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SAMSUNG LIFE INSURANCE

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2015 SAMSUNG LIFE INSURANCE INTEGRATED REPORT



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SAMSUNG LIFE INSURANCE

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Cover Story



People, Love Serotonin Drum Club

People, Love Serotonin Drum Club is one of our biggest public services to support youth. It was invited to perform at numerous major events such as 2014 Asian Games Closing Show and the 70th Anniversary of Liberation Day Event and well received by audiences. In 2016, Drum Club was newly founded in 30 middle schools. A total of 220 Drum Clubs are proactively operating all over the country.

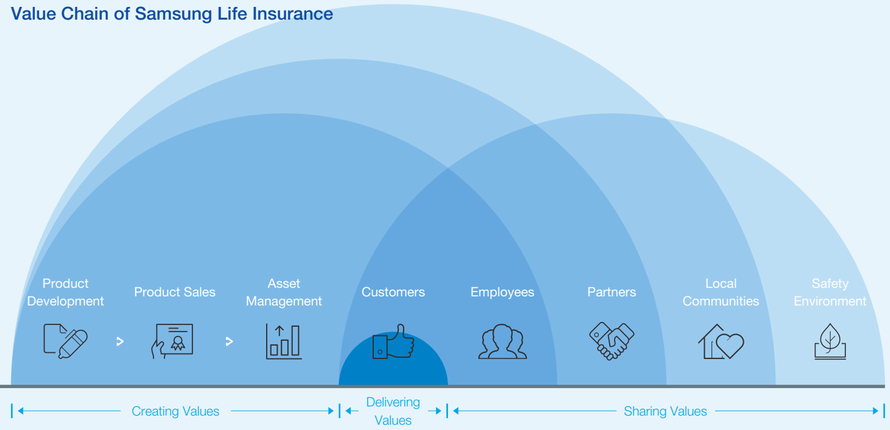
Sustainability Reporting

Samsung Life has been reporting on its financial and non-financial performance results according to its value chain and medium and long-term business strategies.
We hope to communicate further with our stakeholders about Samsung Life's efforts and performance on sustainable growth.

Value Chain of Samsung Life Insurance

Efficient use of capital

- Increase assets and values of customers and the company
- Expand global network and business
- Use experience and system for customer satisfaction
- Train and reward our employees and consultants
- Communicate with stakeholders through social contribution, etc.
- Efficiently use paper and energy



Outcomes by category

Sustainability Indicators			2013	2014	2015	Unit
Economy	Creating Values	Total assets	192	214	**230**	KRW trillion
		Customers	819	821	**823**	10,000 people
		Credit rating of insurer's solvency margin	AAA	AAA	**AAA**	-
		Sales volume of protection products(based on premium income)	6.4	8.6	**11.9**	KRW trillion
		Annual Premium Equivalent(APE)	4.05	3.87	**3.56**	KRW trillion
		RBC(solvency) ratio[1]	330	369	**336**	%
		The operation ratio of Samsung Life Insurance agents(%)[2]	- [2]	90.4	**90.3**	%
Society	Customer Satisfaction	National Customer Satisfaction Index	Ranked no.1	Ranked no.1	**Ranked no.1**	-
		13th month persistency rate	88.5	90.1	**89.6**	%
		Claims payment within 24 hours	79.2	73.3	**76.5**	%
		Total amount of claims paid	7	10	**10**	KRW trillion
		Mis-selling ratio[3]	0.18	0.23	**0.20**	%
	Shared/ Win-win management	Social contribution activity expenses	521	623	**777**	KRW 100 million
		Participation rate of employees' volunteer activities	94.7	92.1	**95.4**	%
		Volunteer hours per employee	10.5	13.1	**11.9**	Hours
		Number of trainees who have completed the Junior CEO program	384	622	**777**	Persons
Environment	Environmental preservation	Amount of investment contracted for green business	10,399	15,279	**18,369**	KRW 100 million
		Greenhouse gas emissions per square	73.8	76	**75.2**	$tCO_2eq/1{,}000m^2$
		Amount of paper usage	1,287	1,223	**1,128**	Ton
		Amount of eco-friendly products purchased[4]	21	26	**31**	KRW 100 million
		Accumulated number of the mangrove trees planted by SLI	24,500	26,500	**28,500**	Trees

1) Number calculated by applying the solvency guidelines(Article 7-2 of the Regulation on Insurance Supervision) after April 1, 2009 for risk-based capital(RBC) ratio
2) The operation ratio of Samsung Life Insurance agents : Refers to the ratio of FCs who sold more than 1 insurance product per month. The number of operating agents for Samsung Life Insurance was converted to the operation ratio of Samsung Life Insurance agents, which is an index reported starting from this term and managed on-site
3) Mis-selling ratio : Based on FCs, life insurance industry's average is 0.46%(as of the end of 2015)
4) Amount of eco-friendly products purchased : Amount of equipment purchased with eco-friendly conditions

This report contains Samsung Life's commitment to sustain for the coming century.

As Korea's leading insurance company for the past half century, Samsung Life aims to become a highly respected global company.
Based on our strong commitment to uphold the noble value of insurance, we are continuously implementing quality and value-oriented business activities, and giving back the love that we have received from our customers.

Insurance is love People, Love

CEO MESSAGE

"Nurturing People with Greater Love to Build Better Financial Security"
This is the commitment we make for
our customers by providing our insurance products.



Dear Stakeholders,

I am pleased to report on the sustainability management of Samsung Life's activities as we strive to become one of the world's most respected global companies.

Uncertainty continued to dominate the global economy throughout 2015. The contributing factors included substantially growing risks in China and economic crises in some major emerging economies. Korea was no exception. Its growth potential weakened in 2015 due to low economic growth and interest rates coupled with rapid population aging and a continuing slowdown in consumption. The financial services sector had a difficult year. The onset of the lowest interest rates in the country's history threatened the financial stability of the industry. Against all odds, Samsung Life made significant progress in 2015. It further consolidated its market dominance in the field of protection insurance. It managed to mitigate losses from low interest rates. Those are the results of the company's best efforts to pursue quality growth through expansion of its protection insurance sales and make its financial structure as robust as possible under the vision of 'maximizing corporate value.' Moreover, Samsung Life made considerable progress in 2015 with its thorough preparations for innovations in its management platform and the company's all out efforts to achieve quality growth, in an effort to proactively cope with the paradigm shift being made in the Korean insurance industry due to the country's sustained period of low economic growth, low interest rates and rapidly-aging society.

Due to these efforts, Samsung Life became the first Korean insurer to be named on the world's most renowned sustainability index, the Dow Jones Sustainability Indices(DJSI) World, for four consecutive years. Samsung Life will not become complacent with its performance in 2015. It will do its utmost in 2016 to further accelerate its drive for 'value-centric management' that the company has promoted during the past two years on the basis of its customer-oriented business management, which advocates placing utmost priority on customers as its backbone and starting all over again from their perspectives. Through its 'quality growth', Samsung Life desires to maximize customer values and achieve quality growth at the same time.

All of us at Samsung Life are deeply aware of the reality that businesses must continue to be chosen by customers in order to survive and thrive. In 2016, the company will further evolve its drive for customer-centric business management and quality growth. In an effort to expand its base for continuous growth in the future, Samsung Life will make significant progress in its efforts to increase its market dominance in the areas of wealth, pension and asset management.

Stabilization of Quality and Value-Centric Management

In 2016, Samsung Life will stabilize its value-centric management and create performance results based on its outstanding quality of management. Samsung Life will continue to make its best efforts to produce robust performance results in 2016. To do that, it will promote 'Quality growth in 3 Major Areas' including balanced product sales, expansion of robust sales organizations, and the enhancement of fundamentals. On the basis of the positive results of "quality growth", Samsung Life will realize a virtuous cycle of profit-making and corporate growth throughout its business activities in 2016.

Accelerating the Implementation of Management Innovation Activities

In the area of insurance sales, Samsung Life will stabilize its long-term consultant education programs. Also, we will make considerable improvements in the expansion of differentiated agency models according to the characters of consultants, therefore developing a more efficient sales channel. In the field of loss assessment and claim payments, Samsung Life will place top priority on the protection of its customers' values through the simplification of the payment process and the prevention of insurance fraud to stabilize a healthy insurance culture in the country. Through the company-wide implementation of enterprise resource planning(ERP), Samsung Life will make innovations in its overall work procedures and methods to be on par with the world-class business management structure and organization adopted by global peers in the industry. In the fields of asset management and overseas business, Samsung Life will accelerate its thorough preparations while boosting its power of implementation with the view to expanding its growth potential in the future.

Establishing Field-oriented and Dynamic Corporate Culture

We are well aware that our competitiveness originates from the outstanding performance at our operating sites where our employees come into direct contact with our customers. The management of Samsung Life will do everything they can to support staff working in the company's field offices by looking at everything from their perspective so that Samsung Life personnel on the frontlines can fulfill their potential and concentrate their resources on their performance more intently. In an effort to cultivate a dynamic organizational culture company-wide, Samsung Life will foster a work culture where members are able to excel solely based on their work and performance; a healthy culture where members compete and become evaluated fairly; and a sales culture where the spirit of infinite challenge is treasured.

Dear Stakeholders,

The domestic and global business environment is anticipated to face further difficulties in 2016 as well. Globally, economic uncertainty keeps growing. Domestically, seismic changes are predicted in the competitive landscape of the financial services industry in connection with the convergence of financial services and ICT solutions, coupled with the ongoing massive reforms in the country's financial services sector.

However, all the employees of Samsung Life, including myself, have accepted this reality as opportunities for us to make further corporate growth. We are making earnest efforts to enhance our fundamental, differentiated competitiveness in diverse areas in 2016. Needless to say, Samsung Life engages itself in a variety of activities that it feels obligated to carry out for the benefit of the community it belongs to as a responsible corporate citizen and as a way of returning the favors it has received from its members. I will be looking forward to your continued interest in the path that Samsung Life takes in order to grow into 'a leading global company equipped with high values' through quality growth.

Once again, I would like to extend my sincere gratitude to all the stakeholders who have supported Samsung Life. Thank you.

金彰洙

May 2016
President & CEO Chang-soo Kim

2015 HIGHLIGHTS

Samsung Life's major sustainability management activities in 2015 are introduced below.

CEO's customer visit



In order to learn the importance of the market and customers and to practice customer-oriented management, Samsung Life Insurance CEO, consultants, and branch managers visited one of our customers. It is a very exceptional case that a CEO of an insurance company visits a customer. It underscores Samsung Life Insurance's customer-oriented values. We are expressing our gratitude to our customers and endeavoring to collect feedback on insurance values, trust in Samsung Life Insurance, complaints, and improvements. We are reflecting such valuable customer feedback in our onsite management and business activities.

