insured customers of their coverage when needed and continually check if they have forgotten to make claims and if their coverage is serving their particular needs. In addition, our FCs check for any alteration to customer information to ensure that their customers are fairly covered, while assisting them with retirement planning as well. Furthermore, they also lend their professional acumen to check if there is no unnecessary overlap in customers' coverage or indemnity.

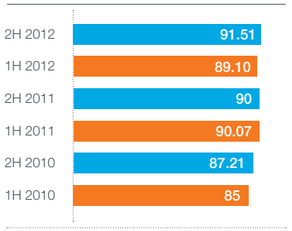
Globally competent customer contact points
Samsung Life has reduced customer inconvenience in policy-related services by removing unnecessary red tape procedures. Today, our customers can rescind coverage or claim their return on premiums by phone. In addition, we call the beneficiaries of annuities to pay their benefits before they make their claim, something no other insurance company in Korea does. We are also constantly training employees who work at our main call center and Customer Plaza to enhance their expertise. In the future, we plan to add more services to increase customer convenience, ensuring the highest level of global competitiveness in our front office operations.

Customer value protection program
Samsung Life runs a communication channel dedicated to promoting customer-oriented management practices company-wide. Centralized through the CS Center (the contact point of customers), the customer value protection program selects top performers from each level of work for online and offline activities. While proactively sharing ideas for customer value protection through online community activities, the program hosts meetings offline to meet monthly thematic goals, such as checking customer service practices through the Customer/Product Strategy Division, discovering new processes for effectively addressing customer complaints, and detecting inefficiency in the work process at front offices.

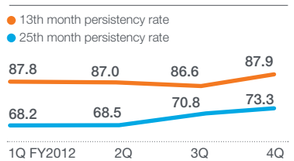
Easy and accessible materials for customers
Insurance product leaflets are important when explaining intangible insurance products to customers. Samsung Life is continuously building upon the language used in company leaflets so that our customers can easily understand the terms of insurance, helping them to fully comprehend the essence of our products. Images such as graphs and pictures assist people so that they better understand our products as well. Furthermore, we have created our own typeface, which goes by the same name as our brand identity, Human, Love. In 2012, we also updated the typeface in 60 product leaflets and product line-up leaflets.

Addressing customer complaints
Samsung Life is constantly increasing customer convenience through tireless innovation at its main call center and Cyber Center. Since 2007, we have realigned all our business activities to become more consumer-oriented by renewing our CCM certificate, which is authorized by the Fair Trade Commission. At the same time, we provide a total of 36 VOC statistics by organization, type and product via our U-VOC System and analyze all daily and monthly data trends to prevent customer complaints in advance.

Customer satisfaction via Happy Call Service (Unit: %)

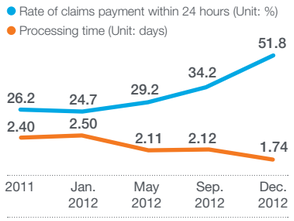


Persistency rate (Unit: %)



*Based on the premium income

Rate of claims payment within 24 hours & processing time (Unit: %)



National Customer Satisfaction Index (NCSI) 2012

No. 1 for 9 straight years

PERFORMANCE

Persistency Rate
An insurance company's persistency rate is the source of profit/loss and also serves as the measurement of customers' trust in the company. Since it launched the 857 Efficiency Innovation campaign in May 1999, Samsung Life has raised company-wide awareness concerning efficiency. In 2011, we upgraded this campaign, calling it Persistency Rate 9080 Strategy. As a result, the 13th month persistency rate for the fourth quarter of FY 2011 stood at 87.9 percent, a figure very close to leading insurers around the world.

*The 857 Efficiency Innovation campaign was aiming at an 88 percent persistency rate, 55 percent in consultants' retention rate, and KRW 700,000 in productivity per FC. To attain these goals, the campaign involved various management efficiency drives, such as systematic training of FCs, differentiated customer services, and enhanced product competitiveness.

Rate of claims payment within 24 hours and processing time
Samsung Life understands the inherent value of the insurance business by honoring its pledge to customers through fast and accurate claims adjustments and payments. In particular, we have developed an auto remittance system for the fast payment of claims. As a result, the rate of claims payments within 24 hours rose from 26.2 percent in 2011 to 51.7 percent by December 2012, and processing time also went from 2.40 days to 1.74 days in that same period.

Customer Satisfaction Index
In 2012, Samsung Life ranked first in Korea's National Customer Satisfaction Index for the ninth year in a row as a result of the company's consistent efforts towards customer-oriented insurance transaction services and differentiated customer services. We have raised customer satisfaction by offering differentiated services based on the different needs of customers. Consequently, our customer satisfaction scores have continued to rise since 2010. As we move forward, we will increase our efforts to maximize customer satisfaction with our customer-oriented management practices.

*National Customer Satisfaction Index (NCSI): developed jointly by the Korea Productivity Center and the University of Michigan, the NCSI is an index of customer satisfaction with products and services provided by listed Korean companies

What has Samsung Life done to establish a better product sales process?

INPUT

Higher customer response services through a smart CRM system
Samsung Life makes use of advanced IT technology for higher customer service through its Customer Relationship Management (CRM) system. Called Smart CRM, this mobile-based platform allows FCs to log on to the company's CRM System via mobile devices like smartphones and tablets. This gives FCs the freedom while out in the field to log on to the CRM system and retrieve customer and market information, and to access customized information on the particular needs of customers by age, regional background or interests.

Enhanced customer satisfaction through heightened customer privacy
Protecting customer information is an integral part of financial operations. After Korea's national Privacy Act went into effect in September 2011, Samsung Life set up an IT Information Security task force within the IT Strategy Team, and which fell under the direct control of the CEO and the appointed Chief Information Security Officer (CISO), completing a dedicated organization for information security. To begin, we encoded all customer information, from individual ID numbers and phone numbers to mailing addresses and e-mail account information. Since then, we have also established an Intrusion Prevention System (IPS) and an Intrusion Detection System (IDS).

*Customer Relationship Management (CRM): a marketing activity to raise customer loyalty and sales profits by identifying/satisfying customer needs based on a scientific analysis of customer information that is built on a trust-based relationship
*Customer privacy protection education: Samsung Life offers advanced education to IT staff on information security and privacy protection

2

Enhancing Corporate Culture

2.1 Integrity is the overarching value in all our business activities
2.2 Establishing a more communicative workplace
2.3 Growing as globally competent financial experts
2.4 Generous compensation based on fair evaluations



17,472 persons

No. of trainees attending integrity training sessions (total man-days, 2012)

354 sessions

No. of integrity training sessions (2012)

Integrity is the overarching value in all our business activities.

2-1

OUR APPROACH

Integrity management is the overarching value of our business philosophy. By implementing integrity management practices in all our business activities, we aim to become a leading global financial company that is differentiated from our competitors.

OUR EFFORTS

Incorporating integrity into our corporate culture
management activities to reinforce job ethics practices
Adopting a compliance program (CP)
Mutual prosperity based on integrity management

Integrity Management Principles

1. We comply with laws and ethical standards.
2. We maintain a clean organizational culture.
3. We respect customers, shareholders and employees.
4. We care for the environment, health, and safety.
5. We are a socially responsible corporate citizen.

OUR EFFORT 1. Incorporating integrity into our corporate culture

Samsung follows a simple business philosophy: devoting our talent and technology to creating superior products and services that contribute to a better society for everybody. To this end, we uphold the spirit of the law and ethics in fulfilling our economic and social responsibilities as a corporate citizen. As a leading financial subsidiary of the Samsung Group, Samsung Life practices business ethics and legal compliance in line with the Group's integrity principles, with our code of ethics explicitly disclosed on our website. In addition, all our suppliers are asked to make written pledges to refrain from irregularities or carry out any violation of integrity principles in their transactions with us. After submitting this pledge, each supplier is advised to assign an officer in charge of compliance with the pledge on their business premises. With the scheduled biennial amendment to our Contract Administration Guidelines approaching, we will soon be adding the following criteria to our guidelines when choosing suppliers: environmental regulations, respect for human rights, labor conditions and workplace safety & health practices.

OUR EFFORT 2. Integrity management activities to reinforce job ethics practices

Integrity Education

Samsung Life supports its employees in raising their work ethics-related consciousness through a number of integrity education programs. Our employee and FC training programs feature an integrity course as the basic mandatory class. Even after they complete this course, employees and FCs have to attend ad hoc training sessions whenever necessary while working at our head office and branch offices. Since 2010, Internet-based courses concerning anti-money laundering and fair trade compliance have also been offered to all Samsung Life employees.

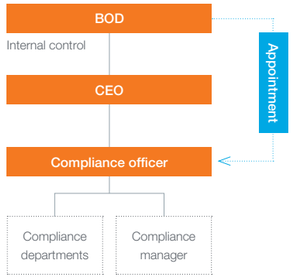
Employee Education System

· Integrity training shall be included in all courses for recently promoted employees
· Managerial courses include an integrity class as a basic course to heighten integrity awareness among branch managers and the directors of regional headquarters.

FC Education System

· Integrity training shall be integrated into the new FC orientation courses and regular courses (four and seven months after registering) for FCs to raise their awareness concerning customer information protection and the prevention of mis-selling

Organization & Regulatory System



Integrity Management Organization

At Samsung Life, we have in place a well-organized compliance and business ethics management system to prevent compliance risks from arising. A total of 48 managerial-level employees at our head office and 94 managerial-level employees at front offices are appointed to take charge of monitoring compliance practices company-wide. In 2011, meetings were held with these compliance officers to articulate their roles and responsibilities, complementing a more autonomous compliance system.

Whistle-blowing

Samsung Life encourages whistle-blowing on any unethical practices so that integrity management practices are well maintained within the organization. People are encouraged to immediately report any irregularities or illegal or unethical practices via our online whistle-blowing channel.

OUR EFFORT 3. Adopting a compliance program (CP)

Checking & Monitoring

Fair competition regulations have become stricter over the past several years in an effort to protect consumers. Regulators now look into any possible cases of unfairness in market competition, while demanding a higher level of business ethics from companies. As a result, fair trade has emerged as another critical risk factor for businesses. In response to this, Samsung Life has established a compliance program (CP) and appointed compliance officers, charging them with the appropriate authority and duties. We have also published compliance manuals to encourage employees to fully abide by all fair trade regulations in their day-to-day business activities. Furthermore, the CEO is well aware of the importance of fair trade practices and reiterates his commitment to comply with fair trade regulations in all business activities. Today, the company conducts regular on-site monitoring of compliance practices at all its sales channels, including the AM, GFC and SA, under its annual inspection plan. In the second half of 2011, we examined about half of the 401 agencies which make up Samsung Life for any unfair competition, legal violation, mis-selling, or irregularities in marketing or solicitation procedures. We also run biannual on-site inspections at all our workplaces for the efficient operation of revenue & spending, maintenance, personnel management and tenant management.

The seven steps of the compliance program

Our CEO's commitment to the compliance program	- From the CEO on down, every employee has to explicitly commit to comply with this program. - Upper management should emphasize their resolve to comply with this program.
Appointment of compliance officer(s)	- Compliance officer(s) are assigned with the binding authority to effectively implement the compliance program. - Executives and high-level managers should be appointed by the BOD.
Publication and distribution of compliance handbooks	- The handbook should be easy to understand and outlines all behavioral guidelines at work. - Case studies should make it perfectly clear what to do and what not to do.
Compliance training program	- Different training should be offered according to one's job function and position. - Disciplinary actions can be mitigated after two hours or more of training.
Internal monitoring system	- An internal monitoring system prevents legal violations and, when possible, provides early detection, which ultimately leads to timely corrections. - Employee performance records should be presented to the BOD at least once every six months.
Disciplinary action on any violation of related regulations	- Punishment and discipline should be administered when related laws or regulations are violated.
Documentation & database operation	- An individual should be assigned to be in charge of documenting the operation of the fair trade compliance program to ensure operations are kept fully up to date. - The efficient and systematic management of such documentation shall be fairly compensated through incentives.

Incentives & Penalties
At Samsung Life, rewards and penalties on integrity management practices are made under clear principles of evaluating and compensating employee performance results. Violations are punished with disciplinary action and according to established disciplinary protocol, encouraging employees to be highly aware of integrity practices. We also apply these same principles to our suppliers in their transactions with us. Any supplier with high number of compliance risks is barred from conducting any transactions with us. Based on our evaluation of their integrity practices, we reward or sanction suppliers according to an established incentive and penalty system. Furthermore, outsourcers who maintain our office buildings are graded based on a Tenant Satisfaction Index (TSI) and are paid according to their grade. Finally, outsourced sales agencies with zero cases of mis-selling are rewarded with incentives such as prizes, cash incentives and long-term contracts with Samsung Life.

OUR EFFORT 4. Mutual prosperity based on integrity management

Samsung Life's suppliers include an outsourced sales network (companies that have the highest impact on our business) and security service/building management service/office supplies providers.

Agencies and outsourced sales network
Our outsourced sales network includes agencies that are the most important suppliers of Samsung Life in terms of their impact on our business. As a result, we keep in check the compliance risks associated with them through regular inspections to ensure their conformity to contracts they have signed based on our annual compliance plans and due diligence with their business practices. With inspections, major issues include mis-selling, conformity to standards regarding insurance guide materials, and any other irregularities or illegal marketing/solicitation procedures in the process of contracting or selling insurance products.

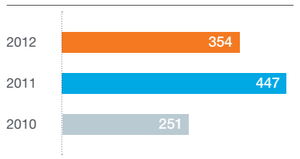
Security service & building management service providers
As for our security service and building management service providers, we define the process of detecting, inspecting and addressing risk factors through a Strategic Invested Property Management (SIPM) plan. In addition to biannual inspections, an integrity pact and a written pledge to comply with our business ethics and compliance program are included as part of transaction regulations with contract businesses to effectively mitigate sustainability risk factors.

Office supplies providers
With companies that provide our office supplies, we have established a process to guarantee transparency in contracting procedures by stipulating mandatory competitive bidding at the end of each procurement contract period. At the same time, we faithfully abide by and honor all terms and conditions for the full duration of a contract period. In addition, we have instituted well-defined Contract Administration Guidelines to easily single out any suppliers with high risk factors. At the same time, we reward or sanction suppliers based on our evaluation of their compliance performance results with contract renewals or sanctions on bidding.

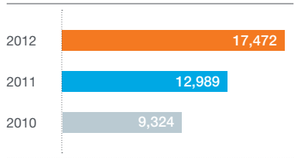
PERFORMANCE

Samsung Life runs integrity education programs to raise employee consciousness with respect to work ethics. Since 2009, we have increased the number of integrity training program sessions and participants. In 2011, we gave a total of 447 training sessions, which 12,989 of our employees attended.

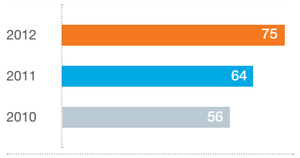
No. of integrity training sessions



No. of integrity training participants



No. of hour of integrity training



* The number of sessions, participants and hours related to integrity training are defined as employees who attended online and/or off-line integrity training sessions.

71.7%
Rate of working more than 12 months after returning from maternity leave (i.e. retention rate) (2012)

89.3%
Rate of employees participating in the company's two-day Communication Camp (2012)

Establishing a more communicative workplace 2-2

OUR APPROACH

Samsung Life pursues two-way communication throughout the organization, an interactive corporate culture where employees can honestly express themselves regardless of their position within the company, as well as inter-department communication and cooperation that leads to more synergies. In addition, trust-based communication between labor and management is helping ensure Samsung Life remains a great workplace for everyone.

OUR EFFORTS

Promoting communication through various channels
Maintaining a happy, healthy workplace
Two-day Communication Camp

Working towards an interactive corporate culture

- A channel for sharing ideas
  Brainstorming through comments made online so as to generate better ideas and solutions to problems
- Productive debates
  Related departments are called to meetings to discuss and resolve current company-wide problems.
- Launch of Life Dream World, the company's own webzine that is designed to serve as an integrated communication portal for everyone at the company
- Company-wide debates among employees on major company issues
- 79 visits to front offices by the CEO and surprise meetings with the CEO

OUR EFFORT 1. Promoting communication through numerous channels

Communication channels
Through open and honest communication, Samsung Life strives to reinforce constructive, trust-based labor-management relations. While promoting a solid partnership and mutual understanding, labor and management cooperate in various ways, such as carrying out joint research to improve working conditions. Before introducing a new policy or implementing changes that could affect working conditions, Samsung Life first consults with its labor union and reflects the opinions of union members in the company's final policy. Furthermore, management takes the labor union's opinions into account on main issues concerning the company's business activities.