51 p

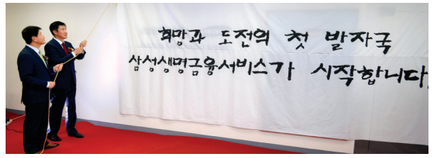
Opening of Center for Competency Improvement



Following the New Employee Development Center that was founded in 2014, Samsung Life opened the Center for Competency Improvement in 2015 in order to provide new consultants with customized and practical education.
Samsung Life is providing systematic and substantial educational programs under its long-term HR development system.

53 p

Fulfillment of Samsung Life Insurance Value Chain - Samsung Life Insurance Financial Services Launched!



In order to respond to rapidly changing paradigms in the insurance industry, Samsung Life has launched Samsung Life Financial Service as its subsidiary. Samsung Life Financial Service is a future-centric insurance sales channel through differentiated FCs. It is strengthening its systematic sales and customer management using Samsung Life's capital, sales system, customer network, and human resources.

37 p

Samsung Life Love Campaign

Samsung Life is endeavoring to gain deep understanding about the field pursuant to the construction of a site-centered management system and all of its employees, including the CEO, took a consultant examination. Through one-to-one sisterhood relationships, we are endeavoring to attain smooth communication with the operating sites. In addition, we are seeking to narrow the distance between the head office and onsite staff for site-centered business through the Samsung Life Love Campaign.

52 p





Listed among the Top 5 Best Korea Brands in 2015!



Samsung Life was listed in the top 5 of the 2015 Best Korea Brands of Interbrand for the first time. Through continuous advertisement campaigns including the Time Remaining for You, Samsung Life is endeavoring to improve its brand values and receiving positive evaluations from customers.

82 p

Listed on the Dow Jones Sustainability Index(DJSI) World for 4 consecutive years!



Samsung Life has been listed on the DJSI World for 4 consecutive years, making it the first Korean insurer to be named on the influential list. It has been proven that Samsung Life is a sustainable insurer in terms of both financial and non-financial aspects. We will endeavor to improve our corporate values despite the difficult business environment.

82 p

Efforts for sound insurance business practices



Samsung Life compensate customers for their losses with speed and accuracy. It is making efforts to prevent unfair treatment. In addition, it conduct various campaigns to spread a proper medical services culture and prevent fraudulent claimants.

55 p

Various joint labor-management events!



Samsung Life Insurance is holding various joint labor-management events for its employees and their families. Until now, we have held an English Camp for employees' children, Safety Education for their families, and a Trip for Parents.

55 p

Ranked as the No.1 insurance company in the National Customer Satisfaction Index for 12 consecutive years!



50, 51 p

As of 2015, Samsung Life has been ranked the No. 1 life insurance company in the National Customer Satisfaction Index (NCSI) for 12 consecutive years. We have changed the insurance process to customer-oriented claims payment services and introduced a computer assessment system for prompt payment of premiums.

The 35th Youth Painting Contest

Samsung Life held the 35th Youth Painting Contest to foster young artists. Through this contest, many young artists achieved growth as professors, architects, and writers. In 2015, contest winners painted murals as part of a talent donation.

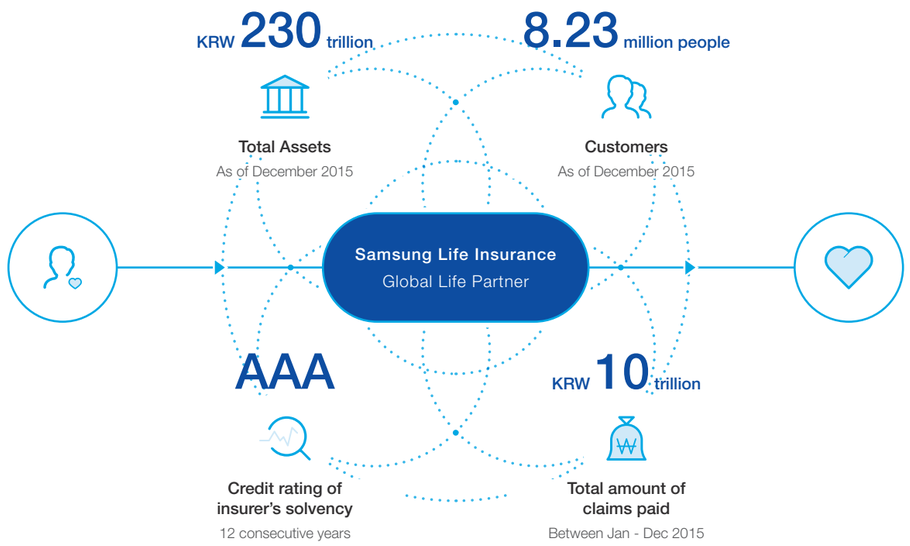


57 p

OUR COMPANY

A global life partner focused on customer benefits in order to nurture people with greater love towards building better financial security

Since its foundation in 1957, Samsung Life has been delivering inherent values in insurance and writing new life insurance history.



Nurturing People with Greater Love to Build Better Financial Security

Nurturing people with greater love to build better financial security, At Samsung Life, we believe our true value lies in supporting our customers as they care for their loved ones. We are striving to create and deliver the noble value of happiness and love to our customers and to society, under the firm belief that insurance industry is rooted in people's love for their families.

The global life partner focused on customer-benefits

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

2020 Vision

Samsung Life redefined its business concept related to life insurance and transformed into a customer-oriented company, to achieve the goal of becoming one of the world's top 15 life insurers by 2020 based on its medium and long-term strategies.

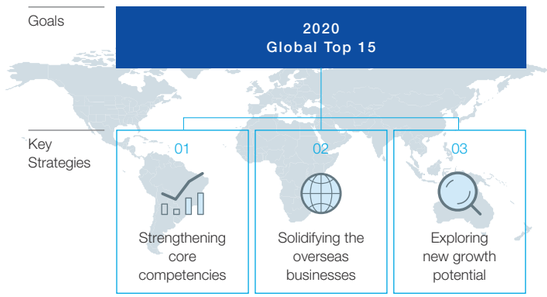
Samsung's management philosophy	+	Business concept of life insurance

Global
- Being a globally competent company that can compete with the world's top insurers
- Launching a new era of global management for the company

Focused on Customer-benefit
- Establishing all business processes focused on customer benefits to provide financial and non-financial values expected by our customers

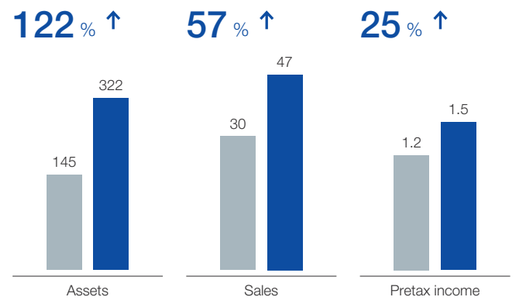
Life Partner
- Being a life-long partner for our customers through providing successful and safe financial solutions
- Ensuring prosperity and value for life of our customers

Goals and Key Strategies



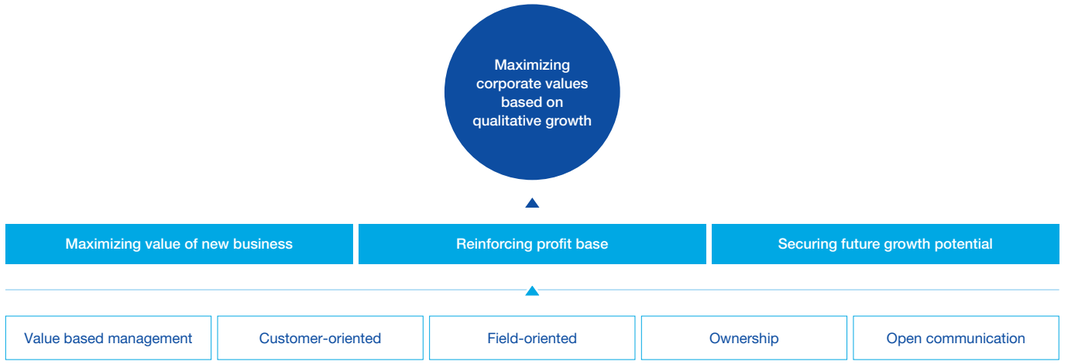
Estimated Growth(2010-2020)

Unit : KRW trillion



Core Values

In line with our business concept and vision, we have also instituted five core values – value-based management, customer-oriented, field-oriented, ownership, and open communication – as the behavioral guidelines for all our employees.



Samsung Life's Insurance Products

Life insurance improves and preserves the value for life of customers throughout their whole life. As a life-long partner for our customers, Samsung Life is striving to improve the value for life of our customers by developing customer-oriented insurance products.

Growth/Education
Ages 0 – 24 yrs.
- Free Design Children's Insurance
- Protection Insurance for Children
- My Kids' Rich Annuity
- My Kids' Education VA

Career Beginning
Ages 25 – 34 yrs.
- Cancer Insurance for Your Entire Life
- Life Insurance for Healthy Life
- Your Own Choice, Protection Insurance
- Smart Savings Insurance
- 2030 Savings Insurance
- Tax Qualified Annuity

Family Building
Ages 35 – 44 yrs.
- New Variable CI Insurance Customized for All Ages
- Integrated Universal LTC Whole Life Insurance
- Variable Universal Whole Life Insurance
- Perfect Up Integrated Insurance
- Integrated Variable Universal CI Whole Life Insurance
- Big Bonus Variable Annuity

Family Expansion
Ages 45 – 54 yrs.
- Platinum Universal Whole Life Insurance
- Platinum Variable Universal Whole Life Insurance
- VVIP Universal Whole Life Insurance
- VVIP Variable Universal Whole Life Insurance
- Women's Happy Annuity

Retirement/Golden Years
Over 55 yrs.
- Simplified Issue Insurance
- Beautiful Life Insurance
- Cancer Insurance for Senior
- Naeri Sarang Annuity
- Single Premium Immediate Annuity

SUSTAINABLE VALUE CHAIN

Samsung Life's insurance products consisting of various value chains maximize synergy effects through cooperation.
We are constructing sustainable value chains for cooperation between the company, customers, head office, and operating sites.
Based on our customers and market, we are conducting value chain activities encompassing product development, sales, asset managements, and claims payment, and strengthening our core competencies.

	01 Product Development	02 Product Sales	03 Asset Management	04 Post-Sales Relationship Management
Approach	Samsung Life has been developing its products based on customer-oriented management practices. In particular, we maximized customer satisfaction based on integrated approaches taken towards customers, products and channels. In addition, we are fulfilling our social responsibilities by providing products that pursue social values.	Samsung Life has been operating a variety of sales channels to offer CUSTOMER-oriented products to our customers. In addition, we are implementing our management practices based on integrity management to improve our customers' rights.	Samsung Life has improved customer asset values by establishing a professional asset management system by asset, including stocks, bonds and real estate. In particular, we deliver the inherent value of insurance through the globalization of asset management and increased returns.	Samsung Life has actively implemented its customer satisfaction activities and expanded communication with customers based on its customer satisfaction management. In addition, we provided better customer services with convenient and prompt payment of premiums for different stages.
Risks and opportunities	According to diversified customer needs, their needs should be precisely analyzed so that products and services can be developed continuously. Corporate-oriented product development can worsen the company's image by losing customer confidence.	Social needs for responsible insurance products and demands for online insurance products are on the rise. To achieve this, we need to strengthen online channels and minimize mis-selling practices based on integrity management.	Due to low interest and growth rates, we should strengthen our profit-based management. Based on our mid- and long-term strategies and vision, we should globalize our asset managements and establish a professional asset managements system.	We are endeavoring for financial reform based on honest and transparent claims payment. Introducing an advanced claims payment process, we will provide claims more promptly and accurately.
Major Issues	· Integrated approach to customers, products and channels · Optimized insurance products that meet customer needs · Financial products pursuing social responsibilities and value	· Diversification of sales channels · Minimizing mis-selling practices	· Improving returns on managing insurance assets · Expanding asset management businesses through asset management companies · Enhancing the competitiveness of retirement businesses	· Innovating Management Fundamentals · Strengthening customer satisfaction services · Implementing Customer-love Payment Service
Affiliates	–	SAMSUNG LIFE FINANCIAL SERVICE	SAMSUNG ASSET MANAGEMENT SAMSUNG SRA ASSET MANAGEMENT	SAMSUNG LIFE SERVICE
Partners	Office supplies providers Computerized equipment maintenance companies Office building, security, and sanitation management service providers	Agencies Office supplies providers Computerized equipment maintenance companies Office building, security, and sanitation management service providers		

SOUND CORPORATE GOVERNANCE

Role and status of BOD

Samsung Life's top decision-making entity is the company's Board of Directors(BOD), which deliberates and approves basic business principles and management issues, as well as individual agenda stipulated by corporate bylaws and its Article of Incorporation, including agendas delegated by the Annual General Shareholders' Meeting. On Samsung Life's BOD, there a total of 7 persons, including 4 independent directors and 3 internal directors. In order to ensure the board's independence from management and balanced decision-making, we appoint an independent director to serve as chair of the BOD.

Operation of BOD

In addition to the regular quarterly meetings, Samsung Life convenes ad hoc meetings whenever deemed necessary. Samsung Life defines its independence through the resolution methods under the BOD's regulations. If a director seized a corporate opportunity or conducted a transaction out of self-interest, it requires a two-thirds vote in favor from directors, while trading and offering credits of over KRW 1 billion with large shareholders require a majority of directors voting in favor.

During the period of January to December 2015, the BOD was convened 11 times, and among a total of 72 agendas, 54 agendas were adopted as resolutions, while 17 agendas were reported and 1 agenda was placed on hold. Also, during the same period, the rate of independent directors in attendance was an average of 100 percent.

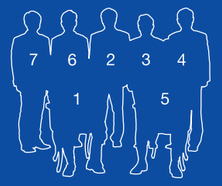
BOD Composition

As of March 2016



Independant directors(4 persons)
Jun-young Kim / Chairman of the Board [1]
Doo-cheol Kim / Independent director [2]
Yong-ro Yoon / Independent director [3]
Kyung-wook Hur / Independent director [4]

Internal directors(3 persons)
Chang-soo Kim / President & CEO [5]
Do-seung Lee / Standing auditor [6]
Dae-hwan Kim / Internal director [7]



Independence of the BOD

- An independent director serves as chair of the BOD to act as a liaison between the independent directors and management
- In cases where various issues occur concerning the company, related matters are shared through an explanatory meeting with independent directors

Transparency of electing directors

- Both internal and independent directors are appointed by resolutions passed at the General Shareholders' Meeting
- Candidates up for internal directors are recommended by the BOD, while candidates for independent directors are nominated by the Independent Directors Recommendation Committee

Expertise of the BOD

- In accordance with the guidelines set out for independent directors, people with in-depth knowledge and abundant experience in relevant fields, including finance, economy, management and accounting, have been appointed
- Independent directors are also kept up to date with major management issues and the latest trends by the BOD, to strengthen their expertise

BOD Resolution Methods

- The BOD's resolution shall be made with the majority of directors in attendance and the two-thirds vote of attended directors.
- The BOD may allow all its directors to join in the discussion on the adoption of a resolution by means of a communication system transmitting and receiving visual images and sound simultaneously without the personal attendance of all or part of them. In this case, the director or directors concerned shall be deemed to have attended the meeting.
- The director who has special interests in any of the matters for resolution may not participate in the resolution.
- Any director who may not participate in a resolution under the provision of Paragraph 3 will not be counted in the number of directors in attendance.
- Samsung Life defines its independence through the resolution method under the BOD's regulation to ensure the BOD's independence.

Operation of subcommittees under the BOD

Samsung Life operates a total of 6 subcommittees under the BOD. 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 importance is deliberated on prudently.

Subcommittees

As of March 2016

Category	Members	Subcommittee functions
Sustainability Management Committee	2 internal directors	Deliberation and resolution of issues passed by the BOD; other general management issues; management and supervision of general business operations matters, including sustainability management issues
Risk Management Committee	1 internal director 2 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
Evaluation and Compensation Committee	1 internal director 3 independent directors	Annual review of compensation structure that is independent from the management board; establishing, evaluating, deliberating and reviewing directors' remuneration and its appropriateness
Related Party Transactions Committee	3 independent directors	Deliberation and resolution of related parties to ensure higher transparency in business management
Audit Committee	1 standing auditor 2 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
Officer Recommendation Committee	1 internal director 2 independent directors	Recommendation of independent director candidates to the GSM, etc.

Evaluation and compensation of the BOD

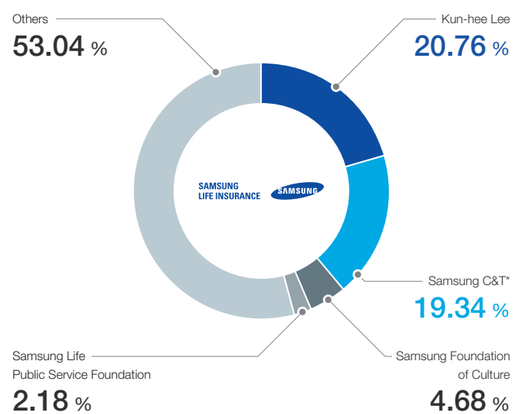
Compensation for BOD members consists of an annual base salary and a performance-based remuneration that are paid within the limits approved for at the annual GSM. At the 2015 meeting, the limit was set at KRW 20 billion(frozen since previous year). From this amount, only KRW 5.5 billion was actually paid out. Starting from 2013, registered directors earning more than KRW 500 million at Samsung Life have to reveal their compensation to the public in compliance with the executive payroll regulations. Base salaries are calculated depending on the job position of each director and decided by the BOD according to the performance evaluation, while performance remuneration is determined according to other corporate business results. In order to ensure fair compensation for management performance, the company operates a long-term incentive plan according to the guidelines set out for a performance-based pay structure.

Shareholder Composition

On May 12, 2010, Samsung Life strengthened its position as Korea's largest life insurer by becoming publicly traded on the Korea Stock Exchange; attracting many domestic and foreign investors.

Current Shareholder Composition

As of the end of December 2015

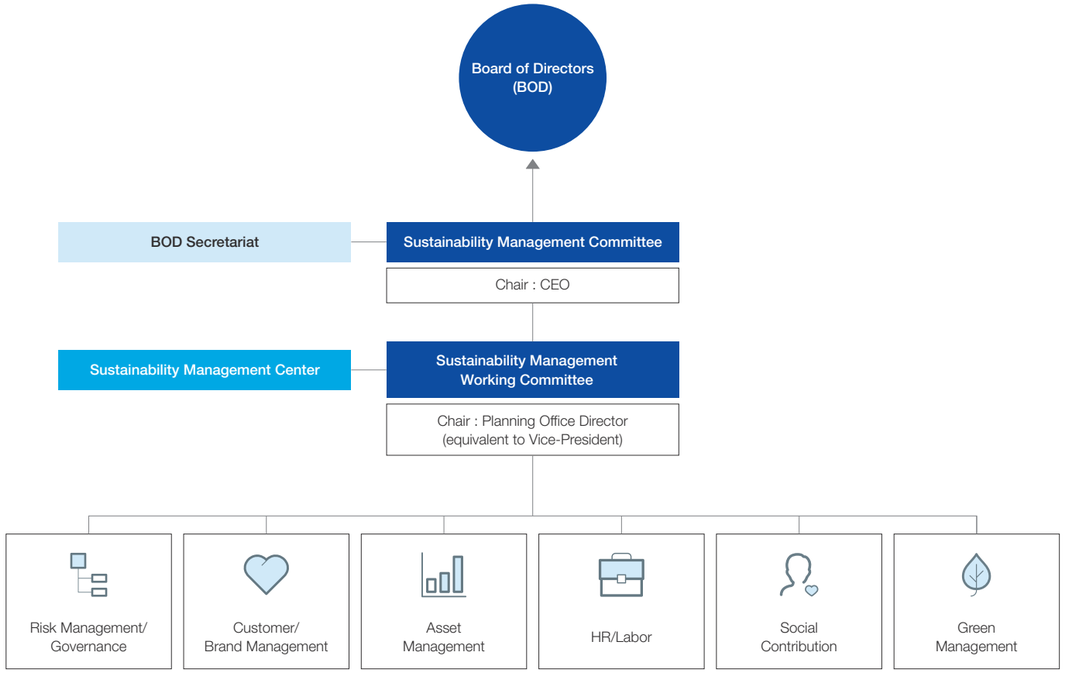


* On September 1, 2015, Cheil Industries merged with Samsung C&T and changed its corporate name to Samsung C&T

Governance Structure of Sustainability Management

Samsung Life is operating the Sustainable Management Committee and Working Council under the BOD as part of its commitment to building trust with insurance consumers and contributing to the sustainable development of society.

We reformed our Management Committee in April 2012, changing it to a Sustainability Management Committee to take on the role as a sustainable company to address major issues.



Sustainability Management Committee

Samsung Life's Sustainability Management Committee consists of 2 internal directors, including the CEO, as the highest decision-making body for sustainability management. This 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 overseeing general business operation matters.

Economic Sector

- Discussion of investments and asset management such as real estate

Social Sector

- Sharing of CEO issues with customers
- Participation in and support for corporate social responsibility(CSR) activities and initiatives regarding sustainable management

Environmental Sector

- Review of environment-related investments
- Aiming for reduction of greenhouse gas emissions and energy consumption

Sustainability Management Working Committee

Samsung Life operates the Sustainability Management Working Council to efficiently implement decisions made by the Sustainability Management Committee regarding various issues related to the company's financial and non-financial operations. Consisting of 6 working-level departments, this council controls HR, asset management, brand management, etc. 4 meetings of the Working Council were held in 2015, where members discussed sustainable management.