Maternity Center

Rate of return after maternity leave

99.5%

OUR EFFORT 2. Establishing a happy, healthy workplace

Maternity protection programs
Samsung Life is playing a proactive role in addressing Korea's low birthrate and in improving working conditions for female employees through the company's maternity protection programs. We have also established three-day paid paternity leaves, a one-hour paid leave per day for new mothers who are breastfeeding their baby, and allow employees to take split maternity leaves. In addition, we have introduced flexible working hours for female employees so they can balance their personal life with work. There is no disadvantage in job security, wage schemes, or career paths associated with these leave programs and flexible working hours. Of particular note is the Maternity Center we opened in October 2011 for better organized maternity protection activities, and which operates on the advice of outside professional counselors and clinical psychologists.

Club Activities
Samsung Life encourages employee club activities as a means to relieve stress. At the moment, there are 146 clubs active at Samsung Life, with 3,551 employees participating in at least one of these clubs. In 2012, the company altered the guidelines regarding club operations, increasing the thematic diversity of clubs and subsidy limits. As a result, new clubs have been added to our ever-growing list, ranging from those that act out non-verbal performances like Nanta to the traditional Korean meditation art of kukseondo. Also, on the anniversary of Samsung Life's foundation every May, we hold a fair so that clubs can promote themselves to employees, while supporting several club festivals throughout the year, such as a company-wide choir competition, as well as baseball, football and basketball competitions.

Safe Workplaces
Samsung Life does its utmost to ensure the safety and health of our employees. To this end, we offer annual check-ups for employees and regular safety & health training. At the same time, we are constantly improving working conditions at all of our workplaces and run various in-house drills and campaigns to help employees achieve a healthier work-life balance. All these efforts have translated into no cases of occupational accidents at Samsung Life for the past three years.

What does Samsung Life do to promote interactive communication throughout the company?

INPUT

Sharing best practices
At Samsung Life, we share best practices company-wide through our Knowledge Management System (KMS) and various other programs.

Knowledge Management System—InforYOU
Samsung Life runs a Knowledge Management System called InforYOU, a database consisting of our business know-how that allows employees to share best practices company-wide. The InforYOU program consists of a Knowledge Map, a CoP (online community of practice), and a Team Room.

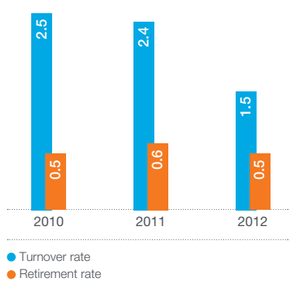
- Knowledge Map: a company-wide knowledge-sharing platform (international benchmarking reports, research reports, educational materials, best practices in each business area, etc.)
- CoP: community of practices by job duty and interest
- Team Room: a team-level site where employees can communicate with one another online

Linking best practices with additional credits
In promotion of best practices within the organization, those who are singled out for their exceptional ideas and CoP activities are given additional credits that can be used towards corporate training programs.

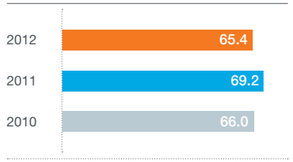
Companywide BP Awards/Knowledge Fair
The Samsung Life BP Awards are held to honor CoPs or teams that have made a significant contribution to increasing the company's performance and success, while our Knowledge Fair is a venue for company-wide sharing of business know-how and best practices.



Turnover rate & retirement rate (Unit: %)



Labor union membership (Unit: %)



PERFORMANCE

Turnover rate & retirement rate
Samsung Life's turnover rate and retirement rate for 2011 stood at 0.6 percent and 2.4 percent, respectively. Compared to the 2.2 percent average turnover rate for Korean financial and insurance businesses in 2011, our figure is quite low, while our retirement rate is also declining every year. In a bid to further lower the turnover and retirement rates, we have adopted a personnel management system that is customized to specific job titles, whether people are working in insurance sales, finance or as office staff, as well as cumulative wage schemes to improve working conditions with more equality in wages.

*The average industrial turnover rate for financial and insurance businesses was based on labor statistics released by the Ministry of Employment and Labor.

Employees on parental leave
Samsung Life ensures maternity protection at work with a wide range of measures to improve employees' work-life balance and guarantee better working conditions for female employees. These measures include split maternity leaves and two more paternity leave days than before. Since 2009, the rate of working more than 12 months after returning from maternity leave has continued to grow, reaching 95.2 percent in 2011.

Maternity leave (Unit: %)

Channel	FY2012	FY2011	FY2010
Rate of maternity leave	6.3	7.2	8.0
Rate of working more than 12 months after returning from maternity leave (i.e. retention rate) (2012)	71.7	95.2	84.8

Labor union membership
At Samsung Life, we believe that cooperative labor-management relations contribute to the sustainable growth of a company and to the job security of its employees. Therefore, we are committed to maintaining a trust-based relationship between labor and management. At present, the company's labor union consists of 3,214 active members. Samsung Life is proud to guarantee the independence of its labor union and consults with the union on all issues related to working conditions and welfare benefits. When adopting new systems or altering policies, the company always consults with the labor union beforehand, positively reflecting their opinions in all final decisions. As a result of this cooperative labor-management relationship based on mutual respect and trust, Samsung Life has remained free of any labor disputes since the labor union's establishment in 1962.

Percentage of employees that attended the two-day Communication Camp

89.3%

ADDITIONAL EFFORT. Two-day Communication Camp

Samsung Life hosted a two-day camp for its entire workforce, from February to October 2012. Based on the firm belief that a communicative corporate culture can facilitate better communication with customers, we have held this event since last year in order to encourage more active communication throughout the organization.

From Vice Chairman Keun-hee Park to new employees, participants are required to abide by certain basic rules. Each group consists of seven members (in proportion to the total workforce age profile). At SLI, the company's workforce consists of employees in three broad age groups, those in their 20s, in their 30s, and those 40 and older, at a ratio of 2:3:2. There is roughly a 50/50 split in terms of men and women in each camp group, with colleagues from at least three different departments or departmental teams represented in each group.

When each camp group is organized, they can go anywhere in the country they want and by any means they choose for two days at the company's expense. Group members can pick up supplies by using gift certificates that are redeemable at traditional markets. This also helps contribute to revitalizing one aspect of traditional Korean culture.

The camp program has been a tremendous success to date, as it has given employees a chance to get to know colleagues from different departments better, while the program itself has contributed to regional economies.

Firsthand Accounts on SLI's Two-day Communication Camps in 2012

This camp was really memorable for me because I got better acquainted with six colleagues, all of whom were of different ages, job position and regional background. After two days away from work, we grew closer and are still in touch with each other. Despite the physical distance between our respective offices, I think our time away will help us grow more communicative with head office and other front offices, and contribute to the company's sustainable growth.
- Jae-hyun Jo, manager, Innovation Team

I joined Samsung Life after working somewhere else in the past. Thus, I had a little trouble adjusting to the new corporate culture and building relationships with my new coworkers. After this two-day camp last year, however, I was grateful that I'd had this opportunity to spend time with colleagues from different regions and departments, and who were all of different ages. I can't wait to take part in the next two-day Communication Camp in 2013.
- Eung-joon Lee, manager, CRM Team





143 hours

No. of education hours per employee (2012)

812 persons

No. of certificate holders (2012)

Growing as globally competent financial experts 2-3

OUR APPROACH

One of the main pillars of our business philosophy has always been about having respect for people. We firmly believe that the value of a company is the sum of its people, so we promote diversity within our workforce and support everyone within the organization so that they can realize their full potential through a wide range of education programs and consequently foster next-generation financial leaders.

OUR EFFORTS

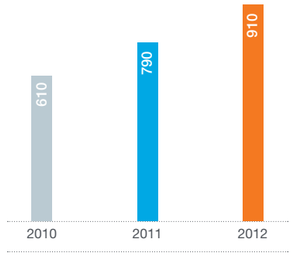
Recruiting and retaining the best and brightest
Establishing a self-learning corporate culture
Fostering globally competent financial experts

OUR EFFORT 1. Recruiting and retaining the best and brightest

Promoting equal opportunity

When it comes to employment, Samsung Life advocates equal opportunity. We are a leader in addressing social inequality and constantly increase the number of job opportunities for socially vulnerable groups, such as those who have graduated from regional universities, those who did not attend university at all, and those from lower income brackets.
In fact, five percent of all new employees come from the low-income families. Starting in 2012, we raised our quota of graduates from regional universities to 35 percent of total recruitment in the hope that we contribute to balanced regional development and to the competitiveness of regional universities.
In 2011, we began hiring disabled people in their 30s, 40s and 50s at our branches across the nation in collaboration with the Korea Employment Agency for the Disabled (KEAD), and in 2012 we also started recruiting high school graduates based on our merit-based employment policy.

No. of new employees



Promoting diversity in the workforce

Samsung Life is proud to recruit and retain talented people with profound expertise in their respective areas. Recently, we have also been hiring IT engineers, designers, and doctors in addition to financial experts. Upon joining the company, their talent and expertise generates synergies with the core competencies of our executives, which brings about positive and profound changes in the organization. With the aim of becoming one of world's top 15 financial companies by 2020, we continue to make inroads overseas. As part of our global expansion efforts, we are continuously headhunting talented people not only from Western countries, but also from Southeast Asian countries.

Personnel management policy

At Samsung Life, we fully abide by the Korean Labor Standards Act and the ILO's Convention on Forced Labor, while also eliminating any form of discrimination based on gender, religion, race and age. In compliance with the Korean Labor Standards Act and the ILO's conventions on the prohibition of child labor and abolition of forced labor, we strictly prohibit any form of child labor or forced labor at all our business premises. During the reporting period, we did not have a single instance of any violations of those related laws.

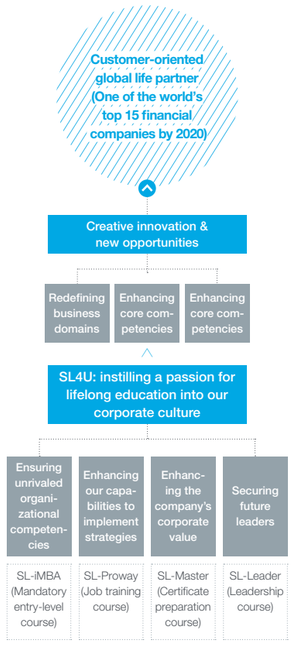


Opening ceremony for the Samsung Life W Leadership program at Ewha Womans University



Certificate preparation course

Samsung Life Human Resources Development Program



OUR EFFORT 2. Establishing a self-learning corporate culture

Human resources development program to foster future leaders

Samsung Life runs a number of education programs to foster future leaders who will help the company grow globally into a leading financial company. Dubbed "SL4U (Samsung Life Four Universities)," our human resources development (HRD) program consists of four courses: SL-iMBA, a mandatory entry-level course for all employees; SL-Proway, which focuses on job training by division and/or department; SL-Leader, which strategically fosters future leaders by instilling leadership qualities in them; and SL-Master, which supports employees in acquiring different certificates.

OUR EFFORT 3. Fostering globally competent financial experts

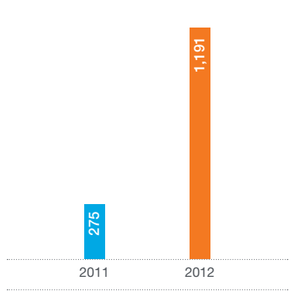
Enhancing global competencies

Samsung Life takes a two-pronged approach to its global competency-building program, helping our employees acquire a second language while learning about the culture associated with that same language as well. We offer intensive courses to cultivate linguistic skills in our employees, thereby establishing a pool of talented people with global competencies. In 2011, we implemented a number of programs to raise our employees' interest in global markets based on our global business master plans. For instance, we abolished the previous ceiling on the number of times someone could apply to take a foreign language skill test, and began offering promotional benefits to Chinese-speaking Korean employees as part of our efforts to expand into China. In 2012, we started broadcasting English and Chinese programs so that employees could more effectively learn these two languages, while also providing a VOD service of these programs both online and through mobile platforms. In the future, we will add more languages to these programs, one of which will be Japanese, as we encourage our employees to learn more about target markets.

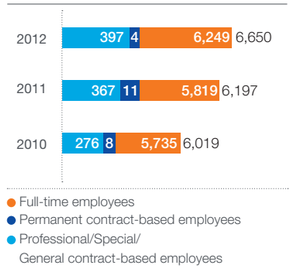
Multi-rater feedback

As part of our efforts to foster globally competent financial experts, we conduct comprehensive multi-rater feedback on candidates for the company's leadership programs. In 2011, we ran this test on employees attending the SLI Manager Leadership Course. Results from the test gave recipients pause for reflection and helped build upon their shortcomings. Recipients were presented with empirical data and objective grounds for improving their shortcomings with respect to leadership requisites. In 2012, the HRM Team ran the same test on department managers and upper-level managers. In the future, we plan to expand the number and type of eligible recipients for the test.

No. of employees entitled to multi-rater feedback



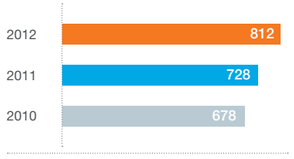
No. of recipients



Education program performance

Channel	2012	2011	2010
No. of education hours	143	133	142
Education expenses (Unit: KRW 10,000)	197	207	201

No. of certificate holders



Training professionals in their job duties

The SL-Proway course supports employees with education expenses and offers online courses and outsourced education programs to help them enhance their job competencies. In 2011, job-related training totaled 35,125 sessions, up 32 percent from 2010, thanks to the increased number of online courses. In 2012, we encouraged more division and/or department-driven training programs and related activities to develop online education content at these specific levels.

Strategic education programs
Imparting leadership qualities and professionalism on select key talents (regional experts, job training at global leading companies, MBA, etc.)

Certificate preparation program
Supporting employees by covering all expenses in preparation for any of the 31 company-approved certificates and rendering personnel management advantages when approved certificates are acquired

PERFORMANCE

Total workforce

As of the end of 2011, Samsung Life's workforce totaled 6,197 people. Today, the company advocates equal opportunity at work, and this includes socially vulnerable groups, such as women, the disabled and people of national merit.

Education program performance

Samsung Life encourages division- and/or department-driven training programs so as to ensure expertise in people's job duties, while continuing to expand our education programs and infrastructure. One of these initiatives was our opening of the Samsung Life Insurance Institute. In addition to outsourced training programs, we promote CoP activities as part of our knowledge management practices, subsidizing employee training at the Insurance Institute and outsourced training courses as well. After completion, trainees are required to share the knowledge they have gained within their division and/or department. As of 2011, a total of 42,521 people had attended one or more of our training programs. During that same period, training hours per employee stood at 133 hours, with total expenses amounting to KRW 2.07 million per employee.

Certificate holders at Samsung Life

In 2011, Samsung Life revamped its certificate preparation program, encouraging employees to acquire the key certificates—notably CFP, insurance actuary and CFA certificates—required in sales, product and asset management business activities, while promoting self-learning within the organization at the same time. As a result, 73 employees acquired key certificates and 432 employees acquired financial certificates in 2012. That same year, we also expanded certificate preparation programs and provided practical support to our employees in their pursuit of certificates to enhance the rate of certificate acquisition and usage.

Healing Program

In addition to our training programs, Samsung Life offers assistance to employees through a stress management program called the Healing Program. The program is an informal test of one's stress levels, suggesting meditation and stress management program solutions based on the test results. This in turn helps employee deal with their stress both physically and psychologically. In 2012, we provided a total of seven Healing Program sessions, from March to December, and will continue to expand the program in the future.

100 %
Performance evaluation rate (2012)

11,772 persons
No. of consultants commissioned for more than 10 years (2012)

KRW **117.6** billion
Employee benefit expenses (2012)

Generous compensation based on fair evaluations

2-4

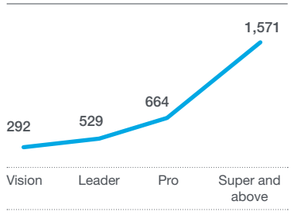
OUR APPROACH

Samsung Life has a flexible compensation scheme in place that is based on transparent and fair performance evaluation. We continue to update our compensation scheme in accordance with changing demands. Recently, we adopted a cafeteria plan to increase the benefit options available to employees according to their individual needs.