Major issues

- Countermeasures for the carbon emission trading system
- Improvement of employee satisfaction
- Development and management of public services
- Promotion of social responsible investment

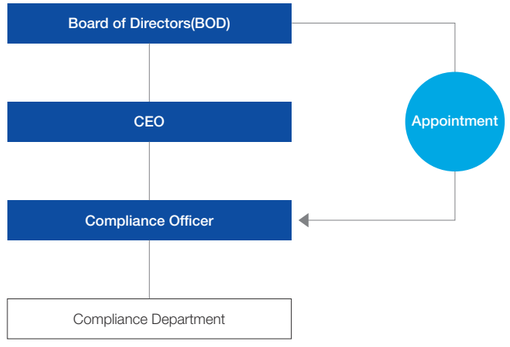
INTEGRITY MANAGEMENT

Strengthening integrity management system

Integrity management system

Samsung Life considers the Integrity Management as a requirement for its sustainable growth and development. In order to become a transparent company, we are strengthening the Integrity Management System, offering education, and conducting inspections. In addition, we are strengthening our ethical corporate culture based on the behavioral standards of integrity management. We have appointed managerial-level employees to oversee monitoring compliance practices. They are attending the Quarterly Value Chain Compliance Seminar to establish practical action plans.

Organization





Integrity management education at the Head Office

2015 Integrity Management Education Performance

9,659 persons
Number of training participants

207 times
Number of training sessions

Reporting channel for ethical management

We are operating an online whistle-blowing channel to immediately report any irregularities, illegal or unethical practices, ensuring that any fraudulent actions inside the company are prevented. Employees can anonymously report irregularities and illegal/unethical practices through the whistle-blowing channel. We are committed to thoroughly protecting the identities of the informers.

Ethical education and inspection

Regular inspections

We are conducting regular and frequent ethical management inspections to create an ethical corporate culture. In 2015 regular inspections, we have inspected our customer promotion materials, tasks, and compliance management. In addition, we will conduct an additional inspection on high-risk departments in 2016.

Compliance Plus Education

Samsung Life is providing customized education to each division/duty. In 2015, we have provided 15 lectures under 7 themes. Our lectures for each division greatly contributed to increasing participation of employees in education. In the second half of 2016, we will upgrade the lecture themes and details based on the questionnaire survey results conducted after training.

Promoting ethical culture

For the purpose of promoting ethical culture, Samsung Life operates an Ethics Committee, provides incentives and penalties and publishes compliance reports.

Ethics Committee

In order to create an ethical culture, Samsung Life is sharing ethical issues concerning personal information protection, complete selling, and fair trading by holding forming an ethics committee every quarter

Incentives & penalties

We are providing incentives and rewards to employees who are highly aware of ethical practices and operating a penalty system to strengthen our ethical management

Compliance report

Through the newsletter named "Compliance News", we disclose two-track reports to improve employees' awareness of compliance

BUSINESS STRATEGIES & MAJOR ACTIVITIES

16 Business Activities in 2015
20 Risk Management
24 2015 Economic Performance Creation and Distribution



“What is Samsung Life doing to improve its **corporate values**?”



“Samsung Life is **upgrading its channel platform** and providing **customer-oriented products and services.** In addition, it is exploring **new business opportunities** by penetrating into the retiree/upper class markets and **extending its business to the foreign markets.**”

BUSINESS ACTIVITIES IN 2015

Quality and value-based management

Stabilization of Value-Centric Management

Under its management policy of “Maximizing corporate values based on qualitative growth”, Samsung Life has established consistent business strategies for profit-based management. Despite a poor market environment with low interest/growth rates, we improved cost efficiency and strengthened profit-based management by expanding the coverage insurance and removing inefficient practices.

Launching a channel platform

As part of quality growth strategies, Samsung Life is launching its channel platforms. Focusing on increasing productivity of exclusive FC channels, we are developing new business EEV[1)] and improving the productivity and persistency rate. In addition, we have established a foundation for continuous growth by responding to the changing market trends of non-exclusive sales channels. In 2016, we will focus on diversifying and differentiating agency models considering customer needs and market characteristics.

Field-oriented management

We believe that we can find an answer in the field. Considering that our survival and development depend on customers and the market, we are conducting site-centered business activities. In order to construct a site-centered management system based on our understanding of the operating sites, we carried out “Samsung Life Love Campaign”. In addition, we are encouraging our head office staff and onsite employees to take a variable insurance manager qualification test and a consultant qualification test.

1) **EEV** : European Embedded Value

Strengthening growth potential for the Future

Leading the retirement market

Samsung Life has been accelerating its performance creation for the retirement market since 2012. Providing competitive annuity products and services, we are strengthening our position as a leader in the retirement market. For long-term profit stability, we diversified premium payment methods and began offering options by applying an official rate. In addition, we are providing variable annuity plans that guarantee the minimum reserve regardless of investment profits, annuity products for tax benefits, and IRP.

Support for retirement preparation

- Surveys on the level of awareness and status of Korean people’s retirement preparation
- Retirement readiness index consists of 4 areas, including finance, health, activities and relations
- Korea’s first indexes that combine both financial and non-financial aspects

Retirement report

- Researche conducted on the retirement planning for both financial and non-financial aspects
- Various issues and resolutions on retirement readiness derived from research are notified and shared with the society

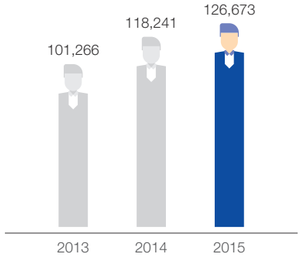
Lifecycle design training program

- A representative training program that enhances the awareness on retirement planning and help implement it
- Korea’s only customized training that takes the age and needs of individuals into consideration

Performance of the lifecycle design training program

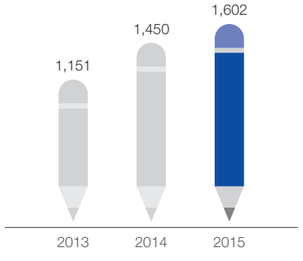
Number of participants

Unit : Persons



Number of training sessions

Unit : Times



1. Samsung Family Office
2. Heritage Center



1



2



2016 Korea Fund Awards
Best insurance company in investor protection

Asset management and value sharing for the HNWIs

In response to low interest/growth rates, Samsung Life is focusing on integrated asset management for stable asset management and inheritances.

One-stop solution

We are managing customer assets from a long-term perspective for customer’s’ families and their descendants. We are providing one-stop solutions based on our scientific and systematic financial design system encompassing investments, tax affairs, real estate, inheritance/transfer, and risk management. WM Business Division is responsible for the HNWI market and is operating the FP Center and Samsung Family Office for differentiated asset management. Based on customer trust, it is building long-term relationships with customers.
In 2015, FP Center and Samsung Family Office of WM Division achieved recognition for its excellence in HNWI management. FP Center was selected as the best PB center of 2015 in the field of life insurance by Hankyung Business and Samsung Family Office was awarded the Grand Prize in the fields of insurance, banking, and securities at the 2015 Korea Wealth Management Awards held by Money Today Thebell. Furthermore, Samsung Life ranked first in the 2015 Fund Companies Evaluation by the Korea Financial Investors Protection Foundation.

Professional consulting

Customer’s profit-centered service
We analyze financial issues including personal/corporate assets, tax-related issues, inheritance/property transfer/ family business transfer issues, tax affairs, financial/non-financial issues, and other issues not recognized by customers and provide proper solutions

Family Integrated marketing program

Total care service
Through our total care services, we provide customers and their families with integrated marketing programs such as Samsung’s know-how for business management, conjugal retirement courses preparing for the aging society, global insight training and career counseling for children

Differentiated marketing platform

FP Center(Financial Planner)
An integrated lifecycle services targeting HNWI clients

Samsung Family Office
Korea’s first family management service and HNWI management team

Heritage Center
The exclusive HNWI management team consisting of high-efficiency FCs

BUSINESS CASE

Launched “Heritage Whole Life Insurance Plan” for HNWIs

Samsung Life has launched the Heritage Whole Life Insurance Plan for super HNWIs. This product is for super HNWIs subject to the highest inheritance tax rates. It has the highest minimum amount among the whole life insurance plans. With the minimum amount being KRW 3 billion, the period of premium payment was reduced. It focuses on the property inheritance plan of HNWIs and provides customized support through an inheritance management seminar in cooperation with Wholeseller/WM/Heritage Center. Samsung Life has launched various whole life insurance plans including Integrated Universal Whole Life Insurance(KRW 20 million or more), Platinum Universal Whole Life Insurance(KRW 300 million or more), and VVIP Universal Whole Life Insurance(KRW 1 billion or more), following Heritage Whole Life Insurance Plan.



Expansion of overseas businesses

Expanding Overseas Businesses

In order to take a bold leap forward into becoming a global leading company, Samsung Life is strengthening its business competitiveness and expanding businesses abroad considering the market size and its potential. In the Thai and Chinese markets where we have already entered, we are strengthening our market position and expanding business. From a mid and long-term perspective, we are considering entry into new potential markets.

Improvement of global competitiveness

Samsung Life has continuously developed global competencies by preparing for overseas expansion in its system. In particular, we are focusing on a global trend survey, monitoring, risk management, HR development, and construction of a global network in the current and potential markets.

Competency development for overseas businesses

HR development for overseas businesses

- Under the field-oriented policy, we utilize local workforce and dispatch a minimum number of head office staff
- Develop PMI[1] manpower for the initial stage of M&A

Strengthening of the preexisting business governance system

- Thailand
  Developing Head Office's monitoring and support for local competency
- China
  Construction of the control system through BOD

M&A competency development

- Construction of the permanent M&A system
- Development of negotiation and contract competencies

Operation of Support Organizations for the Enhancement of Overseas Businesses

Overseas Businesses Committee management
Inspection on overseas businesses and sharing of business directions

Operation of the global forum
Operated as a regular seminar for forming a company-wide consensus

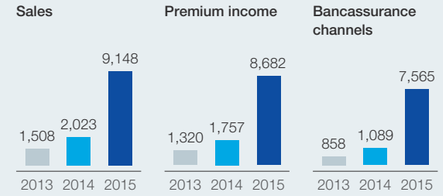
1) **PMI** : Post-merger Integration

China

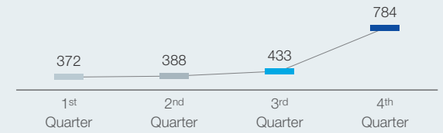
China, the world's 4th largest insurance market, is one of the most important overseas markets, in terms of overseas businesses and real estate investment. In 2015, BOC-Samsung Life Insurance Company Limited diversified sales channels by engaging in group insurance and bancassurance. As a result, its sales increased by 352% compared to the sales of the previous year.
Due to aging population and increasing incomes, demand for protection products is expected to increase in the Chinese market. We will keep expanding our business, focusing on protection insurance products.