OUR EFFORTS

Fair evaluations and adequate compensation
Differentiated benefits program

FCs' monthly average income by rank
(Unit: KRW 10,000)



*As of the end of 2012

OUR EFFORT 1. Fair evaluations and adequate compensation

Fair evaluations and compensation
At Samsung Life, we review individual performance results and career development across the entire workforce twice a year. Performance reviews look at on-the-job accomplishments and job competencies. To do this, we begin by assessing individual targets in line with an individual's team goals to accurately evaluate one's accomplishments. A competency assessment review then verifies the requirements needed for each individual job description. In order to ensure a fair performance review, we run three-step interviews, after which we personally notify each employee of the review results. We also run evaluator training sessions and have appeal channels in place if an employee disagrees with their performance evaluation results. Based on these fair evaluation results, we offer a flexible compensation scheme in consideration of a person's job function(s) and performance. With respect to compensation, employees in business support areas are evaluated based on individual job performance results, while employees working in finance are compensated annually based on their performance after taking into account market conditions and their contribution to the company's overall performance.

Compensation for FCs
Every Samsung Life FC is a self-motivated, self-employed entrepreneur with clear goals and a strong sense of responsibility. We reward their contribution to the company and to customer value with incentives based on a fair evaluation scheme. In addition to various benefit programs to support their business activities, we also offer personal paid leaves, medical check-ups, scholarships, childcare subsidies, occupational health and safety insurance coverage and compassion allowances. Clearly satisfied with our generous compensation scheme and benefit programs, as well as our career development program, 28.1 percent of our FCs had been working with us for at least 10 years as of December 2012. In the future, Samsung Life will make further efforts to grow alongside our FCs so that we are mutually beneficial partners.



Jeong-hee Song, Honorary Director and FC at Samsung Life

Education and support programs for FCs

I've been working for Samsung Life as a financial consultant for 33 years now. The biggest reason why I've stayed with Samsung Life for this long has been the company's systematic education programs and performance-based compensation. Insurance product sales are based on the trust you build with customers. Therefore, it's important that you're equipped with the relevant expertise for your line of business. Samsung Life's numerous training and support programs, like its advanced training courses, Insurance MBA course, and smart device sales platform, are very helpful for our sales activities. Plus, I think the adequate compensation which the company offers helps both FCs and Samsung Life grow sustainably. In the future, I hope the company can show even more interest and support in its FCs, as we are the embodiment of the insurance business's inherent value.



11
11

OUR EFFORT 2. Differentiated employee benefits program all the way to retirement

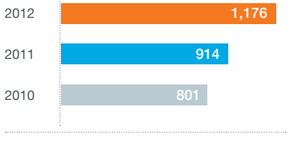
Differentiated employee benefits program
To guarantee that all our employees realize their full potential, free from any personal, financially-related concerns, Samsung Life offers many types of support related to health, finance, housing, and retirement planning. All of these benefits are now offered through our new cafeteria plan, giving employees the chance to choose from different kinds of benefits.

Retirement planning program
Samsung Life runs a Career Development Center (CDC) to assist employees in their retirement planning. The CDC provides soon-to-be retirees with consulting services on their retirement planning and useful information about starting their own company by pointing them towards the Small and Medium Business Administration's (SMBA) Seniors' Business Start-up School. Additionally, Samsung Life has a corporate pension plan for retirees that is available as one of two different defined benefit-based (DB) and defined contribution-based (DC) plans. As of December 2012, the company had deposited KRW 271.4 billion into banks for its outsourced corporate pension plan (KRW 262.7 billion in DB and KRW 8.7 billion in DC). This amount far exceeds the legal minimum as stipulated in the Korean Corporate Tax Act and Employee Retirement Benefit Security Act.

SLI Employee Benefits Program

Cafeteria Plan	Health Management	Financial Security	Housing Expenses	Others
Self-development Buying books on economics and management, acquiring certificates, learning foreign languages Healthcare Medical expenses, fitness center costs Culture Shows, musicals, plays, performances, theme parks, timeshare condominiums	Medical expenses Providing full medical coverage for employees and their spouses Group insurance policy Covering death, illness, and hospital bills Check-ups Total or partial check-ups	Private pension plans for financial security	Housing loans, rent loans, and corporate housing for employees working outside of Seoul	Leisure facilities (waterparks/ timeshare condominiums/ski resorts) supporting memberships to fitness centers/community centers, tuition for children, anniversary gifts, congratulatory/ condolence allowances, club activity support, subsidies to four major public insurance premiums (National Pension, Health Insurance, Industrial Accident Compensation Insurance, Employment Insurance)

Employee benefit expenses
(Unit: KRW 100 million)



PERFORMANCE

Fair evaluations
Samsung Life reviews individual performance results for its entire workforce in a fair manner, and this includes on-the-job accomplishments and job competencies. The latest performance review was carried out in 2011.

Employee benefit expenditures and major improvements
In 2011, we spent KRW 91.4 billion on employee benefits, up 14.1 percent from 2010. In 2012, we reflected past employee opinions in new benefits, two of which were increased transportation allowances and tuition subsidies.

Improvements made in the 2012 benefits program

- 50 percent increase in weekday transportation allowances
- Greater allowances for the birth of a third child (and subsequent children)
- Increased tuition for children of disabled employees
- Transportation allowances for employees working away from home (2-4 times per month)
- Increased traveling expenses

3

Creating Corporate Shared Values

3.1 Giving back to communities
3.2 Supporting green growth
3.3 Promoting open and honest communication within the organization



14,831 persons
No. of participants in our social contribution programs (2012)

KRW **53.6** billion
Total amount of donations to social contribution programs (FY 2012)

5.7 %
Social contribution expenses to earnings after tax (Apr.-Dec. 2012)

Giving back to communities

3-1

OUR APPROACH

Samsung Life's social contributions go well beyond fulfilling its basic social responsibilities so that we actually create social benefits that help others. Dedicated to giving back to society, we are actively engaged in social causes for youth/children, community development and global communities in need. These activities are part of our commitment to social responsibilities and giving back to society.

OUR EFFORTS

Sharing with society more than ever before
Creating a brighter future by supporting youth/children
Instilling hope throughout society
Spreading a culture of sharing through global social contributions activities

OUR EFFORT 1. Sharing with society more than ever before

Samsung Life is proud to be a leader when it comes to its fulfillment of corporate social responsibilities. Under the motto "Love in Us," we actively carry out numerous campaigns in the categories of youth/children, local communities, the environment, global communities, culture and sports. With the issue of addressing Korea's low birthrate, for example, we sponsor creative human resources development programs through our Sesalmaeul project, while the Serotonin Drum Club offers kids and teens a means by which to express themselves musically. Furthermore, through sisterhood ties with farming villages, we support 116 rural areas across the nation. As part of our global tree-planting project, we planted 3,500 mangrove trees in parts of Thailand in 2012 to protect the country against future tsunamis and absorb carbon dioxide from the atmosphere.

What kind of programs does Samsung Life run to ensure it fulfills its corporate social responsibilities in a better organized way?

INPUT

Social contribution organization
Devoted to bringing about a better world for people everywhere, Samsung Life operates the Samsung Life Public Welfare Foundation and the Sustainability Management Center. Through these two organizations, we conduct social contribution campaigns for youth/children, local communities, the environment, global communities, culture and sports. In addition, we have 218 volunteer corps across the country and a nationwide branch network that consists of 6,000 employees and 40,000 financial consultants. These individuals participate in volunteer activities at a number of social welfare centers and charities around Korea. On top of that, our employees and FCs contribute to Samsung Life's Hearth Fund every month, with the money collected used to subsidize volunteer expenses and make donations to charities.

Social contribution activities

1 **Youth/Children**
- Sesalmaeul
- SLI's Cooperative Childcare Center
- Serotonin Drum Club

2 **Local communities**
- Disease prevention
- Suicide prevention
- Mother's Wish Lamp
- University supporters
- Junior CEO
- Supporting single mothers with their start-up businesses
- Supporting disabled athletes
- Sisterhood ties with rural areas
- Employee/FC volunteer activities
- Sponsoring sniffer dogs to guard against natural damage to cultural treasures made of wood
- Repairing and renovating community childcare centers

3 **Environment**
- Green Office
- Green Volunteerism
- Tree-planting in Thailand
- Stairs of Creativity and Contemplation

4 **Global communities**
- Providing electric wheelchairs to the disabled in China
- Subsidizing one-time airfare for multicultural families to visit relatives overseas
- Donating educational equipment to elementary schools in Thailand

5 **Culture & Sports**
- PLATEAU, SLI's art museum
- Youth art competition
- SLI wrestling, Ping-Pong and women's basketball teams



Serotonin Drum Club performs for students at Geochang Girls' Middle School

No. of Sesalmaeul program beneficiaries

6,500 persons

As of December 2012

OUR EFFORT 2. Creating a brighter future by supporting youth/children

Community movements for infants, toddlers and their families
Today, Korea has one of the world's lowest birth rates. This is due in part to fears associated with the cost of giving birth and childcare. In order to help address this issue, Samsung Life sponsors the Sesalmaeul project. Since 2011, Sesalmaeul has provided free education on childcare to 3,500 pregnant women and their parents in Seoul. In addition, Samsung Life representatives have visited 1,500 families over that time on the occasion of a baby's baekil (the 100th day of a baby's life) to offer gifts and childcare consulting services. Later, we revisited these same families when their baby reached 6 and 12 months of age to update their childcare information. For infants 18-36 months of age, we offer group play programs, which rounds out our total childcare services for kids up to the age of 3.

Sesalmaeul Program

Total Childcare Solutions		
Prenatal	Birth	Postnatal
Parent education	Parent education	Parent education
Lectures on infant brain development as prenatal education, healthcare program for pregnant women	Visiting families with 100-day-old infants for baby showers and childcare consulting, including information on Baby Angel Insurance Coverage	Continued provision of infant care for infants until the child turns 3 years old

No. of Korean traditional drums donated (15 each to 100 schools)

1,500 drums

As of December 2012

Love in Us" Serotonin Drum Club
Juvenile delinquency, which can result in school violence, Internet addiction, and suicide have all raised concerns over younger people today. In a bid to help Korea's youth, Samsung Life sponsors the Serotonin Drum Club in partnership with the Serotonin Culture Foundation. The program selects 100 middle schools from public competition to create drum clubs, then supports their club activities with a Mentors' Day, a camp, and a drum festival. Many do not know it, but studies show that the rhythmical movement of beating a drum secretes the hormone serotonin in the human body, which helps relieve stress. Thus, drum clubs can help young people learn to have more self-control, restore their self-esteem, and be more social, resulting in a positive influence on their personality and character.

No. of participants in the JA Korea Financial Class for Youth

7,724 persons

From 2003 to Dec. 2012

Financial classes for kids and teens
In response to the growing social demand for educating today's youth about finance, Samsung Life teaches finance classes to young people in order to instill the proper background knowledge in them when it comes to economics and finances. In 2012, we offered students from two elementary schools in Seoul a beginners' course on market economy and business management, inspiring their interest in economics and financial markets.



Purple Ribbon campaign
Cervical cancer prevention campaign

No. of participants at SLI's Youth Art Competition

5.3 million persons

Cumulative number from 1981 to 2012

Free inoculation of cervical cancer vaccine

5,400 persons

As of Dec. 2012

No. of attendees to the Junior CEO course

204 persons

As of Dec. 2012

SLI Youth Art Competition
Samsung Life organizes a number of culture programs to instill hope and make dreams come true for young people. With its roots going all the way back to the 1980s, the Youth Art Competition inspires young students from around Korea to appreciate nature and to have a passion for art. From 1981 to 2012, a total of 5.3 million students participated in the SLI Youth Art Competition.

OUR EFFORT 3. Instilling hope throughout society

Preventing diseases and suicide
Since entering into an agreement on the promotion of people's health with the Ministry of Health and Welfare, Samsung Life has been hosting numerous campaigns to prevent diseases and suicides in collaboration with the Korea Health Promotion Foundation and the Korea Medical Assistance Foundation. In an effort to protect women from five major cancers*, we run a Purple Ribbon Cervical Cancer Prevention campaign, provide free inoculation of cervical cancer vaccine to girls from low-income families, and offer prevention education on five types of major women's cancers. Furthermore, in a bid to reduce the number of teenagers taking their own lives, we have mounted several campaigns and educational initiatives, such as a Walk through the Night campaign, a concert to instill hope in young people, and a psychological health fair. We have also given workshops for counselors working at middle and high schools in order to help them better cope with teens and their most pressing problems.

*Cervical cancer, breast cancer, colorectal cancer, gastric cancer, and lung cancer

Samsung Life Junior CEO Course
Samsung Life runs Junior CEO courses to foster the offspring of SME owners into future CEOs. Starting in July 2011 as a short-term program, by December 2012 the program had graduated a total of eight classes from five short-term and three long-term courses. A total of 204 SME CEOs' children have completed the course to date. The short-term courses include a one-month course for university undergraduates and a three-month course for university graduates. Trainees in this class study at the Yongin Human Development Center and Samsung Life's head office, while also spending time touring around Samsung Group affiliates. For those willing to cover their own expenses, trainees can also spend time studying in China and Japan, which helps instill global competencies for their future career path.

What is Samsung Life doing to make life better for people in communities around Korea? INPUT

Financial inclusion for the underprivileged
Samsung Life participates in the Miso Finance Microfinance Program* by extending loans to people with a bad credit rating, giving them the start-up funds they need for a small business or working capital. In addition, we offer them business consulting services and lend our business acumen by helping with their marketing campaigns, while also building relationships with them and helping ensure their financial security. In 2012, we contributed KRW 6 billion to the Samsung Smile Microcredit Bank for the purpose of helping the underprivileged.

* A Korean microfinance program that allows those without a bank account to become more financially independent without the need for a co-signer or any collateral.



Volunteer activities at sisterhood tie rural villages

Employee volunteer participation rate

90.4%

As of December 2012

No. of electric wheelchairs donated to disabled Chinese people

670 units

KRW **1.0** billion

2012

Trips to visit family members overseas

190 families (684 persons)

2007-2012

Employee/FC volunteering
Dedicated to the regional development, Samsung Life encourages its employees and FCs to volunteer for a variety of different causes. At present, 6,000 employees and 40,000 FCs take part in volunteer activities through one of 218 SLI volunteer corps nationwide. To ensure the practical and continued operation of our volunteer activities, we have had a volunteer coordinator at each of our regional headquarters since 1995. In addition, we have in place a computerized donation tracking system called Nanum Station which records all changes to funds in escrow and employee donations.

Sisterhood activities with rural villages
Samsung Life is committed to protecting the environment and helping rural villages that need assistance because of their limited resources. Since 2006, we have formed sisterhood ties with villages around Korea and provided a wide range of support. Our employees and FCs pay regular visits to these small communities to assist with farming. They also purchase produce from them, which we then donate to charities, and contribute to local economic development. As of 2012, we had formed sisterhood ties with 116 villages nationwide as part of our One-Team One-Village sisterhood campaign.

OUR EFFORT 4. Spreading a culture of sharing through global social contributions activities

Providing electric wheelchairs to the disabled in China
In partnership with the China Disabled Persons Federation, Samsung Life pledged 25 million yuan to support rehabilitation and self-support for disabled Chinese citizens for a period of five years, starting in 2012. We fulfilled KRW 1 billion of this commitment in 2012, donating 670 electric wheelchairs to the disabled there.

Funding trips to visit overseas relatives
Samsung Life began this program in 2007, which proved a great success in helping non-Korean women who had married Korean men quickly adjust to life in their adopted country. In a bid to help multicultural families better understand each other, we now subsidize airfare for these families to visit family members in other Asian countries. Based on the success of this program, many local Korean governments and companies have followed suit. To date, we have sent 190 families (684 people) to four countries, including Vietnam.

Donating educational equipment to elementary schools in Thailand
Under an agreement with Thailand's Ministry of Education, Samsung Life donates educational equipment to elementary schools near Bangkok. In 2012, we donated computers, projectors, desks and chairs to 12 elementary schools in and around Bangkok.

1. Providing electric wheelchairs to the disabled in China
2. Subsidizing one-time airfare for multicultural families to visit relatives overseas
3. Donating educational equipment to elementary schools in Thailand


1


2


3

PERFORMANCE

From April to December 2012, Samsung Life spent 5.7 percent of its annual net income on social contribution programs, the highest percentage of revenue spent by any Korean insurer. In 2012, our per person volunteer hours stood at 7.0 hours and our social contribution donations were 15.8 times greater than the industry average*.