* **BOC** : Bank Of China

Major Performance of 2015 Unit : KRW 100 million



BOC*- affiliated branches Unit : Branches



Current overseas business

12 locations in 7 countries

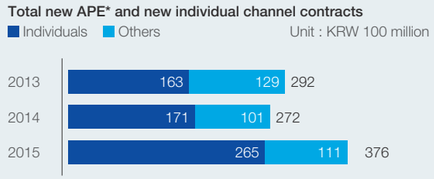


Thailand

As of 2014, the life insurance market size of Thailand was about $13.3 billion, corresponding to one-eighth of the Korean market. Considering its young population and further economic expectations, Thailand is a promising market. As of December 2015, Thai Samsung is operating 7 branches including the Bangkok Branch and 62 general agents(GA) through staffing of local workers. With individual channel-centered growth, Samsung Life spares no efforts in recruiting, HR development, and marketing.
In 2015, Samsung Life conducted an advertisement campaign via TV commercials and billboards to improve its brand awareness. After its ad campaign, the TOM(Top of Mind) of Samsung Life Increased by 2.3 times and its brand awareness and consultant loyalty has greatly improved.

* **APE** : Annualized Premium Equivalent

Total new APE* and new individual channel contracts
Individuals Others Unit : KRW 100 million







See the advertisement of Samsung Life Insurance in Thailand
https://youtu.be/3fBmZ7tEy38

Asia's emerging market

In April 2015, Samsung Life Overseas Business Committee established its master plan to penetrate into new Asian markets. Considering the market size, growth potential, and profitability, it selected Vietnam, Singapore, Malaysia, Indonesia, Hong Kong, and the Philippines as the target markets. It keeps monitoring the markets to look for ways to expand its overseas business.



CEO's visit to Vietnam for market research

RISK MANAGEMENT

Risk management for preservation of customer and company values

Risk Management Committee

Samsung Life has established the Risk Management Committee consisting of an internal director and 2 independent directors under the BOD, acting as the highest decision-making body for risk management. The Committee conducts all duties related to monitoring the level of risks, including enacting regulations, establishing procedures, establishing permissible limits by risk type and setting up guidelines, including BCP[1]. In addition, Samsung Life holds several sub-committees related to risk management.

1) BCP : Business Continuity Plan
A plan to guarantee smooth implementation of core tasks in case of emergency such as disasters

Major functions of sub-committees

Risk Management Committee

- **Insurance Risk Management Committee**
  Decisions made on operational standards concerning underwriting, claim payment assessment, etc.
- **Variable Insurance Risk Management Committee**
  Decisions made on variable warranty options and operational strategies
- **Asset Risk Management Committee**
  Decisions made on operational guidelines and establishment of risk management policies for assets
- **Product Committee**
  Decisions made on new product development, sales suspension, and applicable rates
- **Investment Committee**
  Decisions made on investments such as sizable financial assets, real estate, etc.
- **Loan Committee**
  Decisions made on loan transactions and credit management standards
- **Crisis Management Committee**
  Establishment and operation of BCP for emergencies

Systematization of risk management

Samsung Life classifies risk types into several categories: insurance, interest rates, credit, markets, liquidity, and operations. We measure the expected risk size and allowable limits and strive to reduce risk according to the guidelines. In particular, we categorized various operational risk types into business, legal, compliance, IT, and reputation. Based on our professional risk management system, we manage all types of potential risk during asset managements. We operate the VaR[2] measurement system as part of quantitative risk management and conduct a crisis analysis at regular intervals. In addition, our experienced underwriters and advanced credit risk management system allow us to filter out toxic assets.

2) VaR : Value at Risk
The amount of maximum loss that might arise during a set period under a certain level of trust provided in normal market conditions

Managing operational risks

Samsung Life has a system in place to detect and control operational risks to hedge potential losses from mistakes, illegalities, lawsuits, mis-selling, system failures, calamities and other non-financial risks. In accordance with our risk management regulations and rules, we classify the operational risk types into several categories: business, legal, compliance, IT and reputation. First, in order to prevent accidents and illegalities and ensure rational work processes for insurance business, we have a guideline for handling accidents. After acquiring the international certificate issued by the BSI(British Standards Institution) to manage BCP in 2008, we annually provide post management system annually and the renewal of certification. In February 2014, we established a disaster management system that is practical and systematic through renewing the international certificate(ISO 22301).

CERTIFIED ISO 22301

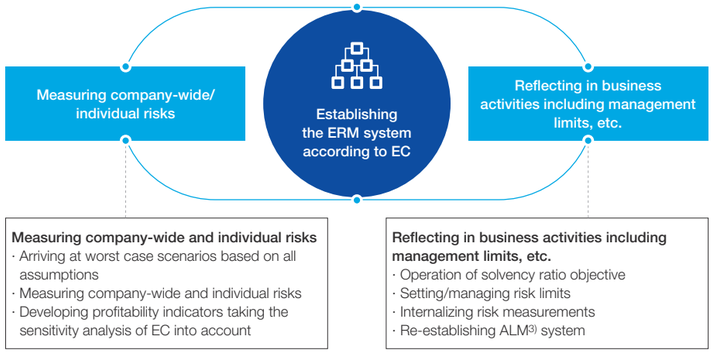
1) EC : Economic Capital

2) ERM : Enterprise Risk Management

3) ALM : Asset Liability Management

Enterprise risk management considering EC

Samsung Life has established an EC^{z}-based ERM[2] system in order to strengthen its management of actual risks. EC, a tool to measure the total amount of corporate risk, can be classified into five risk types: interest rates, insurance, credit, market, and operations. Based on EC, we operate assets considering risk, construct a business activity system, and try to improve the understanding and usage of EC. In addition to the total limit on risks, we review returns on investment, considering risks during decisions made on investments. We assess the product profitability based on risks derived when releasing new products, so that actual risks are taken into consideration during our decision-making process for management practices.



In 2015, Samsung Life operated the ERM system to calculate/manage the profitability index called EC(Economic Capital) and the solvency ratio, which allowed a balanced consideration of profitability and risk. Also, we set the company-wide risk limit each year and manage it within that range. In 2016, we will keep operating the preexisting ERM system and upgrade the level of trust from 99% to 99.5% for individual risk measurement as leading companies do. In addition, we will gradually upgrade the ERM system by segmenting risk limits by asset operator and clarifying the agents.

BUSINESS CASE

Potential risk management

Potential Risk	Risk Impacts	Mitigation Actions
Financial/ institutional risk	Due to continued low growth and interest rates, the interest rates on financial debt exceed the interest rates of asset management. Moreover, the introduction of the strengthened IFRS4(International Financial Report Standards) is expected to be a burden to Korean insurance companies' RBC ratio management.	· Improving returns on managing insurance assets · Operating its own asset management affiliate · Responding to the introduction of IFRS4 Phase 2(Pg. 38 – 41)
Supply chain risk	As corporate value chains are subdivided and composed of external organizations, it is important to analyze and manage supply chain risks. Samsung Life constructed its own value chains including insurance sales channels, customer/contract management channels, and asset management channels. In addition, we are doing our best to ensure smooth operation of value chains by specifying their own functions. Our external sales channels directly connected to customers, such as insurance agencies and consultants, have a risk of developing mis-selling practices.	· Operating Sustainable Value Chain (Pg. 8, 9) · Minimizing mis-selling practices (Pg. 36) · Selecting fair and transparent suppliers(Pg. 62, 63)
Risk resulting from IT development	The recent IT development provides the insurance industry with new opportunities and requires innovative changes, leading to Fin-Tech. Therefore, we need to strengthen traditional sales channels, develop new products integrated with IT, and diversify sales channels. In addition, we need to be fully prepared for new IT that may threaten the security of personal information.	· Strengthening customer information protection activities (Pg. 22, 23) · Promoting online channels (Pg. 35)

Reinforcing management of customer information protection

Risks related to customer information protection management

Recently, interest in protecting customer information has increased due to the leakage of customer information, These customer info leakage incidents have not only emotionally and physically affected customers, but also brought on economic losses, such as hurting public confidence in companies and reducing sales. Samsung Life, in particular, by collecting customers' precious personal information during its sales activity, strives to manage and protect customers' information as well as their premiums.

Information Security Management Certificate(ISO27001)

Samsung Life has been certified for Information Security Management. According to the international standards for information protection, we conduct risk management and security policy categorization. Through the certification, we are expecting to improve our information security management system, employees' awareness and competency of information protection, and customer trust, and strengthen financial, IT and security compliance.

Management organization for protecting Customers' information

To strengthen its security, Samsung Life has appointed a Chief Information Security Officer(CISO). The CISO in charge of general information protection plans, adjusts, and inspects all tasks concerning information protection.



Operation of the Information Security Committee

Samsung Life holds a committee meeting every month with its Company-Wide Security Committee led by CSO[1](Chief Security Officer) and the Information Security Committee led by CISO[2](Chief Information Security Officer). The Information Security Committee deliberates on and makes resolutions on IT security issues. In the Company-Wide Security Committee, personal information protection, IT security, and facility security executives deliberate on and make resolutions on security matters.

Company-Wide Security Committee	Information Security Committee
Led by CSO (Chief Security Officer)	Led by CISO (Chief Information Security Officer)
· Personal information protection, IT security, and facility security staff · Deliberate on and make resolutions on security issues	· Agendas concerning IT security · IT officers deliberate on and make resolutions

Major agendas of security committees

- Introduction of the laptop management system
- Construction of the hardcopy information leakage prevention system
- Appointment of Chief Information Security Officer(CISO)

1) **CSO** : Chief Security Officer

2) **CISO** : Chief Information Security Officer

Information protection activities

Samsung Life's information protection activities can be divided into preventive activities, accident countermeasure activities, and security quality improvement activities. All employees and consultants participate in information protection activities to improve their awareness of security.

	Activities in 2015	Directions in 2016
Prevention of security accidents	· Operation of the security system Prohibition of USB usage, document DRM(Digital Rights Management), hard disk encryption, laptop management system, etc · Operation of the Project Center for IT systems X-ray detection, camera sealing, visitor management, and internet access prevention, etc.	· Blockage of hacking threats through a separated network · Strengthened personal information management through a security solution · Strengthened personal information management through a security solution
Swift countermeasures for accidents	· Use of a system for detecting warning signs of security accidents Real-time detection of abnormal scenarios including excessive queries to customer information, excessive outputs, etc.	· Swift countermeasures for security issues through strengthened monitoring · Maintenance of the abnormality detection system and establishment of the countermeasure system · Prevention of spread of malware infections through detecting hacking attempts in reduced time period
Improvement of corporate security	· Improvement of corporate security · Simulation training Establishment of the accident countermeasure system and training · Strengthening of security inspection Quarterly personal information management inspection, monthly cyber security inspection, etc.	· Improvement of employees and consultants' awareness of security through security education · Security level management through security process standardization · Improvement of security by acquiring ISMS

BUSINESS CASE

Information protection activities for value chains

To strengthen security, Samsung Life conducts information security inspection on its value chains. In 2015, we conducted information protection inspection on our affiliates and joint ventures. During inspection, we checked 114 items of the 5 sectors: information protection policy, information protection organization, security awareness, countermeasures for security accidents, and physical security.

In addition, we subdivided the preexisting 3 inspection items(Acceptable, Poor, and Partly Acceptable) into 5 items. We established a cyclical information protection maintenance/management system by establishing security inspection items suited to a value chain environment. We will keep monitoring our value chain information protection level and strengthening information protection through anticipatory management.

Performance of Value Chain Security Inspection

Security inspection on 5 value chains

Value chain information protection inspection items

- Information protection policy
- Information protection organization
- Improvement of security awareness
- Countermeasures for security accidents
- Physical security

2015 ECONOMIC PERFORMANCE CREATION AND DISTRIBUTION

Financial highlights

Samsung Life generated KRW 27.5214 trillion in total premium in FY2015. Excluding corporate pension and retirement insurance, the figure was KRW 22.929 trillion, which represents a 0.3% increase from the previous year.

Business results

In 2015, net income was KRW 1.2112 trillion, having contracted by -9.4% from the previous year. This was achieved despite the difficult business environment marked by low interest rates, thanks to higher investment income from equity disposal gains and the growth in Insurance Profit as a result of improvement in management efficiencies such as the loss rate, and the growth in sales of protection products. Despite low interest rate trend, we were able to maximize corporate profits in 2015 by segmenting and innovating all stages of the claims management value chain, and seeking out investment opportunities in overseas markets and real estate to the extent permitted by our internal risk guidelines, all in a concerted effort to achieve “maximization of corporate value through quality growth”.

Value of New Business

The Value of New Business generated in 2015 decreased YoY by 3.2% to KRW 1.18 trillion. Even though the sales of high-margin protection products increased by 5.3%, the Value of New Business fell due to low interest rate trend a sharp fall in the sale of annuities which led to a 7.9% decrease in the total APE year-on-year. However, New Business Margin grew by +1.7%p to 33.2%.

Embedded Value(EV)

	Unit	FY2013	FY2014	FY2015
EV	KRW trillion	24.5	24.9	**25.3**
Value of New Business(VoNB)	KRW trillion	1.1	1.2	**1.2**
New Business Margin(NBM)	%	28.2	31.5	**33.2**

* Figure for FY2013(April – December) has been annualized

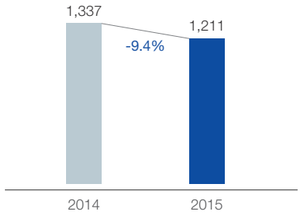
New business and APE by product

Samsung Life’s total new business APE for 2015 was down year-on-year by 7.9% to KRW 3.564 trillion. However, Protection APE increased by +5.3% YoY and within Protection Critical Illness sales grew by +20%. On the other hand, annuity sales declined by 14% year-on-year, resulting from a temporary curb in annuity demand after strong sales in 2013 prior to the amendment of the Income Tax Act, along with the company’s deliberate decision to focus on Protection product sales. In 2015, we made efforts to solidify our market position in both the protection and annuity markets by maintaining our solid foothold in the high-margin protection market, and at the same time striving to recover our annuity sales.

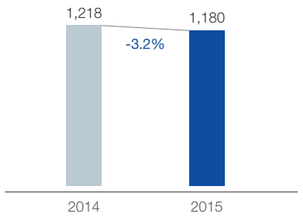
	Unit	FY2013	FY2014	FY2015
New business APE	KRW trillion	4.0	3.9	**3.6**
Protection new business APE	KRW trillion	1.8	2.1	**2.2**

* Annual rates of performance for 9 months(April – December) of FY2013

Net Income
Unit : KRW billion



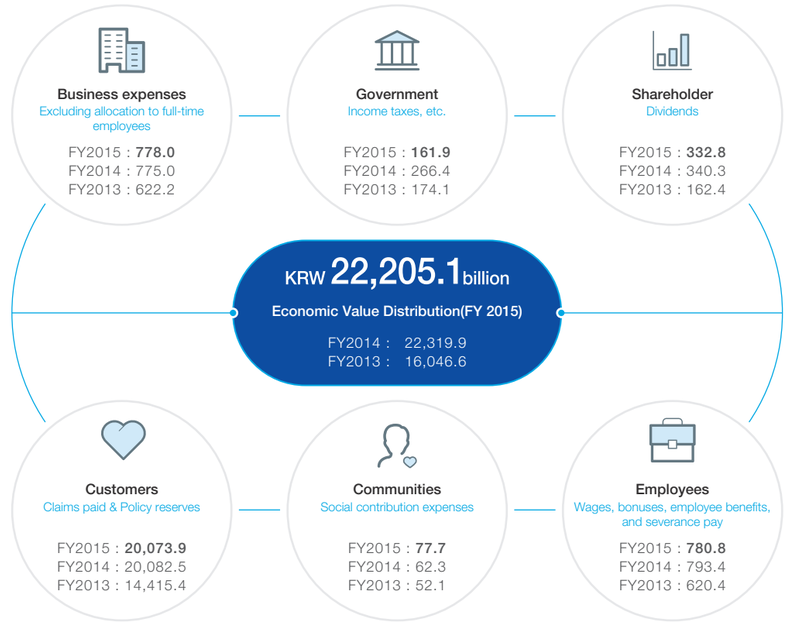
Value of New Business
Unit : KRW billion



Economic Performance Creation and Distribution

Samsung Life is committed to fair distribution of its economic returns to its stakeholders, including shareholders, customers, employees and suppliers, through various ways, such as dividend payouts, claims payments, social contribution initiatives and tax payments. Our distribution to stakeholders amounted to KRW 22.205 trillion in 2015.

Unit : KRW billion



* As the consolidation basis was applied in 2015, data of 2013 and 2014 was corrected correspondingly.

BUSINESS CASE

Taxation Strategies of Samsung Life Insurance

Samsung Life performs its obligation to pay taxes according to the domestic and international tax laws. We have been awarded the best taxpayer citation at the Taxpayer’s Day Award of the Ministry of Strategy and Finance for 5 times since 2006. We have been recognized as an excellent taxpayer and have never been subjected to a tax audit for the past 10 years.

Transparent disclosure of tax information

Samsung Life discloses its tax data and information according to the tax laws. In particular, we receive tax consultation from 2 accounting firms for accurate tax management. We are endeavoring to realize public benefits, transparency, and shareholders’ profits as a financial company.

Tax risk management

Samsung Life monitor tax regulations and governmental policies in order to understand and manage tax risk. We are improving the reliability and accuracy of tax adjustment and accounting processes through our internal control system. For example, we have established several control items to be specially managed so that we do not violate legal regulations accidentally nor damage the reliability of financial information. Furthermore, we are managing tax report documents with a computing system over a certain period of time and undergo regular tax audits. As new corporate accounting regulations such as IFRS4 were enacted and amended in 2005, we formed an exclusive organization for tax affairs.

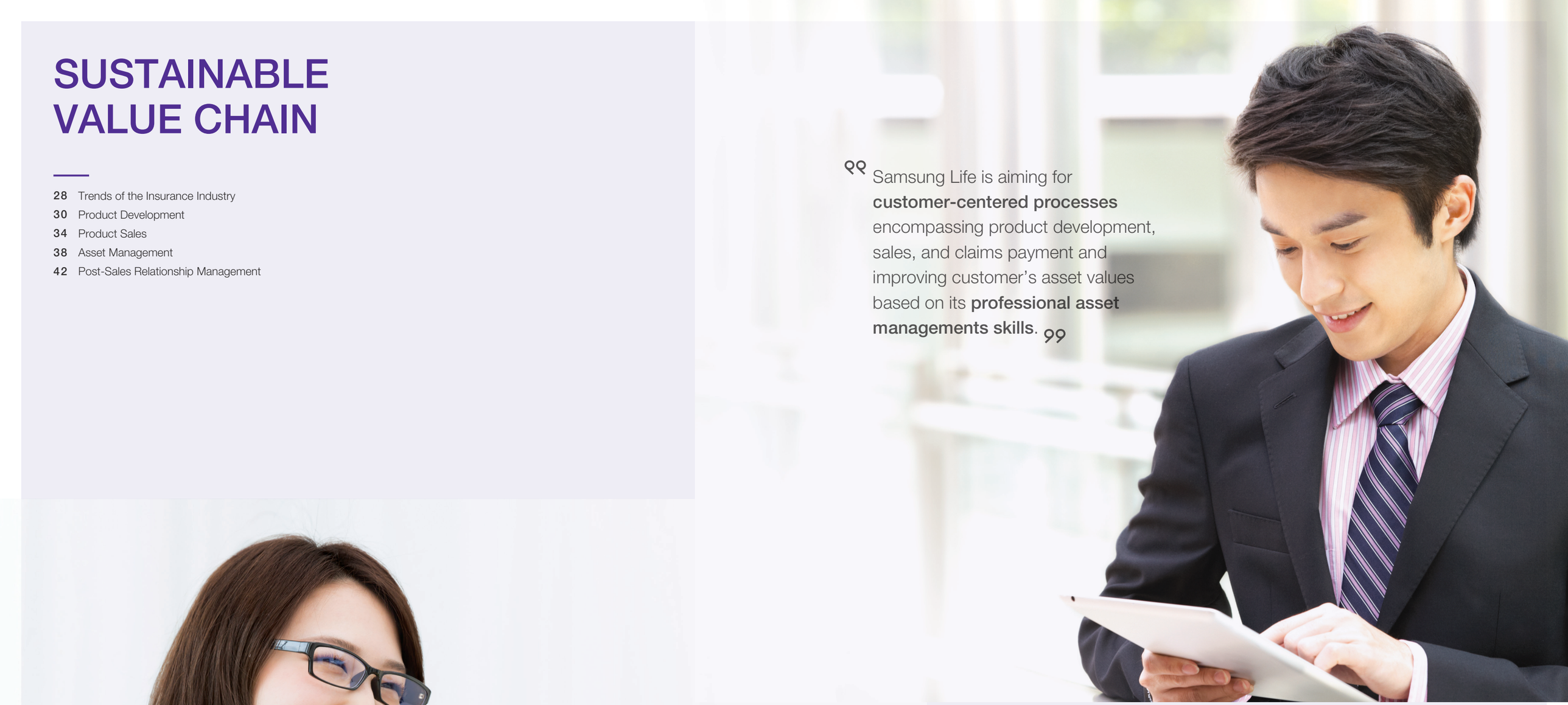
2015 corporate taxes(separate criteria applied) Unit : KRW million

	FY2013	FY2014	FY2015
Income tax paid[1)]	221,819	464,351	**390,212**
Deferred tax changes due to a temporary difference[2)]	(928,173)	575,189	**216,722**
Income tax expenses directly included in capital	843,593	(730,511)	**(342,213)**
Returns and additional payments of corporate taxes[3)]	(2,503)	(70,236)	**(128,771)**
Income tax[4)]	134,736	238,793	**135,950**

1) **Income tax paid** = Current corporate taxes
2) **Deferred tax** : Expected amount of deferred tax changes due to a temporary difference between accounting income and taxable income
3) **Additional payments** : Additional payments of corporate taxes
4) **Income tax expenses** = Current income taxes + Deferred income tax

SUSTAINABLE VALUE CHAIN

28 Trends of the Insurance Industry
30 Product Development
34 Product Sales
38 Asset Management
42 Post-Sales Relationship Management



“Samsung Life is aiming for **customer-centered processes** encompassing product development, sales, and claims payment and improving customer’s asset values based on its **professional asset managements skills**.”