* Source: Korea Life Insurers Association for the period covering April to December 2012

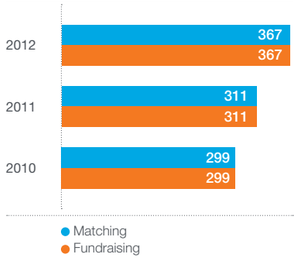
5.7 %
(FY2012)
Social contribution expenses to earnings after tax (EAT)

15.8 times
(Apr.-Dec. 2012)
SLI's social contribution expenses compared to the industry average in Korea*

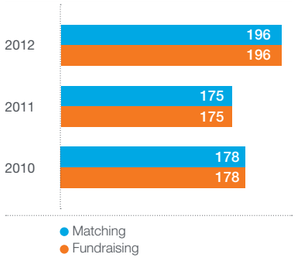
7.0 hours
Per person volunteer hours in 2012

Samsung Life's full-time employees and FCs donate a portion of their monthly pay to raise money for SLI's Heart Fund, with every donation amount subsequently matched by the company. In 2011 and 2012, KRW 740 million of full-time employee Heart Fund donations were spent on the Serotonin Drum Club project, while the company's matching funds were spent on volunteer expenses incurred by SLI's volunteer corps at their head office and regional headquarters across the nation. Until 2011, Heart Fund donations from FCs were spent on sponsoring single mothers with their business start-ups, but from 2012 the money has been used to address low birth rate issues, such as sponsoring cooperative childcare centers.

Full-Time Employee Heart Fund
(Unit: KRW million)



Financial Consultants' Heart Fund
(Unit: KRW million)



KRW **447.4** billion
Total investment in green industries (as of FY2012)

77.7 (tCO_2/1,000m^2)
Greenhouse gas emissions per square meter (FY2012)

Supporting green growth

3-2

OUR APPROACH

At Samsung Life, we have a green management framework in place not only because our stakeholders demand environmentally responsible management, but also to enhance our long-term corporate value. We have also developed an environmental management process to better manage the environmental impact of our business activities, while supporting green industries and technologies through financial aid.

OUR EFFORTS

Establishment of Green Management Vision
Increased the number of green finance products
Carrying out green management activities

OUR EFFORT 1. Establishment of a green management vision

Samsung Group publicizes its Green Management 2020 Vision and encourages all its affiliates to become green management leaders in their respective business areas. For Samsung Life, the goal with our green management vision is to become one of the world's top life insurers, and one that is highly respected for its green management, which at SLI is divided into green infrastructure, green business and green activities. As we move forward, our Sustainability Management Working Council will continue to review and monitor the company's green management initiatives by department.

Vision	One of the world's top life insurers that is respected for its green management
Target	To rank among the world's top performers on the DJSI index by 2020
Three approaches	**Green Infrastructure** · Further developing Green Management Vision & Strategies · Establishment of a green management system · Building green buildings and offices
	Green Businesses · Calculating the risks and opportunities associated with environmental/climate change issues · Providing green financing products and services · Participating in the carbon credit market
	Green Activities · Environmental activities · Raising employee awareness concerning green management

What is Samsung Life doing to establish green management practices within the organization?

INPUT

Environmental management regulations and organization
Based on the ISO 26000, the highest international standards for corporate social responsibility (CSR), we developed our own Samsung Life CSR regulations that cover consumer privacy protection, fair competition, eco-friendly management principles and areas, and the scope of our CSR activities. We continuously strive to minimize pollution, use resources in a sustainable fashion, address climate change, and provide green financial services, while also promoting eco-friendly management practices throughout our supply chain.

In addition, we have instituted Green Management Guidelines to specify the details governing corporate social responsibilities and eco-friendly management practices. These guidelines are made up of five chapters and 23 articles, stipulating green management principles and their scope, green management organization, roles and responsibilities, and the green management work process. Launched on July 25, 2011, the Green Volunteer Corps, which works all around the country, consists of employees and FCs working in our head office and eight regional headquarters.



Green Office Campaigns

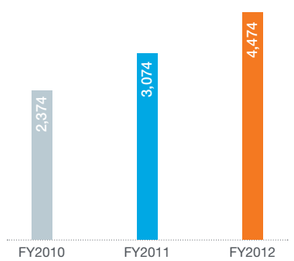




Planting mangrove trees in Thailand



Financial commitment to green investments by year (Unit: KRW 100 million)



Breakdown of green business investment agreements (Unit: %)



Renewable energy	43.7
Collective energy supply systems	20.6
Conventional power generation	35.7

*As of FY2012

OUR EFFORT 2. Increased green finance product line-ups

Socially responsible investment principles and processes

In promotion of socially responsible investment (SRI)* practices, Samsung Life developed a feasibility test framework and process for investment in the renewable energy industry. Incorporated within the financial review system, both the framework and process have the ability to review environmental and social policies at companies. As a result, Samsung Life was named a co-lead manager and financial advisor on an eco-friendly development project in Dongducheon worth KRW 1.6 trillion in July 2011. In the future, we will consider adopting the enVinance System, an evaluation program for green management practices at companies that was developed by the Ministry of Environment, and which favors green business partners when calculating their credit rating to further promote SRI practices.

* Socially Responsible Investment (SRI): investments that encourage corporate practices which promote environmental stewardship, consumer protection, human rights, and diversity.

Investing in green businesses

Samsung Life expanded its criteria for financial performance review to include environmental factors for investment evaluation, while actively making investments in green energy development projects, such as renewable energy and collective energy supply systems. In the renewable energy sector, we have invested a total of KRW 195.4 billion in solar, wind and tidal power generation and fuel cell projects. In 2012, we signed investment agreements worth a total of KRW 447.4 billion. In the CES sector, we invested a total of KRW 92.0 billion that same year for urban districts, industrial complexes, and urban district heating.

Increasing the number of green finance products

Samsung Life is gradually increasing the number of green finance products it offers. In accordance with related local regulations, we provide lower interest rates for loans when eco-labeled buildings are used as collateral. As of December 2012, we had provided 194 loans worth a total of KRW 33.7 billion in this area. Moving forward, we will continue to promote eco-friendly practices throughout society by offering special interest rate discounts to both individual and corporate clients.

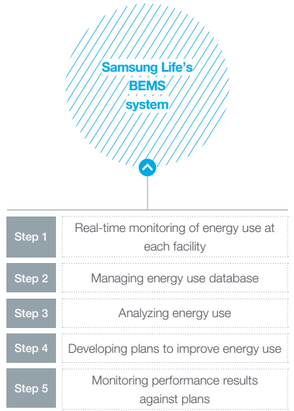
OUR EFFORT 3. Carrying out green management activities

Green corporate culture & green offices

Samsung Life has implemented a company-wide green office campaign to promote energy conservation and environmental protection within all our offices. To reduce paper use, we have adopted an electronic document system and added an electronic approval & reporting system on the company intranet to encourage the use of our e-documentation system. Furthermore, each department is required to publicize the amount of paper it uses for printing every month. At the same time, we have continued working on our five campaigns for a green office* since 2011 to firmly establish energy and resource conservation habits within the corporate culture.

* Five campaigns for a green office: Bring Your Own Cup campaign, Turn Off the Tap while Brushing Your Teeth campaign, Paperless Office campaign, Turn Off Your Computer and Lights When Not Using Them campaign, and a Take the Stairs When Possible campaign

Samsung Life's BEMS system



Green buildings

Samsung Life is repairing dilapidated facilities and installing low-power equipment and eco-friendly devices to realize green buildings throughout the company. We are working hard to acquire eco-label certificates on all our new office buildings, which also brings with it special tax deductions. In 2013, we plan on adopting the Building Energy Management System (BEMS) at our head office building, with the aim of reducing building maintenance expenses by KRW 200 million over the following six years. When this project proves to be a success, we will expand the application of BEMS to all our office buildings.

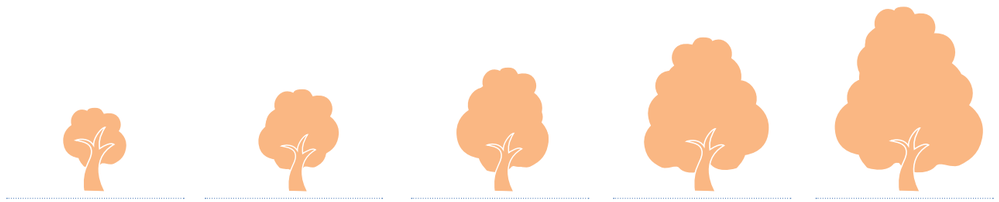
Green activities

Alongside stakeholders, Samsung Life carries out green activities at home and abroad. Domestically, our Green Volunteer Corps, which consists of full-time employees, has expanded its scope of social contribution activities from social causes to environmental ones as well. In addition, we entered into an alliance with Korea's Green Rangers, a non-profit group which we sponsor in their protection of forests, while also helping them clean forests around the country. Internationally, we assist in the planting of mangrove trees in Thailand to prevent flood damage in the region, as mangrove trees are effective in protecting against tsunamis and in absorbing greenhouse gases. In 2012, our fifth group of SLI volunteers went to Thailand to plant 3,500 trees. Since 2010, we have planted a total of 17,500 mangrove trees in the Southeast Asian country.

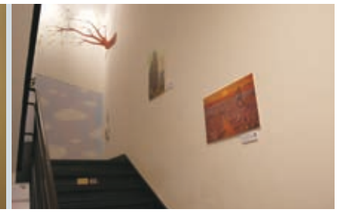
Carbon reduction initiatives

Samsung Life has been mounting a mobile-based marketing campaign since August 2012. As part of this initiative, we have distributed tablet PCs to all our FCs, allowing them to provide customers with one-stop services in the course of their work, from product introduction and insurance planning to the signing of contracts. This effort also contributed to significantly reducing our paper use with sales activities, while providing customers with product information and planning services more quickly and effectively. Additionally, we have equipped our head office and regional headquarters with the technology required for conference calls, reducing the number of business trips employees need to make and the resultant GHG emissions. We also run 21 shuttle buses in and around Seoul for our employees, and have set up bike stands for people who ride to work.

No. of mangrove trees planted







Stairs of Creativity and Contemplation gallery



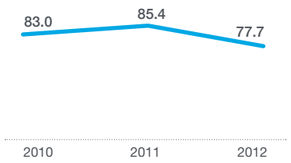
People using tablets at a Sustainability Management Working Council meeting

PERFORMANCE

Reducing greenhouse gas (GHG) emissions

The main sources of GHG emissions at Samsung Life are electricity and heating oil. In order to reduce our GHG emissions, Samsung Life has mounted five campaigns for a green office, lowered electricity use in our buildings, and curtailed the use of heating oil through the decreased usage of our air conditioning system. To ensure the better organized management of our environmental performance, we have also established a computerized GHG control system and signed up as part of the Carbon Disclosure Project (CDP). At the same time, we have a third party assure our GHG emissions and our performance in addressing climate change. All these results and related data are then disclosed via numerous different channels. In 2011, we became the first Samsung financial affiliate to be chosen for the government's GHG Target Management initiative and moved on to talks with relevant government authorities to set a firm reduction goal in 2013. At the moment, we have submitted our GHG reduction plan and are awaiting a response from authorities. Finally, we have engaged in a wide range of activities to reduce our GHG emissions, while our per square meter are falling every year. In the future, we will increase our efforts to reduce our GHG emissions even more.

Greenhouse gas emissions per square metert (Unit: $tCO_2/1,000m^2$)



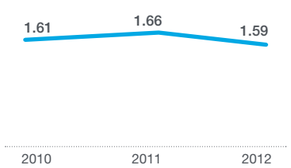
GHG emissions (Unit: tCO_2-eq)

Description	2012	2011	2010
Scope 1	26,684	28,805	28,721
Scope 2	133,099	128,600	123,244
Total emissions	159,783	157,405	151,965

Energy conservation

At Samsung Life, our main source of energy is electricity and natural gas. As of 2011, total energy use stood at 3,259 TJ. To further reduce our energy use, we are replacing lights with LED lamps, adopting BEMS to monitor energy use in our buildings, replacing older boilers and motors with more energy-efficient ones, obtaining eco-labeling for our office buildings, and encouraging full-time employees and FCs to use company shuttle buses instead of driving. As a result, our energy use per square meter continues to decline. In the future, we plan on better organizing the management of environmental data and continuing to promote green office campaigns to cut down on our energy use company-wide.

Energy use per square meter (Unit: $TJ/1,000m^2$)



Energy use (Unit: TJ)

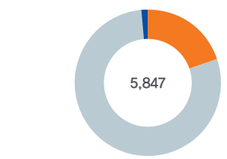
Descriptions	2012	2011	2010
Fuel	606	559	555
Electricity	2,653	2,495	2,379
Total	3,259	3,054	2,934

* Data covers all our business premises, including office buildings we use and those we rent out. Any discrepancies in the data between this report and the previous one can be attributed to the change in scope of our data collection.
* Data collection was conducted based on the government's Administrative Guidelines for GHG and Energy Target Management
* Energy use increased in 2012 due to the expanded number of properties under our management. Starting from 2013, we plan on reducing our energy use to the same as stipulated by mutual agreement with the Korean government.

Reducing waste

At Samsung Life, we classify waste into two categories: general waste and specified waste. Waste paper makes up the bulk of our waste generation. In 2011, we generated a total of 6,035 tons of waste, 18.6 percent of which, or 1,120 tons, was recycled. Furthermore, we commission a government-authorized external agency to handle our waste. As a financial institution, we do not generate any significantly hazardous materials.

Waste emissions in 2012 (Unit: tons)



General waste (recycled)	1,162
General waste (outsourced)	4,681
General waste (outsourced)	4

Waste emissions (Unit: tons)

Classification		2012	2011	2010
General waste	Recycling	1,162	1,120	1,063
	Outsourcing	4,681	4,893	5,630
	Subtotal	5,843	6,013	6,693
Specified	Outsourcing	8	22	22
Total		5,847	6,035	6,715
Total wastes (kiloliters)		9,013	8,661	8,660

* Data collected from our office buildings. Any discrepancy in this data compared to data from the previous report is the result of changes in the scope of data collection.
* General waste: all types of solid and liquid waste (except wastewater)
* Specified waste: any industrial waste that can pollute the environment or cause harm to the human body

Reducing water and paper use

Samsung Life devotes a tremendous amount of effort to reducing its water and paper use company-wide. In order to reduce our paper use, we established an e-Pass system which monitors and controls paper use at each department, encouraging people to use both sides of a piece of paper and utilize e-documents when possible. In March 2012, we began printing our customer leaflets using paper approved by the Forest Stewardship Council (FSC) and plan to print all our materials on this kind of paper in the near future. Furthermore, we have mounted internal campaigns to save water resources and send all the wastewater generated from our premises to government-authorized wastewater treatment facilities.

Water & paper use (Unit: m^3)

Item	Description	2012	2011	2010
Water use	Tap water	1,569,257	1,439,652	1,387,162
	Recycled water	31,959	44,115	39,049
	Total use of water	1,601,216	1,483,767	1,426,211
Paper	Total use of papers (tons)	1,360.4	1,311.9	1,159.7

* Data collected from our office buildings. Any discrepancy in this data compared to data from the previous report is the result of changes in the scope of data collection.
* Paper use increased in 2012 due to the expanded number of properties under our management.
* Total paper use includes all kinds of printed material, including marketing materials, application forms, contract forms, and envelopes.

8.07 million person
Customers (2012)

6,650 persons
Employees (2012)

41,132 persons
Financial Consultants (2012)

Promoting open and honest communication within the organization

3-3

OUR APPROACH

At Samsung Life, we classify our stakeholder groups into shareholders/ investors, customers, communities, governments, full-time employees and financial consultants. We maintain diverse channels to communicate with all of these people on their ideas and opinions regarding our sustainability management practices. Through these activities, we remain abreast of all key sustainability issues of high concern, while actively promoting our brand slogan, "Human, Love," through diverse communication activities.