“What is Samsung Life doing to **improve customer values**?”

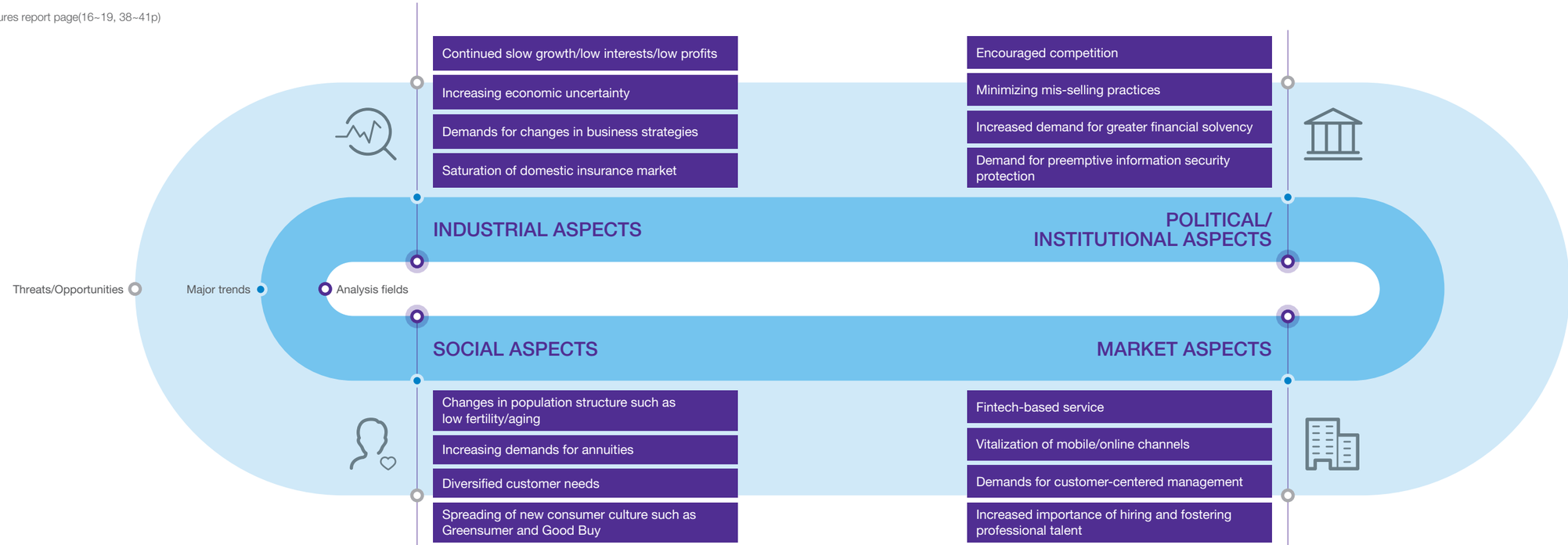
TRENDS OF THE INSURANCE INDUSTRY

With the aim of becoming one of the world's top 15 life insurers by 2020,
Samsung Life is more aggressive than ever on the global front to address future changes,
by analyzing the rapidly changing insurance industry and
calculating the risks and opportunities.

Industrial aspects

The insurance industry of Korea entered an era of New Normal where low interest, slow growth, and low profits continue. Due to the US Federal Reserve Board's declaration for the end of Zero Interest Rates, the continued recession in Europe, and the slow growth of China and newly developing countries, our economy is undergoing a period of uncertainty. The Korean insurance industry used to aim for quantitative growth during the age of rapid growth. However, recent circumstances require insurance companies to modify their business strategies for risk management and qualitative growth.

Countermeasures report page(16~19, 38~41p)



Political/Institutional aspects

Financial policies and systems are being newly enacted or revised at home and abroad. The government is conducting a financial reform by relaxing prior regulations, strengthening post-supervision, and improving industrial integrity, for the first time in 22 years after insurance premium deregulation in 1993. Moreover, IFRS4 Phase 2 which will be adopted in 2020 requires the insurance industry to have more strict supervision standards and world-class financial stability. As a result, Korean insurance companies need to respond to big changes in policies and systems.

Countermeasures report page(36, 39p)

Social aspects

Currently, Korean society is facing severe aging and low birth rates. Although demand for welfare and annuities are on the increase, public assets are limited. More and more people feel the need for private insurance in response to social risk resulting from sluggish domestic demand and uncertain economic situations. Meanwhile, as the need for insurance products related to pension, disease and housing is becoming diversified and new consumer cultures including Good Buy principles is becoming a social phenomenon, demand is rising for products and services that correspond to such needs.

Countermeasures report page(30~33p)

Market aspects

Recent popularity of mobile and online channels opened the era of Fintech in the financial industry. In November 2015, the government introduced the online insurance supermarket "Insurance Damoa" and revised the Enforcement Decree of the Insurance Business Act to simplify the online insurance authentication process and develop the Fintech market. In order to dominate the Fintech market, many insurance companies are developing various online insurance products by accurately predicting health risk and considering customer's lifestyle based on big data. They are trying to reduce costs and develop customized insurance products. At the same time, in order to quickly respond to the rapidly-changing market trend and accelerate the launching of new businesses, it is becoming more and more important to secure and foster future talents

Countermeasures report page(30, 31, 42~45, 74, 75p)

PRODUCT DEVELOPMENT

Industry Issue and Its Impact

As the Korean insurance industry has entered its maturity stage, the market competition is getting stronger. Furthermore, the trends of the insurance industry are rapidly changing and customer needs are becoming diversified. Developing insurance products suited to the customer needs and market trends are very important and directly related to the sustainability of Samsung Life.

Threat and Opportunity

According to diversified customer needs, their needs should be precisely analyzed so that products and services can be developed continuously. Products developed to reflect customers' perspectives or opinions not only enhance customer satisfaction, but also provide an opportunity to build customer loyalty. However, corporate-oriented product development can worsen the company's image by losing customer confidence.

Approaches to issues

· Integrated approach to customers, products and channels
· Optimized insurance products that meet customer needs
· Financial products pursuing social responsibilities and values

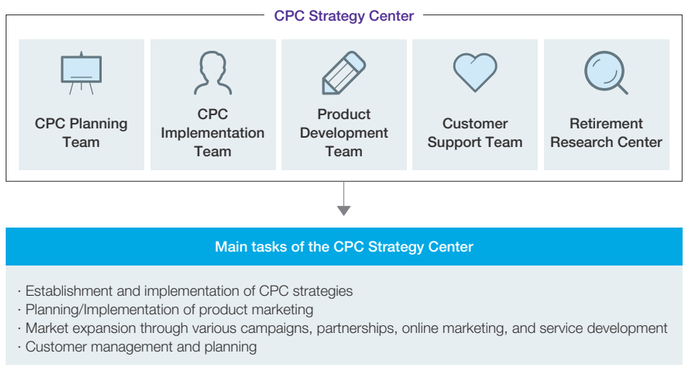
Integrated approach to customers, products and channels

Managing customer-oriented work process

Samsung Life operate a Customer-Product-Channel(CPC) Strategy Center that oversees work related to analysis and strategies on customers, products and channels, to further strengthen customer-oriented management practices and implement customer-focused work processes. Based on its MI(Market Intelligence) function, the CPC Strategy Center played a leading role in the entire process from customer data analysis and customer-oriented product development to channel strategy implementation.

Enhancement of customer-centered management

It has been 4 years since Samsung Life founded the CPC Strategy Center. In order to strengthen our CPC strategies, we newly established the CPC Implementation Team under the CPC Strategy Center.





Development of customer-centered products

In order to develop quality products that can satisfy customers, Samsung Life manages customers by categorizing them into 6 groups. When developing products, synergies are created through collaboration between related division throughout the entire process from analyzing market opportunities and sales performance to giving feedback and developing products. Keeping with the product development deregulation policy, we will focus on developing customer and market-centered products in 2016. By developing various products suited to the market and sales channels and strengthening our risk research, we will launch a wide range of new products for the elderly, patients, etc.

Product development process

01 Market opportunity analysis
· Generating ideas for new products
- Collaboration among departments in charge of products/ marketing/sales channels
· Reviewing target markets and customers in line with strategy

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

03 Feasibility tests
· Planning product structure
· Reviewing product development and revisions by related department
· Submitting reviews by department
- Impact assessment table of insurance fraud
- Expected schedule/personnel by system
- Testing of concepts and prediction of demands

04 Commercialization
· Developing sales strategies and anticipating sales volume
· Listing business cases
- Review of possible insurance fraud/ civil appeals
- Review of asset management opinions
· Product Committee consultation : final review of customer-oriented products and associated risks

05 Strategy review
· Finalizing the product development/renewal proposal
- In terms of risks and products

06 Internal and external product approval
· Approval by CEO : product development
· Paperwork completed and preparation for the licensing of products with relevant authorities
· Acquiring licenses

07 Preparation for launch
· Preparing for the launch and making a plan for the launch
· Checking for legal and compliance risks during preparation of all related materials

08 Final review prior to launch
· Distributing training materials/ customer promotion materials/ marketing materials
· Ensuring proper training on new products is given to customer service staff

09 Launch
· Approval for the launch
- Confirm checklist by department and provide Q-Sign for products sold
· Launch : Notification of established regulations

10 Performance review and feedback
· Analyzing marketing performance (sales, etc.) and operational results (profit/loss, risks)
· Checking for shortcomings or what needs improvement byin the Product Committee for changes to the conditions of sale or possible termination of sale

Optimized insurance products that meet customer needs

With growing customer expectations, product integration, and diversified financial products, customer value-based products are becoming more important.

Whole life insurance plans with lifetime coverage
Samsung Life provides a variety of whole life insurance plans with lifetime coverage for death benefits, regardless of the cause of death result from an illness, accident, or aging. The whole life insurance plans ensure stability for the bereaved family in case the head of the household dies. In 2015, we focused on improving the competitiveness of our major whole life insurance plans. We have introduced the death benefit installment payment system and the annuity advance system so that customers can prepare for their retirement with a single insurance plan. We have diversified annuity payment methods. In addition, customers can now shift their health insurance(CI/LTC) to an annuity plan.