OUR EFFORTS

Understanding key sustainability issues by stakeholder group
Strategic brand management activities to raise our corporate value

Stock ownership (Unit: %)



Kun-hee Lee	20.76
Samsung Everland	19.34
E-Mart	7.38
Samsung Life's Employee Stock Ownership Association	3.22
Others	49.30

*as of March 31, 2012

Customers

8.07 million person

as of Dec. 31, 2012

OUR EFFORT 1. Understanding key sustainability issues by stakeholder group

Shareholders and investors
Samsung Life has a stable ownership structure, with the majority of its shareholders holding more than 50 percent of outstanding shares. Majority shareholders include the company's chairman, Kun-hee Lee, other Samsung affiliates, and Samsung Life's Employee Stock Ownership Association (ESOA). Rattled by the 2008 global financial crisis, shareholders and investors have since demanded more transparent and ethical management practices as a prerequisite for business stability and sustainable profitability. As a result, Samsung Life established a risk management system that meets the highest global standards and opened a research center for product development, while actively pursuing overseas markets at the same time. As we move forward, we will continue with our innovation initiatives to secure sustainable growth engines, and work tirelessly to become a world-class company that is respected and trusted by customers and shareholders alike.

Communication channels: general shareholders' meeting, IR meetings, disclosures, business reports
Key issues: shareholder-oriented management, generation of economic outcomes

Customers
Samsung Life strives to reflect its full appreciation of customers' trust and support of its insurance business by providing services that exceed their expectations, while working hard to immediately address any concerns that customers might have. While we are developing products to meet customer needs and enhance the inherent value of insurance, as a financial company we make sure that we protect customer privacy, which is one key value of our business activities. Thus, we provide regular training and education to our employees and consultants on this matter.

Communication channels: website, call center, customer service center, customer satisfaction surveys
Communication channels: website, call center, customer service center, customer satisfaction surveys

Communities
Samsung Life puts into action its commitment to supporting communities through various social contribution programs, giving back to society at every step of the way. We instill hope and help make dreams come true for young people in part by sustaining regional development and providing assistance to some of the nation's cultural and sports circles. Lending our business acumen as a financial company, we also make financial contributions to the Smile microfinance project and offer socially responsible products that contribute to regional development.

No. of employees

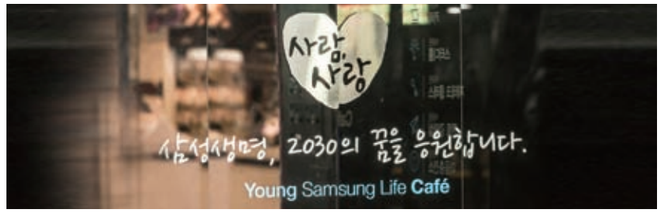
6,650 persons

as of Dec. 31, 2012

No. of FCs

41,132 persons

as of Dec. 31, 2012



Government bodies
Samsung Life fulfills its legal obligations in terms of fair trade practices, perfect selling practices, and the transparent disclosure of all management activities. In answer to the Korean government's green growth initiative, we continue to increase our total investment in green businesses on a continual basis, while also meeting all of our tax responsibilities. Furthermore, we proactively respond to the Korean government's microfinance programs as we make every effort to ensure the sustainable growth of Korean society.

Communication channels: public hearings, press releases, disclosure
Key issues: co-prosperity, legal compliance

Full-time employees & FCs
We believe that fostering competent employees and FCs is crucial to our sustainable growth. To that end, we have been developing and subsequently operating career development programs that are tailored to specific job positions and the competencies of our employees and FCs. We also support our FCs with related courses when they wish to attain a relevant certificate for their job through an Internet-based course we offer on taxation. In addition, our generous employee benefit programs include several different maternity-related programs to better serve our female employees.

Communication channels: CEO messages, meetings, corporate blog, corporate magazine, U-Partner, employee surveys
Key issues: education programs to foster future leaders, employee benefit programs and working conditions, communicative corporate culture

Distribution of economic returns
Samsung Life is committed to fairly distributing its economic returns to its stakeholders through a number of different ways, such as dividend payouts, claims payments, social contribution initiatives and tax payments. Our distribution to stakeholders amounted to KRW 25,950.8 billion in FY2011.

Distribution of economic returns (Unit: KRW 100 million, based on K-IFRS)

Stakeholder groups	Classification	FY2012	FY2011
Shareholders	Dividends	3,940	4,000
Customers	Claims paid/ Policy reserves	237,814	165,128
Employees	Wages & bonuses	4,778	4,566
	Employee benefits	1,176	914
	Severance allowances	596	1,235
Business expenses (excluding full-time employee expenses)			
Government	Taxes	8,224	8,189
Communities	Social contribution expenses	2,444	2,513
		536	644
Total		259,508	187,189

* Policy reserves: the percentage of premiums that an insurer must set aside in reserve to pay all claims and fulfill insurance contract obligations



Insurance is love

OUR EFFORT 2. Strategic brand management activities to raise our corporate value

SLI's brand catchphrase: Insurance is Love
Samsung is a strong advocate of the inherent value of the insurance business, as it takes great pride in protecting all its customers and their loved ones from unexpected risks. Committed to remaining a company that is admired and respected by its stakeholders, we launched a new brand slogan called "Human, Love" in 2011. This brand slogan personifies a basic fundamental of the insurance business: protecting the people you care for from unexpected risks. Insurance is an expression of love and a commitment to protect your loved ones' livelihood and financial security in the event of adversity. Under the new slogan, "Human, Love," we have redefined our business concept to better serve our customers. We have also taken a series of steps to improve our business systems and processes, while always giving back to society.

SLI's culture marketing: Noon Live Concert
The lobby of Samsung Life's head office in Seoul has become a culture marketing venue for the company to communicate with the public. At the company's plaza in front of our head office, we hold numerous cultural events under the name Noon Live Concert, as we strive to raise public recognition of our brand slogan, Human, Love. Since September 2011, we have held a total of 23 Noon Live Concerts, where various K-pop, classical, popera, jazz, pansori, and musical artists have performed. In the future, we will continue to promote our brand slogan through other cultural marketing campaigns.



Samsung Life TV commercial film:
"The Art of Loving"

Sarangee characters



Love Life with Sarangee and Sarangkong



Brand campaign: The Art of Loving
In a sense, insurance is all about expressing your concern of others, making thoughtfulness a prerequisite to the prosperity of our industry. As such, it is safe to say that insurance and love share the same inherent values, which is why Samsung Life likes to think of its customers as those whom it loves when promoting the fundamental value of insurance. The Art of Loving campaign that we recently launched embodies this notion and our business philosophy: our firm belief that love is the prerequisite to generating happiness for all, an energy that make us endure anything, and the greatest of all that comes before anything in the world. In delivering this message to the public, we have mounted an aggressive brand marketing campaign. The Art of Loving campaign consists of an art of loving people campaign, with snapshots featuring FCs of all ages who are busy working; an art of loving children campaign that references our Sesalmaeul project and which shares a parent's concerns for the welfare of their kids; and an art of loving customers campaign, which summarizes our customer-oriented services that pay out claims as soon as they are made.

Sarangee characters and cartoons
Samsung Life created two cute and cuddly characters named Sarangee and Sarangkong as the symbol of our brand image. Embodying our brand slogan "Human, Love," Sarangee and Sarangkong represent our commitment to customers for life. These characters appear in the comic strip titled Love Life with Sarangee and Sarangkong. Published especially for children in 2012, the comic illustrates the value of insurance and how it is related to love through easy-to-understand stories related to families and neighbors. We plan on publishing a sequel to this comic in the future, which will focus on family love, neighborliness, and a love of nature.

BRAND STORY
The Bridge of Life to save lives

The Bridge of Life project is an unprecedented counseling service that Samsung Life launched to remind those who are experiencing difficult times about the inherent value of life.

Our Bridge of Life project has proven a success in addressing the increasingly important issue of suicide in Korea.



Unfortunately, Korea has the highest suicide rate off all OECD member nations. In 2012, we installed a number of structures on Seoul's Mapo Bridge, which is notorious for having the most number of people use to jump off of, to prevent suicide attempts and have engraved messages that speak to those unfortunate souls who go there with that singular mission in mind. These messages include "We're here to listen to you" "We're here for you" with the aim that it instills hope and gives them pause for reflection. In its first year, this effort proved to be a success, helping turn the bridge into a place where broken hearts could start the healing process.

* Messages engraved on the handrail of the bridge remind people of life's preciousness, helping instill hope in those who need it most
* The advanced "speaking bridge" technology has sensors which turn lights on when somebody approaches the handrail
* A statue titled "You Deserve a Second Chance" stands in the middle of Mapo Bridge

Link to a video on the Bridge of Life

4

Building a Better Future

4.1 Strengthening sustainably
4.2 Promoting respect for people within the organization
4.3 Becoming intimately involved with social issues



Strengthening sustainably 4-1

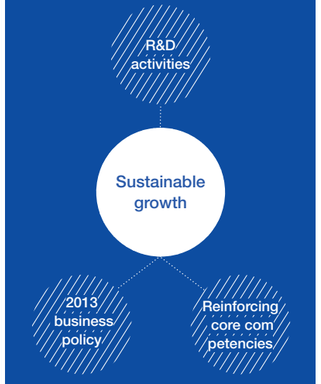
CHALLENGES & OPPORTUNITIES

Increased complexity and diversity within society has led to certain problems for many Korean businesses. The prolonged global economic slowdown has dragged down interest rates and slowed economic growth. In dealing with these uncertainties and adversity in the business environment, Samsung Life is helping bring about a better future through consistent R&D efforts, business expansion, and future growth engines.

OUR APPROACH

Today, Samsung Life is channeling its resources into R&D investments to swiftly respond to changes in the market and the subsequent challenges arising in their wake, while monitoring global financial developments and establishing a reliable economic forecast framework. Based on results from our research, we are expanding overseas, moving from mature Korean markets into different foreign markets as we reinforce our core competencies through new business opportunities.

OUR RESPONSES



Laying a foundation for future business management

Step 1 (2H 2012)

Preparing a framework for a reliable economic forecast system

- Increasing the number of experts who monitor market developments and the number of researchers who predict future trends in the industry at the Insurance Research Institute
- Basic research on monitoring and future forecasting in collaboration with external experts
- Installing new teams for research on women within the Insurance Research Institute

Step 2 (1H 2013)

Future forecasting activities

– Enhancing research capabilities by increasing the number of researchers

Preparing for the future through R&D activities

Samsung Life has developed a framework for future monitoring and forecasting to gain greater insight into social developments and the finance and insurance industries so that it can preemptively respond to future changes and challenges. We have already completed a future R&D organization that focuses on forecasting trends within the finance and insurance businesses, and then reports on their findings to management. This organization consists of two teams: one that monitors the direction and speed of future developments, and another that forecasts future developments by utilizing reliable forecasting methods.

In an effort to better reflect the growing voice of women in society into our corporate management, Samsung Life has strengthened its ability to conduct research on women in three specific categories: leadership, customers and public welfare. The leadership category governs our personnel management policy, which aims at fostering female future leaders through a female-friendly corporate culture, female leadership development programs and competency-building programs for FCs. The customer category focuses on meeting the specific needs and expectations of our female customers, with products customized to particular female demands, as well as female-oriented marketing and customer services. In terms of public welfare, we are continuing our R&D activities so we can promote women's rights both socially and economically.

2013 business policy

In 2013, the business environment poses unprecedented challenges arising from ultra-low interest rates coupled with low growth. Against this backdrop, Samsung Life is attempting to make the most of new opportunities so that it can further strengthen its competencies that by far exceed its domestic competitors, while also developing growth potential with our overseas operations. On our way to becoming one of the world's top companies, we are working harder than ever to bring about change and innovation.



Ehwa Womans University Institute for Leadership Development
Director Pil-hwa Jang

We need to bring about a paradigm change in a patriarchal society

With more skills and education than ever before, a growing number of Korean women are becoming active in social and economic realms today. Given this recent development, I think Samsung Life did the right thing and set an example for its competitors when it began conducting an unprecedented number of R&D activities on women and women's issues. For me, I'd like it if Samsung Life carried out certain activities in order to attain sustainable growth. As half of all Samsung Life's employees are females, I think now is the time for the company to reflect this in management practices and think outside the box when it comes to its notion of women's social roles and responsibilities. We need to understand that childbirth and childcare is no longer just a woman's issue, but an issue for society as a whole. We need to take a different approach to childcare and children's education, bringing the issue to the forefront of community-level engagement, while also ensuring a female-friendly corporate culture. Also, female consumers have the most dynamic and diverse needs, and which vary according to their age and income. I think Samsung Life needs to take a unique approach to each of these age groups and economic classes based on their understanding of these diverse needs. It's my sincere hope that Samsung Life continue to address social issues just like it has been up until now, and live up to the slogan Human, Love.



2013 Business Strategy Conference

Five initiatives as part of the 2013 Business Policy: Creative change, innovation and opportunities

1. Speeding up our rate of change and innovation, taking advantage of more opportunities
2. Further strengthening our market dominance
3. Fortifying our profit base
4. Realizing tangible results in future growth engine businesses
5. Achieving a sustainable management system

In line with our long-term vision, we have five business policies: Speeding up our rate of change and innovation, taking advantage of more opportunities; further strengthening our market dominance; fortifying our profit base; realizing tangible results in future growth engine businesses; and achieving a sustainable management system. In 2013, we will stabilize our business concept and Management by Walking Around (MBWA) practices, while expediting our ERP-based work process innovation. These efforts are meant to differentiate our marketing service of customer-oriented products and sales activities. We are also increasing the portion of coverage insurance products to stabilize our profit/loss structure in addition to our across-the-board responses to improve profit structure, which will further solidify our profit base amid low interest rates. At the same time, we will realize a sustainable management system that is communicative with employees and society through a transparent and ethical corporate culture that has the highest respect for people.

Overseas expansion

Samsung Life has made Asian markets the base of its global expansion efforts. With our fourth subsidiary established in Sichuan, China in 2012, we are continuously expanding our business operations, while our joint venture in Thailand is restructuring its management fundamentals by employing people who are experts on Thailand. For the past five years, our operations in China and Thailand realized average annual growth rates of 70 percent and 13 percent, respectively. In addition to these two countries, we are expanding our sales network in Asian countries with tremendous growth potential. Furthermore, we are entering Western markets, including the Americas, to realize a balanced global business portfolio in the long run. Through these initiatives, we continue to expand our overseas operations on a continual basis.

Reinforcing core competencies

Playing a leading role in helping people prepare for a financially secure retirement

Samsung Life's Life Design campaign is assisting customers so they can achieve financial security with our comprehensive portfolio of coverage and pension products. The campaign integrates our existing insurance review consulting system with a pension planning system, providing a sound financial guide depending on the different needs of individual customers. Based on an in-depth analysis of customers' preparedness regarding pensions and coverage, we offer them optimum solutions. We are also taking the time to enlighten the public about the necessity of preparing for retirement through various lectures and programs. With the target age of potential future customers set as early as people in their 20s, or those who have just started their careers, we give lectures on how to prepare for a comfortable retirement and how important it is to start as early as possible. Our publicity campaign on early retirement preparation has led to a change in the way people think about the subject.

Expanding market share in high net worth individual clients through diverse channels and services

We are reinforcing our expertise and infrastructure to tap into the high net worth individual (HNWI) client base. While increasing the number of special branches like FP Centers and FP branches, we are expanding our business domain through enhanced alliances with independent GAs and expert groups. In addition, we offer financial and non-financial services, including healthcare services, and put on numerous cultural events in an effort to attract more HNWI clients.

Promoting respect for people within the organization 4-2

CHALLENGES & OPPORTUNITIES

With the aim of becoming more than just Korea's No. 1 insurance company and instead one of the world's top companies, Samsung Life is engaged in a number of campaigns to restructure its business fundamentals and way of thinking. In 2013, we began laying the foundation for this as we established an innovative, people-oriented corporate culture based on our business concept and core values.

OUR APPROACH

Samsung Life runs highly productive workplaces where employees enjoy coming to work every day with a sense of pride in their company. In line with this objective, we set five core values (Customer, People, Professionalism, Challenge and Communication) and developed three strategies and 10 tasks to achieve these values. The three strategies include innovation with the work process, realizing a more innovative corporate culture, and strengthening communication.

OUR RESPONSES



An innovative, people-oriented corporate culture

Based on the business concept and value system we developed in 2012, Samsung Life has completed a framework for change and innovation company-wide. We then put in place three key strategies: innovation with the work process; realizing an innovative corporate culture; and strengthening communication in order to realize an innovative, people-oriented corporate culture.

Task 1. Establish a rational decision-making system
Task 2. Eliminate inefficiency and redundancy in all workplaces
Task 3. Ensure that all meetings end with a clear resolution

Innovation with the work process

At Samsung Life, innovation as part of our corporate culture starts with the work process. Thus, we have improved the reporting scheme and meeting practices to ensure change in the work process. First of all, the way in which reports are filed has been streamlined so that most can be made more casually, such as by word of mouth, handwritten note or in person, while also reducing the number of PowerPoint presentations. When arranging meetings, we encourage attendees at meetings to be punctual, to be actively engaged, and to respect one another's opinions. Best practices and other ideas on how to improve reporting and meetings are publicized through special broadcasts and webtoons. In fact, team managers and general managers are taking the lead in these innovation initiatives, contributing to enhancing work efficiency by ensuring that they are clearly understood by their fellow workers when they give directions or orders, and encouraging colleagues to follow suit. In addition, the reduced use of paper documentation is also expected to contribute to innovating reporting practices. Practices that involve elaborate documentation, such as utilizing big charts and graphs, have been eliminated from front offices as well.

Establish an innovative corporate culture

10 tasks
* See tasks 1 to 10 in the blue boxes, which are located on the left column of each page

>

Three strategies
· Innovation with the work process
· Strengthening communication
· Realizing an innovative corporate culture

>

· Customer
· People
· Professionalism
· Challenge
· Communication

Becoming a stronger company based on our new business concept and core values

Workplaces where employees enjoy coming to work every day with a sense of pride in their company



Task 4. Instilling a firm mission and commitment to the business
Task 5. Internalizing a customer-oriented work process
Task 6. Realizing a company that respects and cares for people
Task 7. General managers that are spearheading change and innovation efforts
Task 8. Establishing advanced working practices

Realizing an innovative corporate culture

At Samsung Life, we are making the organization more flexible than ever through several communication channels and campaigns. While ensuring the optimal conditions for employees to candidly express themselves, we are promoting a top-down/bottom-up interactive communication structure, one in which all ideas and suggestions company-wide are welcome. In addition, we have established a number of effective communication programs, and plan on expanding our regular online debates and establishing a Core Value Day as one of our official communication channels among departments. At the same time, we are increasing communication opportunities among employees who work in front offices and their counterparts in back offices.

"An innovative corporate culture starts with small changes in our day-to-day lives."
Through numerous campaigns, we are raising employee awareness so that we can incorporate innovation into the daily lives of SLI employees. For instance, the Changing Your Habits campaign encourages people to break bad habits, while our Thank You campaign was designed to help employees get into the habit of complimenting others more often, while also respecting and caring for each other in a greater capacity.

Task 9. Realizing a more interactive and communicative atmosphere
Task 10. Expanding communication between front offices and back offices

Promoting communication

Samsung Life is improving its innovation drive in the work process and corporate culture with active communication throughout the company. Since establishing an innovation framework on our business concept and core values, we have been encouraging all our employees to participate in the company-wide innovation initiative so that the can experience the benefits of these changes firsthand. In the future, we plan on overhauling our education program on core values and our code of conduct. Also, through differentiated approaches, our online courses will focus more on case studies, while offline courses will focus on troubleshooting solutions to maximize the educational benefits. At the same time, we will be upgrading our education programs for deputy and general managers, and providing effective solutions to issues that are not making any substantial progress. Intensive courses for specific job positions will help expedite changes within the organization as well. Additionally, by taking advantage of diverse media sources, we are increasing the progress and effectiveness of case studies regarding successful changes. By sharing success stories that have shown tangible results, we are giving employees the inspiration they need to become more involved in the company's innovation drive.

Business Concept Flowchart

2012
Completed and then implemented a framework for innovation based on a clear understanding of our business concept and value system

From 2013 onwards
Improving our corporate culture through a complete overhaul

Understanding & Consensus	>	Implementation & Proliferation	>	Establishment
Understanding the business concept and core values · Proliferating core values · Laying the foundation for change		Implementing the business concept and core values · Setting up a framework for innovation · Sharing success stories		Realizing our business concept and core values · Monitoring and listening to frontline employees · Internalizing innovation drives

Becoming intimately involved with social issues 4-3

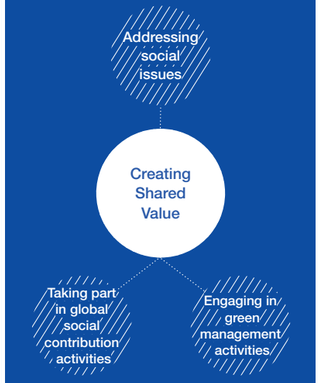
CHALLENGES & OPPORTUNITIES

Lately, divisions between the economic and social aspects of business activities have grown more opaque, with businesses around the world pursuing ways that can satisfy both in the long run. At Samsung Life, we see corporate social responsibilities as an essential part of our business activities for the mutual benefit of the company and our stakeholders. Thus, we are promoting the inherent value of the insurance business through a number of different activities.

OUR APPROACH

The entire process of creating social capital at Samsung Life is enhancing social value that benefits everyone in society. We are actively addressing numerous social issues through our Sesalmaeul, cooperative childcare centers, and Serotonin Drum Club projects, as well as other campaigns to reduce diseases and the suicide rate in Korea. At the same time, we are involved in various global social contribution activities and green management practices. Put simply, Samsung Life sees all of these efforts as part of our responsibility to create more shared value for society.

OUR RESPONSES



Programs to address social issues

Keenly aware of the importance of social issues, Samsung Life has developed a number of programs to deal with these challenges. While supporting efforts to raise Korea's low birthrate and curb juvenile delinquency, we are also developing new projects that fit our business concept, such as those to reduce diseases and the nation's suicide rate. However, our social contribution activities go well beyond Korea's borders, as we also help people in other countries.

- Dealing with Korea's low birthrate
- Preventing diseases and suicides
- Running juvenile delinquency programs
- Engaging in global social contribution activities

Cumulative number of Sesalmaeul education beneficiaries

13,500 persons

Pregnant women, their parents and their infants (2011-2013)

Addressing Korea's low birthrate through Sesalmaeul

In 2013, we expanded the Sesalmaeul project to Gyeonggi province and six cities in Korea, increasing the number of beneficiaries to 7,000 people across the nation. In the future, we will further strengthen the project so that it becomes the nation's leading childcare program.

Exchange of labor/childcare services through our cooperative childcare centers*

From 2013, we will be donating a total of KRW 2.5 billion over five years to 50 cooperative childcare centers around the nation. The project encourages community residents to share childcare supplies, exchange useful information and provide childcare services. In alliance with Sesalmaeul, which is providing professional advice on childcare and play programs, the project is set to generate effective synergies. Project expenses are drawn from SLI's FC Hearth Fund, which is made up of contributions made by the company's FCs whenever they sign a new contract and by matching funds raised by Samsung Life.

* Cooperative childcare centers are part of a government - sponsored project that was launched in 2010, where community residents share toys, books and other child-related supplies, while also exchanging useful information on childcare and child education.



Purple Ribbon Women's Marathon

Cumulative number of drum clubs nationwide

200 clubs

2011-2015, schools

Cumulative number of cervical cancer vaccinations

20,000 persons

2012-2015, female teenagers

Curbing juvenile delinquency with Serotonin Drum Clubs

Starting in 2013, we are improving the process of selecting beneficiary schools, monitoring drumming activities and promoting drum clubs, thereby laying the foundation for sustainable growth. In 2014, we will begin establishing drum clubs at schools in other Asian countries, and by 2015 we plan to have drum clubs at 200 schools around Korea.

Saving lives through campaigns to prevent diseases and suicide attempts

As part of our disease prevention campaigns that are scheduled for 2013 and 2014, we plan on expanding the number of people who can receive free treatments. While establishing a database on those who have been treated, we will also release commercials at movie theaters, offer prevention lectures, and host concerts as part of our publicity campaign. In a bid to reduce the number of suicides in Korea, we have already initiated our Bridge of Life initiative, launched webtoons about preventing suicide, and held various other Internet-based campaigns. At the same time, we are producing a documentary about suicide prevention in collaboration with the Ministry of Education and the Educational Broadcasting System (EBS).

Global social contribution activities

In 2013, we donated a total of 550 electric wheelchairs to disabled Chinese people and constructed an IT center at a special school for the blind in Beijing, where we plan on donating Braille notetakers and office supplies. Under the brand slogan Educational Opportunities for Our Children, we are also providing computers and supplies to underprivileged schools in Bangkok and Hanoi. Furthermore, our joint venture in Thailand alongside Siam Samsung Life has entered into sisterhood ties with nearby elementary schools, where employees volunteer. Also, our Visit Your Relatives Overseas project is helping children from Korean multicultural families with identity issues and promoting diversity within Korean society.



Chang-jin Moon, Chief Director of the Korea Health Promotion Foundation

A responsible corporate citizen that creates shared value for all

Samsung Life was the first Korean insurer to establish a public welfare foundation, taking its social contributions to the next level in a way that can benefit both the company and society as a whole. In partnership with the Korea Health Promotion Foundation, SLI has pledged to support campaigns that prevent diseases and suicide over the next five years. Looked at from a long-term perspective, I thought this was a terrific move, as it proved to be a more specialized social contribution activity in collaboration with the public sector. In addition, it's a perfect fit for the life insurance business, so these campaigns will not only result in economic value for the company as the company's claims due decrease in proportion with declining suicide and disease rates, but will also benefit the public as more people live longer and healthcare is improved upon. All in all, it's a win-win project for both the private and public sectors. In the future, I hope Samsung Life continues with its social contribution activities and lives up to its reputation so that it remains a company that is admired by the entire country.

(BEMS)
,





Growing into a leading insurance company that is respected globally for its green management activities



Campaigns to emerge as a leading global green company

Establishing green infrastructure

Samsung life has established a Building Energy Management System (BEMS) that controls company-wide energy use to save energy. Plans are also in place to obtain the ISO 14001, the highest international standards certificate for environmental management, in the first half of 2013 while we continue to expand our green purchase practices.

Increasing the use of green products

Samsung Life has come up with the necessary guidelines to carry out socially responsible investment activities. After reviewing existing non-financial evaluation guidelines, we devised internal guidelines on feasibility tests for green businesses and industries and the qualifications needed for credit rating advantages. Furthermore, we are benchmarking best practices in green finance, including green insurance and SRI practices.

Performing green activities

Samsung Life publishes an annual sustainability report that also integrates its non-financial performance results, transparently disclosing its green management practices, while proactively responding to external evaluations of its sustainability and green management practices. In addition, we are engaged in campaigns to raise employee awareness and green guards in cooperation with regional environmental protection initiatives.

Mid- to long-term roadmap of green management

	2013	2014	2015
Green Infra	Establishing an environmental management process		
	Developing green purchase guidelines		
	Completion and operation of BEMS		Working to obtain green eco-labeling at all our buildings
	Promoting e-documentation over paper		
	Five campaigns for green offices		
Green Business	Promoting SRIs		
	Participating in Korea's emissions trading scheme pilot project		Participating in the emissions trading scheme
	Participating in the GHG & Energy target management system		
	Finding ways to spread green finance activities		
Green Activity	Adopting a Green Matching Fund		
	Employee participation in green guard activities		
	Campaigns to raise employee awareness of green management		
			Participating in the CDP WD (Water Disclosure) program

Appendix

Financial statements 78
Third party assurance statement 86
GRI G3.1 Index 88
Awards & memberships 92
About this report 94

FINANCIAL STATEMENT

연결대차대조표 (연결재무상태표)

57 2013 3 31
56 2012 3 31

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	57	56
	2,286,005	**1,644,198**
.	2,071,993	452,461
.	110,074,775	93,864,063
.	884,190	1,082,267
.	29,322,315	27,521,629
.	293,802	239,882
.	1,901,920	1,853,556
.	41,880	-
.	4,439,461	4,155,972
.	1,696,041	1,635,810
.	185,156	188,451
XI.	95,306	86,358
X .	15	7
X .	4,584,916	4,546,024
X .	28,161,584	23,801,700
X .		
	186,039,359	**161,072,378**
.	121,265,739	106,655,592
.	7,514,387	6,072,849
.	183,336	284,372
.	999,612	976,042
.	735	-
.	813,166	1,283,285
.	7	216
.	4,509,536	3,360,688
.	97,593	93,656
.	647,005	248,834
XI.	28,277,936	23,983,652
	164,309,052	**142,959,186**
.		
1.	100,000	100,000
2.	6,131	6,131
3.	(560,318)	(266,474)
4.	12,970,531	9,658,387
5.	9,155,266	8,564,937
.	58,697	50,211
	21,730,307	**18,113,192**
	186,039,359	**161,072,378**

연결포괄손익계산서

57 2012 4 1 2013 3 31
56 2011 4 1 2012 3 31

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	57	56
.	30,382,725	22,689,794
1.	22,051,300	14,726,219
2.	215,293	264,401
3.	5,469,579	5,386,185
4.	175,846	48,767
5.	238,342	186,003
6.	6,672	13,160
7.	403,952	112,334
8.	42,028	324,795
9.	34,399	31,498
10.	198,456	158,885
11.	320,755	292,368
12.	829,557	700,494
13.	350,497	387,917
14.	46,049	56,768
.	29,177,789	21,628,579
1.	14,418,228	7,341,593
2.	9,363,179	9,171,226
3.	228,445	280,452
4.	1,475,891	1,490,420
5.	2,146,773	1,840,398
6.	403,681	380,404
7.	35,304	36,522
8.	27,550	104,386
9.	95,673	37,687
10.	1,231	-
11.	32,293	300,388
12.	418,317	114,584
13.	350,497	387,917
14.	180,727	142,602
.	1,204,936	1,061,215
.	121,641	198,805
.	85,988	83,791
.	1,240,589	1,176,229
.	256,967	228,859
.	983,622	947,370
.	3,310,036	2,044,560
1.	3,132,512	2,159,930
2.	(639)	(572)
3.	174,107	(58,691)
4.	(12,701)	(80,085)
5.	58,433	12,312
6.	(41,676)	11,666
.	4,293,658	2,991,930
1.	983,622	947,370
	984,329	948,397
	(707)	(1,027)
2.	4,293,658	2,991,930
	4,296,473	2,992,957
	(2,815)	(1,027)
XI. (:)		
	5,058	4,781
	5,058	4,781

연결자본변동표

57 2012 4 1 2013 3 31
56 2011 4 1 2012 3 31

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2011. 4. 1( )	**100,000**	**6,131**	**13,493**	**7,613,827**	**8,016,540**	**15,749,991**	**4,420**	**15,754,411**
.								
1.	-	-	-	-	948,397	948,397	-1,027	947,370
2.	-	-	-	2,159,930	-	2,159,930	-	2,159,930
3.	-	-	-	-572	-	-572	-	-572
4.	-	-	-	-58,691	-	-58,691	-	-58,691
5.	-	-	-	-80,085	-	-80,085	-	-80,085
6.	-	-	-	12,312	-	12,312	-	12,312
7.	-	-	-	11,666	-	11,666	-	11,666
.								
1.	-	-	-	-	-400,000	-400,000	-	-400,000
2.	-	-	-275,853	-	-	-275,853	-	-275,853
3.	-	-	-4,114	-	-	-4,114	46,818	42,704
2012. 3.31( )	**100,000**	**6,131**	**-266,474**	**9,658,387**	**8,564,937**	**18,062,981**	**50,211**	**18,113,192**
2012. 4. 1( )	**100,000**	**6,131**	**-266,474**	**9,658,387**	**8,564,937**	**18,062,981**	**50,211**	**18,113,192**
.								
1.	-	-	-	-	984,329	984,329	-707	983,622
2.	-	-	-	3,132,512	-	3,132,512	-	3,132,512
3.	-	-	-	-639	-	-639	-	-639
4.	-	-	-	174,107	-	174,107	-	174,107
5.	-	-	-	-12,701	-	-12,701	-	-12,701
6.	-	-	-	58,433	-	58,433	-	58,433
7.	-	-	-	-39,568	-	-39,568	-2,108	-41,676
.								
1.	-	-	-	-	-394,000	-394,000	-	-394,000
2.	-	-	-287,227	-	-	-287,227	-	-287,227
3.	-	-	-	-	-	-	11,301	11,301
4.	-	-	-6,617	-	-	-6,617	-	-6,617
2013. 3.31( )	**100,000**	**6,131**	**(560,318)**	**12,970,531**	**9,155,266**	**21,671,610**	**58,697**	**21,730,307**

연결현금흐름표

57 2012 4 1 2013 3 31
56 2011 4 1 2012 3 31

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	57	56
.	12,171,471	9,706,746
1.	6,894.25	4,754,135
.	983,622	947,370
.	10,966,950	3,828,608
.	-5,056,324	-21,843
2.	5,338,747	5,247,557
3.	-21,454	-19,618
4.	226,053	186,378
5.	-266,123	-461,706
.	-10,848,208	-8,320,766
1.	10,473,406	9,508,770
2.	-21,123,450	-17,459,649
3.	204,140	186,838
4.	77,311	-5,203
5.	26,644	59,601
6.	-38,376	-21,228
7.	-431,913	-532,111
8.	20,020	13,605
9.	-56,734	-97,613
10.	15,727	7,662
11.	-41,257	-24,259
12.	23,069	25
13.	1,085	2,443
14.	2,120	40,353
.	-681,227	(675,853)
1.	-394,000	-400,000
2.	-287,227	-275,853
.	642,036	710,127
.	1,644,198	933,889
.	-229	182
.	2,286,005	1,644,198

대차대조표 (재무상태표)

57 2013 3 31
56 2012 3 31

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	57	56
	2,236,996	**1,591,407**
.	2,066,926	452,461
.	110,014,189	93,856,295
.	857,386	1,057,835
.	29,271,395	27,503,794
.	293,802	239,882
.	2,004,184	2,002,066
.	52,906	-
.	4,431,312	4,137,435
IX.	1,689,521	1,632,638
X.	163,048	183,333
XI.	95,204	86,316
X .	-	-
X .	4,136,663	4,044,283
X .	28,161,584	23,801,700
X .		
	185,475,116	**160,589,445**
.	121,195,651	106,655,592
.	7,492,055	6,041,938
.	183,336	284,372
.	987,315	970,912
.	813,166	1,283,285
.	4,456,884	3,315,558
.	97,376	93,471
.	635,960	237,224
IX.	28,277,936	23,983,652
	164,139,679	**142,866,004**
.	100,000	100,000
.	6,131	6,131
.	(556,205)	(262,361)
.	12,959,157	9,594,719
.	8,826,354	8,284,952
	21,335,437	**17,723,441**
	185,475,116	**160,589,445**

포괄손익계산서

57 2012 4 1 2013 3 31
56 2011 4 1 2012 3 31

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	57	56
.	30,383,281	22,660,934
1.	22,052,096	14,726,219
2.	215,293	264,401
3.	5,467,188	5,379,227
4.	175,846	48,767
5.	238,342	182,904
6.	9,534	8,977
7.	403,952	112,334
8.	41,472	324,778
9.	32,514	24,444
10.	198,456	158,885
11.	322,604	288,648
12.	829,557	700,494
13.	350,497	387,917
14.	45,930	52,939
.	29,177,536	21,620,063
1.	14,418,228	7,341,593
2.	9,363,179	9,171,226
3.	228,445	280,452
4.	1,477,387	1,477,662
5.	2,146,773	1,840,398
6.	403,218	381,352
7.	35,330	36,522
8.	27,550	104,386
9.	95,673	41,514
10.	1,141	-
11.	32,293	300,388
12.	417,862	114,634
13.	350,497	387,917
14.	179,960	142,019
.	1,205,745	1,040,871
.	45,044	212,698
.	70,997	69,531
VI.	1,179,792	1,184,038
VII.	244,390	251,257
V .	935,402	932,781
.	3,364,438	2,032,678
1.	3,132,537	2,157,693
2.	-639	-572
3.	174,107	-58,691
4. ·	-	-78,064
5.	58,433	12,312
.	4,299,840	2,965,459
. (:)		
	4,806	4,702
	4,806	4,702

자본변동표

57 2012 4 1 2013 3 31
56 2011 4 1 2012 3 31

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2011. 4. 1( )	**100,000**	**6,131**	**13,493**	**7,562,041**	**7,752,171**	**15,433,836**
.						
1.	-	-	-	-	932,781	932,781
2.	-	-	-	2,157,693	-	2,157,693
3.	-	-	-	(572)	-	(572)
4.	-	-	-	-58,691	-	-58,691
5. ·	-	-	-	-78,064	-	-78,064
6.	-	-	-	12,312	-	12,312
.						
1.	-	-	-	-	(400,000)	(400,000)
2.	-	-	-275,854	-	-	-275,854
2012. 3.31( )	**100,000**	**6,131**	**-262,361**	**9,594,719**	**8,284,952**	**17,723,441**
2012. 4. 1( )	**100,000**	**6,131**	**-262,361**	**9,594,719**	**8,284,952**	**17,723,441**
.						
1.	-	-	-	-	935,402	935,402
2.	-	-	-	3,132,537	-	3,132,537
3.	-	-	-	(639)	-	(639)
4.	-	-	-	174,107	-	174,107
5.	-	-	-	58,433	-	58,433
.						
1.	-	-	-	-	(394,000)	(394,000)
2.	-	-	-287,227	-	-	-287,227
3.	-	-	-6,617	-	-	-6,617
2013. 3.31( )	**100,000**	**6,131**	**-556,205**	**12,959,157**	**8,826,354**	**21,335,437**

이익잉여금처분계산서(안)

57 2012 4 1 2013 3 31 (2013 6 7)
56 2011 4 1 2012 3 31 (2012 6 5)

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	57	56
.	8,603,798	8,232,624
1.	7,668,396	7,299,843
2.	935,402	932,781
.	358,101	564,228
1.	291,112	394,000
.	291,112	394,000
[: 1,500		
: 2,000]		
2.	66,989	170,228
.	8,245,697	7,668,396

현금흐름표

57 2012 4 1 2013 3 31
56 2011 4 1 2012 3 31

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	57	56
.	12,208,593	10,167,597
1.	6,918,791	5,243,482
.	935,402	932,781
.	11,005,995	3,813,394
.	-5,022,606	497,307
2.	5,337,249	5,229,001
3.	-21,488	-19,618
4.	227,320	199,015
5.	-253,279	-484,283
.	-10,881,548	-8,820,228
1.	10,470,049	8,946,128
2.	-21,123,450	-17,458,544
3.	206,089	181,473
4.	77,311	-5,203
5.	20,707	578,538
6.	-75,595	-472,887
7.	-423,508	-532,077
8.	20,020	13,605
9.	-54,201	-94,935
10.	14,292	7,494
11.	-38,183	-23,990
12.	22,819	25
13.	2,102	40,145
.	-681,227	-675,854
1.	-394,000	-400,000
2.	-287,227	-275,854
.	645,818	671,515
.	1,591,407	919,695
.	-229	197
.	2,236,996	1,591,407

ASSURANCE STATEMENT

Third Party Assurance Statement

To Samsung Life Management Staff

Scope The BSI Group Korea Limited (hereinafter, BSI) was commissioned by Samsung Life to review its 2011-2012 sustainability report (hereinafter, the "Report"). The reporting period covers one full year, from April 1, 2011 to March 31, 2012. Some qualitative data extends to the end of 2012. The scope of the assurance includes performance results at Samsung Life's head office, domestic branches and overseas operation for the given period, but some data from previous years was also assured when deemed necessary. Some of the overseas operations and the following were not assured.

01 Financial data
02 Greenhouse gas data (a separate assurance report was made)
03 Additional information from other sources like SLI's corporate websit

Accountability and independence Samsung Life's management takes full responsibility for the compilation of the Report. BSI is responsible for providing its independent and professional assurance opinions on the scope of the Report, as described above, through quality assurance methodology. BSI then provides the results to all of the company's stakeholders. We were not engaged in producing the Report and have no relationship with Samsung Life which would otherwise hinder our independency. In line with our own BSI Fair Trade Code of Conduct, we assembled a special team consisting of experts with profound experience and extensive expertise in their respective fields.

Inherent limits on assurance Non-financial data in the Report has inherent limits in defining the nature of the subject of assurance or the way information to be assured is defined. The qualitative interpretation of the relativeness, materiality and accuracy of data may vary with assumptions and judgments made by SLI management. Moderate Level assurance procedures are more limited in the scope of assurance than those of High Level procedures. Therefore, the nature, period and scope of assurance procedures for evidence collection concerning this Report were planned using lower standards than High Level assurance procedures.

01 We are not engaged in any stakeholder activities and all assurance procedures have been made through written interviews with company staff members in charge and documents provided by the company.
02 Data prior to April 2011 is not subject to our assurance.

Assurance standard Our assurance is in accordance with the following guidelines

01 AA1000 Assurance Standard (2008) guidelines
02 GRI G3.1 sustainability reporting guidelines

Our assurance applies the Type 1 Moderate Level AA1000 AS (2008) guidelines, but does not include a reliability test for the data or compliance wit h the three principles of inclusivity, materiality or responsiveness. Also, the report applies the GRI Index's Application Level A.

Approach We utilized the methodologies developed for collecting evidence on reporting data, while complying with the above-mentioned assurance standards. Our assurance procedures include the following work:

01 Review and verification of the stakeholder engagement process at Samsung Life that allows its stakeholders with any influence on Samsung Life's business activities or vice-versa to take part in
02 Review and verification of the appropriateness in the process of prioritizing information and data by Samsung Life
03 Review of the processes and systems used in implementing sustainability management strategies
04 Selecting the grounds that support the issues raised in the course of interviews with high-level managers and executives who are in charge of sustainability management and reviewing the appropriateness of the selected grounds.
05 Verifying the procedures of producing, collecting and reporting on data in each aspect of the triple bottom-line
06 Independent assurance of the Report against the application level guidelines as stipulated by the GRI Guidelines

Conclusion We reviewed an early draft of the Report, with corrections based on our findings subsequently made by Samsung Life. Based on our assurance activities, we verify that the Report complies with the stated reporting principles and we did not find any inappropriate statements within the Report.

All GRI indicators are completely or partly provided according to materiality test results. We confirm that the Report satisfies all A+ Application Level standards for the GRI Guidelines G3.1.

The assurance statement is made based on the three principles of AA1000 AS—inclusivity, materiality and responsiveness—and our opinion is as follows.

It is of quite some significance that Samsung Life has now published two sustainability reports, and is further evidence of the company's commitment to sustainable development.

We view it as a positive step forward that Samsung Life expanded its former Management Committee into a Sustainability Management Committee, which the CEO sits on, in an effort to strengthen its sustainability management governance. We also confirmed that the company has organized a Working Council for the effective implementation of the 18 initiatives for sustainability management.

In addition, we agree with the company's prudent decision to internalize sustainability management practices across the board by linking its business concept to sustainability management practices.

We also confirmed that the company adheres to its environmental responsibility through the 33 initiatives and indicators under its Green Management Vision.

Inclusivity is a principle that outlines Samsung Life's stakeholder engagement practices so that the company can respond in a strategic and responsible manner in its sustainability management practices.

Through this assurance procedure, we confirmed that the company consistently maintains a stakeholder engagement process and does its utmost to reflect diverse stakeholder opinions in its sustainability management policies. We also found that the company has established channels dedicated to communication with each of its stakeholder groups, with its established procedures of prioritizing feedback from stakeholder surveys proving instrumental in determining the reporting content.

As a financial company, Samsung Life does not have a significant impact on the environment when compared to other issues. However, the company does have to respond to future governmental regulations, such as the GHG & Energy Target Management System, emissions trading scheme pilot projects and an environmental information disclosure system. In future reports, we recommend that the company add a new and separate stakeholder engagement process for environmental groups so as to identify stakeholder expectations of the company when it comes to environmental issues.

Materiality is a process to determine material issues for stakeholders so that they can make informed judgments of the company and its business impact.

Samsung Life operates a regular materiality test and prioritizing process so as to develop sustainability management strategies based on key sustainability issues identified from the opinions of stakeholders. The company carries out stakeholder communication activities, surveys and media analysis to prioritize key sustainability issues of high concern to its stakeholders.
As the company's first integrated sustainability/annual report, this report allots a significant amount of space to reporting on its economic performance, while material issues take up a significant portion as well. In subsequent materiality tests, we recommend that the company reflect its social and environmental performance results in line with its economic performance so that its integrated report can be more developed.

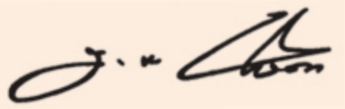
Responsiveness is a principle that provides for the scope of a company's response to stakeholder issues.

The Report fairly states the issues which the company identified from its stakeholder communication activities and its responses to these issues. We confirmed that the company is properly responding to key sustainability issues through its diverse communication channels.

Each section of the Report represents the company's effort to highlight the positive effects of the company's activities. It is our recommendation that the company also identifies issues where its performance falls short of its target and devise specific plans to deal with these shortcomings, as this will help improve the overall balance of future reports.

Recommendations
We recommend establishing a company-wide sustainability management system for the comprehensive collection and management of economic, social, and environmental issues, revealing all related activities and performance results in future versions of this report. We also recommend integrating the reporting process with the internal audit process to ensure higher reliability in its reporting data.

AA1000
Licensed Assurance Provider
000-47



February 2013
Jeong-gi Cheon
CEO, BSI Group Korea

GRI INDEXES

GRI G3.1

● : Fully reported ◐ : Partially reported ○ : Not reported N/A: Not applicable

Indicators		ISO 26000	Page	Application level	Remarks
	1. Strategy and analysis				
1.1	Statement from most senior decision-maker in organization	6.2	6,7	●	
1.2	Description of key impacts, risks, and opportunities	6.2	6,7	●	
	2. Organizational profile				
2.1	Name of organization		14,15	●	
2.2	Primary brands, products, and/or services		29,66,67	●	
2.3	Operational structure	6.2	16,17	●	
2.4	Location of organization's headquarters		14,15	●	
2.5	Location of overseas branch offices and sites		14,15	●	
2.6	Nature of ownership and legal form		14,15,64	●	
2.7	Markets served		14,15	●	
2.8	Scale of the reporting organization		14,15	●	
2.9	Significant changes during reporting period regarding size, structure, or ownership		14,15,64	●	
2.10	Awards received in reporting period		92,93	●	
	3. Report parameters				
3.1	Reporting period (e.g., fiscal/calendar year) for information provided		94	●	
3.2	Date of most recent previous report (if any)		94	●	
3.3	Reporting cycle (annual, biennial, etc.)		94	●	
3.4	Contact point for questions regarding the report or its contents		94	●	
3.5	Process for defining report content		11	●	
3.6	Boundaries of report		94	●	
3.7	State any specific limitations on the scope or boundary of report		94	●	
3.8	Basis for reporting on comparability from period to period and/or between organizations		94	●	
3.9	Data measurement techniques and bases of calculations for data, including performance index		94	●	
3.10	Explanation of the effects of & reasons for any re-statements of information provided in earlier reports		94	●	Stated in each section
3.11	Significant changes from previous reporting periods applied in the report		94	●	Stated in each section
3.12	Table identifying the location of the Standard Disclosures in the report		88-91	●	
3.13	Policy and current practices with regard to seeking external assurances for the report	7.5.3	86,87	●	
	4. Governance				
4.1	Governance of organization		16,17	●	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer		16,17	●	
4.3	Number of members of highest governance body that are independent and/or non-executive members		16,17	●	
4.4	Mechanisms for shareholders and employees to provide recommendations or directions to highest governance body		16,17	●	
4.5	Compensation for members of highest governance body, senior managers, and executives		16,17	●	
4.6	Processes in place for highest governance body to ensure conflicts of interest are avoided		16,17	●	
4.7	Process for determining the qualifications and expertise of the members of the highest governance body		16,17	●	
4.8	Internally developed statements of mission or values, codes of conduct, and principles	6.2	16,17	●	
4.9	Procedures of highest governance body for management of economic, environmental, and social performances		16,17	●	
4.10	Processes for evaluating highest governance body's own performance		16,17	●	
4.11	Whether and how the precautionary approach or principle is addressed by the organization		18,19	●	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives		92,93	●	
4.13	Membership in associations and/or national/international advocacy organizations		92,93	●	
4.14	List of stakeholder groups engaged by the organization		64,65	●	
4.15	Bases for identification and selection of stakeholders with whom to engage		64,65	◐	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and stakeholder group		64,65	●	
4.17	Key topics and concerns raised through stakeholder engagement, and responses to them		11,64,65	●	

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Indicators		ISO 26000	Page	Application level	Remarks
	Economic performance indicators	6.2, 6.8			
EC1	Direct economic value generated and distributed	6.8, 6.8.3, 6.8.7, 6.8.9	33,65	●	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	6.5.5	59,62	●	
EC3	Coverage of the organization's defined benefit plan obligations		51	●	
EC4	Significant financial assistance received from government		-	●	Not applicable
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	6.4.4, 6.8	-	●	234%
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	6.6.6, 6.8, 6.8.5, 6.8.7	40-42	◐	
EC7	Procedures for local hiring and proportion of senior management hired from the local community	6.8, 6.8.5, 6.8.7	47,48	◐	
EC8	Infrastructure investments and services provided primarily for public benefit	6.3.9, 6.8, 6.8.3, 6.8.4, 6.8.5, 6.8.6, 6.8.7, 6.8.9	54-58	●	
EC9	Understanding and describing significant indirect economic impacts	6.3.9, 6.6.6, 6.6.7, 6.7.8, 6.8, 6.8.5, 6.8.6, 6.8.7, 6.8.9	54-58,64,65	●	
	Environmental performance indicators	6.2, 6.5			
EN1	Materials used by weight or volume		-	N/A	Not applicable
EN2	Percentage of materials used that are recycled input materials		-	N/A	Not applicable
EN3	Direct energy consumption by primary energy source		62	●	
EN4	Indirect energy consumption by primary source		62	◐	
EN5	Energy saved due to conservation and efficiency improvements		61,62	●	
EN6	Reductions in energy requirements as a result of energy-efficient- or renewable energy-based products and services	6.5, 6.5.4	61,62	●	
EN7	Indirect energy conservation businesses and achievements		61,62	●	
EN8	Total water withdrawal by source		63	●	
EN9	Water sources significantly affected by withdrawal of water		-	N/A	Unrelated
EN10	Percentage and total volume of water recycled and reused		-	○	
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity		-	N/A	Unrelated
EN12	Description of significant impacts of activities, products, and services on biodiversity		-	N/A	Unrelated
EN13	Habitats protected or restored	6.5, 6.5.6	-	N/A	Unrelated
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity		-	N/A	Unrelated
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk		- -	N/A	Unrelated
EN16	Total direct and indirect greenhouse gas emissions by weight		62	●	
EN17	Other relevant indirect greenhouse gas emissions by weight	6.5, 6.5.5	62	●	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved		61,62	●	
EN19	Emissions of ozone-depleting substances by weight		-	N/A	Unrelated
EN20	NOx, SOx, and other significant air emissions by type and weight		-	N/A	Not applicable
EN21	Total water discharge by quality and destination		63	◐	
EN22	Total weight of waste by type and disposal method	6.5, 6.5.3	63	●	
EN23	Total number and volume of significant spills		-	●	No case of spills
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII		-	N/A	Unrelated
EN25	Name of water bodies significantly affected by the reporting organization's discharges of water and runoff	6.5, 6.5.4, 6.5.6	-	N/A	Unrelated
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	6.5, 6.5.4, 6.6.6, 6.7.5	60	●	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	6.5, 6.5.4, 6.7.5	-	N/A	Unrelated
EN28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations	6.5	-	●	No cases of fines or non-monetary sanctions
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	6.5, 6.5.4, 6.6.6	-	N/A	Unrelated
EN30	Total environmental protection expenditures and investments by type	6.5	60	●	

GRI INDEXES

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Indicators		ISO 26000	Page	Application level	Remarks
	Labor practices and decent work performance indicators	6.2, 6.4, 6.3.10			
LA1	Total workforce by employment type, employment contract, and region	6.4, 6.4.3	49	●	
LA2	Total number and rate of employee turnover by age group, gender, and region		45	●	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	6.4, 6.4.3, 6.4.4	50,51,43-46	●	
LA4	Percentage of employees covered by collective bargaining agreements	6.4, 6.4.3, 6.4.4, 6.4.5, 6.3.10	45	○	
LA5	Minimum notice period(s) regarding operational changes	6.4, 6.4.3, 6.4.4, 6.4.5	-	●	60 days
LA6	Percentage of total workforce represented in formal joint management worker-health and safety committees	6.4, 6.4.6	-	●	No such committee exists
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities		-	●	No cases of injuries
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members	6.4, 6.4.6, 6.8, 6.8.3, 6.8.4, 6.8.8	44	●	
LA9	Health and safety topics covered in formal agreements with trade unions	6.4, 6.4.6	44,45	◐	
LA10	Average hours of training per year per employee	6.4, 6.4.7	49	●	
LA11	Programs for skills management and lifelong learning and assistance in managing career endings	6.4, 6.4.7, 6.8.5	48,49,51	●	
LA12	Percentage of employees receiving regular performance and career development reviews	6.4, 6.4.7	50,51	●	
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	6.3.7, 6.3.10, 6.4, 6.4.3	16,49	●	
LA14	Ratio of basic salary of men to women by employee category	6.3.7, 6.3.10, 6.4, 6.4.3, 6.4.4	50,51	●	
LA15	Return to work and retention rates after parental leave, by gender		45	●	
	Human rights performance indicators	6.2, 6.3			
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	6.3, 6.3.3, 6.3.5, 6.6.6	40-42	◐	
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights	6.3, 6.3.3, 6.3.5, 6.4.3, 6.6.6	40-42	◐	
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including percentage of employees trained	6.3, 6.3.5	41,42	●	
HR4	Total number of incidents of discrimination and actions taken	6.3, 6.3.6, 6.3.7, 6.3.10, 6.4.3	47,49	●	
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk	6.3, 6.3.3, 6.3.4, 6.3.5, 6.3.8, 6.3.10, 6.4.3, 6.4.5	45	●	
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken	6.3, 6.3.3, 6.3.4, 6.3.5,	47	●	
HR7	Operations identified as having significant risk for incidents of forced or labor, and measures taken	6.3.7, 6.3.10	47	●	
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning human rights relevant to operations	6.3, 6.3.5, 6.4.3, 6.6.6	-	●	
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	6.3, 6.3.6, 6.3.7, 6.3.8, 6.6.7	-	●	
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments		40-42	◐	100%
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms		43-45	●	No cases of infringement
	Society performance indicators	6.2, 6.6, 6.8		●	
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities	6.3.9, 6.8, 6.8.5, 6.8.7, 6.6.7	54-58	◐	
SO2	Percentage and total number of business units analyzed for risks related to corruption		40-42	●	
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures		42	●	
SO4	Actions taken in response to incidents of corruption		-	●	No cases of corruption
SO5	Public policy positions and participation in public policy development and lobbying	6.6, 6.6.4, 6.8.3	-	N/A	Unrelated
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country		-	N/A	Unrelated
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices, and outcomes	6.6, 6.6.5, 6.6.7	-	●	2
SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations	6.6, 6.6.7, 6.8.7	-	●	No cases of fines or non-monetary sanctions
SO9	Operations with significant potential or actual negative impacts on local communities		-	N/A	Unrelated
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities		-	N/A	Unrelated

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Indicators		ISO 26000	Page	Application level	Remarks
	Product responsibility performance indicators	6.2, 6.6, 6.7			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed, and percentage of significant products and services categories subject to such procedures	6.3.9, 6.6.6, 6.7,	-	N/A	Unrelated
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	6.7.4, 6.7.5	-	N/A	Unrelated
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	6.7, 6.7.3, 6.7.4, 6.7.5,	31-37	●	100%
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling	6.7.6, 6.7.9	31-37	●	No cases of violations
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	6.7, 6.7.4, 6.7.5, 6.7.6, 6.7.8, 6.7.9	36,37	●	
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications	6.7, 6.7.3, 6.7.6,	31-37	●	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications	6.7.9	-	●	No cases of violations
PR8	Total number of substantiated complaints regarding breaches of easures customer privacy and losses of customer data	6.7, 6.7.7	-	●	No cases of any complaints
PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services	6.7, 6.7.6	-	◐	No cases of violations
	Financial statement performance indicators				
FS1	Policies with specific environmental and social components applied to business lines		10, 26-29,56,60	●	
FS2	Procedures for assessing and screening environmental and social risks in business lines		18,19	●	
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions		40-42	●	
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines		40,42,47-49	●	
FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities		27,30,60	●	
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector		23	●	
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose		23,56	●	
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose		60	●	
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures		14,15	◐	
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues		23,40-42,60	◐	
FS11	Percentage of assets subject to positive and negative environmental or social screening		23,40-42,60	◐	
FS12	Voting polic(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting		14,15	●	
FS13	Access points in low-populated or economically disadvantaged areas by type		56	●	
FS14	Initiatives to improve access to financial services for disadvantaged people		28,56	●	
FS15	Policies for the fair design and sale of financial products and services		40-42	●	
FS16	Initiatives to enhance financial literacy by type of beneficiary		32,55	●	

* Samsung Life declares that its Sustainability Report meets all the requirements for application level A+ as stipulated in the GRI G3 Guidelines.
* The report has also received approval and confirmation by a third party assurer that it meets the GRI's Application Level Check for application level A+ for GRI G3 (G3.1) Guidelines.

AWARDS AND MEMBERSHIPS

Awards and Memberships

Presidential Prize at the 2011 Korea Volunteer Awards

Samsung Life received the Presidential Prize in the group category at the 2011 Korea Volunteer Awards in recognition of the company's exemplary performance in social contribution activities over the last 17 years. The company was presented with the award at a ceremony held at the Blue House on December 5, 2011. Held every year on Volunteers' Day (December 5), the award singles out individuals and groups who contribute to the development of communities, handing out medals as well as presidential, prime ministerial and ministerial commendations according to the achievement. In 2011, only two companies among the 14 candidates were awarded a prize, with Samsung Life being one of them.



Asia Insurance Review

Korea's first insurer to win the Asia Insurance Review's CSR Company of the Year

Samsung Life became the first Korean insurer to win the CSR Company of the Year prize at the 15th Asia Insurance Industry Awards for its social contribution activities promoting youth, environmental and social welfare programs.

LACP : League of American Communications Professionals)

Platinum Prize at the LACP 2011/2012 Spotlight Awards

Organized by the League of American Communications Professionals (LACP), the Spotlight Awards is an annual corporate report competition for international companies, including Fortune magazine Global 500 companies. Samsung Life's 2010-2011 sustainability report was awarded the Platinum Prize after scoring highest in all criteria, including first impressions, overall visual design, and creativity.



1st in the Korea Productivity Center's 2012 National Customer Satisfaction Index (NCSI) for the 9th straight year

The Korea Productivity Center (KPC) conducts surveys on customer satisfaction with Korean companies, handing out awards for top performers in each industry every year. For the last nine years in a row, Samsung Life has topped the survey's life insurance category.

1st in the Korea Management Association Consulting's Most Admired Korean Companies for the 9th straight year

Korea Management Association Consulting releases its list of Most Admired Korean Companies every year, singling out those with outstanding business performance results and continued innovation activities that increase customer/shareholder/employee/social value, while also being respected by the public. Samsung Life ranked 1st in the life insurance category for the ninth straight year in 2012 and was named one of the list's "All-Stars" (one of the list's top 30 companies).

1st in the Korea Standards Association's 2012 Korea Standard Service Quality Index (KS-SQ) for the 10th straight year.

The KS-SQI surveys customers in person and online to evaluate the quality of services by industry, then hands out awards for best practices based on these results. Samsung Life has ranked 1st for 10 straight years as a result of its customer-oriented management practices.

1st in Korea Management Association Consulting's 2012 Korean Customer Satisfaction Index (KCSI) for the 8th straight year

To aid in the development of Korean industries and their business competitiveness, the KCSI survey assesses customer satisfaction with products and services from Korean companies, presenting awards for best performers based on the survey results. Samsung Life has ranked first in the survey's life insurance category for eight consecutive years.

Korea Internet Professional Association's (KIPFA) Best Corporate Blog

Organized by the Korea Internet Professional Association (KIPFA) and the Web Award Council, the 2,000 judges who are Korea's top web experts review the performance results of candidate websites and then give out awards for the most innovative websites. Samsung Life's corporate blog was presented with the Best Corporate Blog award in the media and information service category.



Named to the Dow Jones Sustainability Index World List

by S&P Dow Jones Indices, RobecoSAM, and the Korea Productivity Center

Samsung Life became the first Korean insurer to be named to the world's most prestigious sustainability list, the Dow Jones Sustainability Indexes (DJSI) World. The organizer reviews non-financial performance results in the areas of social contribution, corporate governance, human rights and the environment as well as evaluating companies' sustainability through their financial performance. Samsung Life was recognized for its high level of sustainability management, ranking among the world's top 14 - and Asia's top 3 - insurers.

Signatory to the CDP

As a signatory to the Carbon Disclosure Project (CDP), Samsung Life encourages other Korean companies to join the initiative.

Associations & Memberships

Organization	Functions
Korea Life Insurers Association	The promotion of sound insurance business practices, exchange of useful information, and support of fair insurance policy development
Korea Financial Investment Association	The promotion of sound investment practices and a fair competition market, as well as helping to foster financial experts
FP Korea	An association of financial planners for the protection of consumers' financial rights, financial security and the growth of household and research activities for the development of financial planning businesses
Korea Employers Federation (KEF)	Establishing harmonious industrial relations and providing HR- and labor-related information
Federation of Korean Industries	A multifunctional association for Korean industries
Korea Insurance Development Institute	Managing and investigating fair insurance ratemaking policies and developing top insurance products
Korea Insurance Research Institute (KIRI)	Promoting the sound development of the insurance industry through systematic research activities and offering practical solutions to industrial issues
Korea Economic Research Institute	A private economic research institute that contributes to the growth and development of Korea's economy by helping entrench an efficient free market economy and the nurturing of healthy corporate growth
Financial Security Agency	Checking, preventing and responding to hacker attacks made in the financial sector
Korean Insurance Academic Society	Surveys and research on insurance theories and business practices
Korean Association for Insurance Law	Contributing to the development of the Korean insurance industry through research on international and domestic insurance regulations and international exchanges within the insurance industry
Korean Academy of Actuarial Science	Conducting research and survey activities on actuary theory, related regulations and industrial issues
Korea Risk Management Society	A chartered non-profit organization dedicated to advancing research, safe risk practice initiatives and safety management
International Association of Insurance Supervisors (IAIS)	Promoting international cooperation among insurance supervisors and instituting insurance regulation standards, while contributing to the development of the international insurance industry
International Association for Volunteer Efforts	Global cooperative volunteering: a strategic tool to get companies and employees involved in the fight against poverty
Volunteering Korea	Developing volunteer policies and programs, providing education on volunteerism and promoting volunteerism within society
Listed Companies Association	Protecting investors and contributing to the development of capital markets
Financial Information Security Association	Cooperation with financial institutions and the Korea Financial Supervisory Service concerning policies to protect personal information from customers
The Institute of Actuaries of Korea	The introduction of new insurance systems, seminars and exchanges of information, and interchanges with the International Actuarial Association
Fair Competition Federation	The promotion of fair competition practices and support of fair competition policy development
Future Forum	Future management education and consulting, and the exchange of useful information for future management
Global Finance Forum	Exchanging information through forums and seminars to find solutions to current issues in financial capital markets
Korea Forum of Volunteerism	Establishing the direction of Korean volunteer initiatives and promoting volunteer activities
Social Contribution Innovation Forum	Networking and exchanging information regarding social contribution activities

ABOUT THIS REPORT

This is Samsung Life Insurance's first integrated sustainability/annual report. We intend to use this report as a communication channel with our stakeholders in an effort to keep everyone abreast of our sustainability management and business performance, as well as our future plans. With plans to publish this report on an annual basis, it is our intention that it will also serve as a medium to reflect stakeholder opinions on our business activities.

Reporting period
- Samsung Life's fiscal year (April 1, 2011-March 31, 2012)
- In some cases, data from the past three years was also included to highlight certain trends.

Reporting scope
- Global headquarters, domestic branch network and overseas subsidiaries, branches and representative offices
- Some environmental data covers only the activities at domestic business premises due to data collection issues

Reporting standards
- This report was compiled in line with the Global Reporting Initiative (GRI) G3.1 Guidelines and the Financial Services Sector Supplement (pages 80-81)
- We also made use of the International Integrated Reporting Council (IIRC) framework's guidelines

  * IIRC: www.theiirc.org

Third party assurance
This report received third party assurance from BSI Korea

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COVER STORY



2012 Samsung Life's 2011-2012 Sustainability Report

This large "Human, Love" heart-shaped crystal pendant hangs at all the gates to our head office to inspire people passing by with the spirit of insurance and of the care people have for their loved ones. It also symbolizes our commitment to returning the support we receive from customers, shareholders and society with even greater value.



2010-2011 Samsung Life's Sustainability Report

Samsung Life opened its Human, Love Plaza in September 2011 to provide a venue for cultural, musical and artistic performances. In the future, we will continue to support the arts in every way we can.