Protection-type plans offer a wide range of benefits, covering various risks from illnesses and injuries
Samsung Life offers a variety of products according to the customer's lifecycle and needs. In 2015, we launched Lifestyle Health Insurance to strengthen the competitiveness of our mid-priced protection plans. This insurance plan covers chronic diseases such as diabetes, high blood pressure, and cancer, resulting from improper eating habits, smoking, or drinking. This product acquired the right for exclusive use from an authority.

Integrated insurance with convenience and flexibility
Integrated insurances offer comprehensive insurance coverage for every family member under a single policy, with convenience and flexibility to change coverage to suit customers' specific stage of life. In 2015, we have launched the Integrated Universal LTC Whole Life Insurance Plan for longtime care and death. This product pays benefits and annuities when a customer needs long-term treatment for Alzheimer's disease, stroke, or aging. In addition to LTC, it encompasses integrated coverage.

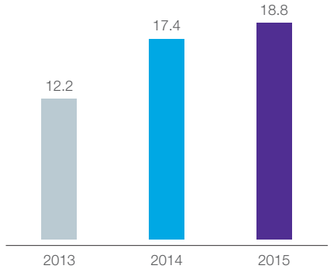
Annuity plans for post-retirement
For customers' retirement, we offer annuity plans with stable profitability and diverse features. The Healthy Life Plan is considered as a synonym for annuities with a wide range of guarantee options including a shift to LTC/CI annuity plan. This product seeks continued long-term profits and allows flexible asset usage.
In addition, the Women's Happy Annuity Plan, a practical annuity exclusive to women, received favorable comments in the market. This product preserves a lady's poise by providing funds for self-management or trips and allows retirement savings through annuity payment in advance. In case of our variable annuity plans, we have changed the guarantee payment methods and newly established the US Blue Chip Stock Long-Term Equity to strengthen product competitiveness.



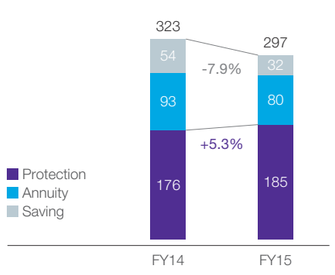


Critical Illness insurance

Retirement annuity funds
Unit : KRW trillion



APE performance by product
Unit : KRW billion, Base : Monthly average





Financial products that pursue social responsibilities and values

Socially responsible products
Samsung Life offers 'Hope & Love Insurance', which is a free insurance product for low-income families who are exposed to all kinds of risks with weak financial foundation. This product is a part of our microinsurance projects organized by Samsung Smile Microcredit Bank, which protects children under 12 years of age and who are from lower income groups, such as families raised by single-parent families, grandparents and multicultural families, by ensuring that they get at least the minimum coverage. In 2015, we supported claims for 729 children amounting to KRW 500 million.

Micro-finance for the underprivileged
Samsung Life is implementing activities in partnership with the Samsung Smile Microcredit Bank to improve the financial access of the financially underprivileged people. Through the program, we support up to KRW 50 million to people with a personal credit rating of less than grade 7 as start-up funds to help them support themselves. In addition, we help with their financial independence by offering business consulting services and providing marketing campaigns through talent donation.

5,679 persons
Accumulated performance of Gomduri Comprehensive Coverage Insurance

Products for the disabled
Samsung Life helps in social welfare of the disabled by helping them protect themselves from risks associated with all kinds of accidents, disasters and diseases. To achieve this, we introduced the 'Gomduri Comprehensive Coverage Insurance' that offers the same coverage as general plans, but at a lower premium. In 2015, this product has reached 5,679 in number of customers, and KRW 660 million in its performance.

Features of Gomduri Comprehensive Coverage Insurance
- **The insurance product for the disabled consisting of the cancer insurance plan and life insurance plan.**
  - Cancer insurance plan(Type 1) - Life insurance plan(Type 2)
- **Tax benefits for the disabled.**
  According to the Income Tax Act, 15% of the total premiums paid in the year relevant tax year (the limit of KRW 1 million) is deducted.(The tax deductions for protection-type plans of KRW 1 million are separately applied.)

2015 MAJOR PERFORMANCES

KRW 11.9 trillion
Protection product total premium
Based on premium income from individual and group insurance products

Acquired the right to exclusive use
Health insurance for chronic diseases
September, 2015

PRODUCT SALES

Industry Issue and Its Impact

Product sale is the beginning stage of value sharing between Samsung Life and customers and sales channels are the connection between them. As the Korean insurance industry has entered its maturity stage, sales channel management and responsible product sales become more and more important.

Threat and Opportunity

As sales channels are diversified, claims and mis-selling practices are increasing. We need to properly respond to increasing demands and needs for online and mobile channels. We can attract more customers and maximize sales and customer satisfaction by proactively responding to such issues. However, if we overlook these risks, it can lead to customer churning, decrease in sales and bring negative effects on corporate reputation.

Approaches to issues

· Diversification of sales channels
· Minimizing mis-selling practices

Diversification of sales channels

Exclusive channels

Samsung Life's exclusive channel network is operating competitive sales channels to maintain sustainable growth. In 2015, we shifted our paradigm from quantity/exterior-centered management to quality/value-centered management by categorizing management and support activities by consultants' competencies and focusing on attracting and developing new staff. In addition, we are extending our business to indemnity insurance/stocks/credit cards.

Exclusive channels

FC : Financial Consultant

Samsung Life's representative channel that helps customers establish future spending plans and acquire steady funding, by predicting their finances as their lifetime partner

GFC : Group Financial Consultant

A channel that improves corporate welfare through group insurance consulting services and provides protection and retirement plans for employees' future

AFC : Agency Financial Consultant

A channel consisting of exclusive corporate agencies composed of consultants and representatives who were Samsung Life staff, individual agencies, AM branches, and SFAs

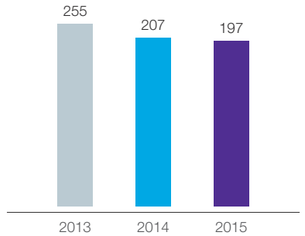
SFP : Special Financial Planner

A channel that aims to provide comprehensive financial services through a wide range of consulting experiences and financial knowledge, offered by young talented people in their twenties and thirties

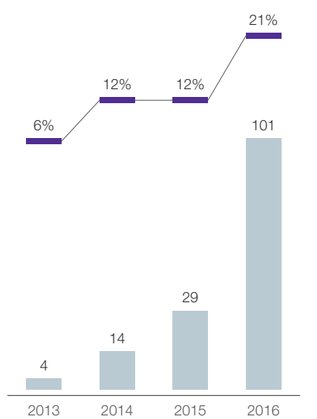
PFC : Partner Financial Consultant

A new concept of a channel that introduces insurance products and sells them without being tied up to their house or office

APE(Annual Premium Equivalent) of Samsung Life Insurance agents
Unit : KRW billion, Base : Monthly average



Market share(M/S) of Online Sales Division
Unit : KRW billion



* in 2016 : Jan/Feb



1) **Ligel** : Abbreviation for Life Angel
Meaning that it protects customers and their life values like an angel

BIB and innovation branches

Samsung Life is operating the Branch in Branch concept that sells life insurance, fire insurance, securities and credit cards all at one branch. Besides enhancing customers' convenience by providing a comprehensive one-stop service for asset management, the Branch in Branch(BIB) concept creates synergy between financial affiliates. In order to respond to a new environment and satisfy various customer needs, we are operating next-generation sales channels such as Heritage Center, Smart Center, and Ligel Branches[1].

Heritage Center	Smart Center	Ligel Branch
The group for HNWIs, consisting of high-efficiency FCs	Consisting of high-efficiency consultants	Responsible for customers in their 20s and 30s

Non-exclusive channels

Samsung Life is proactively responding to the non-exclusive market and online market that have been rapidly growing as of late. Bancassurance(BA), a partnership business channel for financial institutions including banks, is in the process of fortifying the business structure and product competitiveness, while the General Agency(GA), the sales group composed of freelance corporate agencies, is improving the GA-exclusive system and work process.

As more and more people gain access to insurance plans online or with a mobile phone, we are improving our mobilesurance(mobile + insurance) services. Using new online/mobile channels, we can increase online insurance sales and customers can buy an insurance policy at more reasonable prices.

Online insurance channel "Samsung Life Direct"

Why Samsung Life Direct?

Design and buy your own insurance plan anywhere and at any time!
Prepare for your future with Samsung Life Direct.

- Same benefits at reasonable prices
- Easy and fast process
- Differentiated customer services
- Samsung Life's trust and confidence

Minimizing mis-selling practices

Aiming for complete selling

Samsung Life practices the integrity business at operation sites. In particular, Samsung Life conducts various activities to ensure customers are fully informed about our products and any risks involved in order to minimize mis-selling practices. Its head office operates a compliance management organization and dispatches a compliance manager to local offices.

Activities for complete selling

Contract monitoring

Explain an insurance plan to the customer for a new contract through a service call

Sales qualification system

Qualify staff to sell insurance plans through qualification tests and education

Sales quality analysis

Analyze the sales quality of branches and consultants through monitoring

Improvement program

Special training for regional divisions with a high mis-selling ratio

Training

Monthly check-ups onsite and systematic training programs for FCs

Any complaints that customers might have during the insurance contract are promptly accepted through the call center or FCs, allowing relevant divisions to resolve the issue as quickly as possible.

Operating compliance program

Samsung Life is operating a compliance program(CP) to prevent unfair trading practices among employees, as well as unfair competition that disturbs a fair market order. We have a compliance manual which is used as a guideline for business processes. In addition, we conduct onsite compliance inspection on sales agencies(AM/SFA, etc.) according to the annual inspection plan. We focused on unfair and illegal actions during the contracting and sales processes, mis-selling practices, compliance of standards in insurance guide materials, unsound business practices, and the compliance of customer attraction processes.

Ethical Management Training Performance on FCs

16,376 persons

Number of training participants

399 times

Number of training sessions

Mis-selling ratio by channel

Unit : %

	2014	2015	Average in industry
Consultants	0.23	0.20	0.46
Individual Agencies	0.15	0.31	1.01
TM	0.22	0.14	0.99
Direct stores	0.08	0.07	0.89

2015 MAJOR PERFORMANCES

0.2 %

Consultants
Mis-selling ratio

16,376 persons

Integrity management education
No. of participating consultants

VALUE CHAIN STORY

Insurance sales company Samsung Life Financial Service

Samsung Life Financial Service[1] is a financial company that grows with customers and proactively responds to a rapidly changing financial environment.

1) Samsung Life Financial Service
Independent GA subsidiary. They deal in Samsung Life's products only for life insurance and all insurance company's products for non-life insurance





Synergy effects with Samsung Life

We operate with sales affiliates in order to proactively respond to various financial customer needs.

Insurance sales companies growing with consultants

Consultant competency development
We conduct various activities to strengthen consultants' competencies. We are developing human resources after selecting excellent staff among the Samsung Life FCs, instead of scouting or recruiting consultants and incurring a huge amount of costs. In addition, we spare no sales commissions and institutional support for our employees.

Differentiated channel strategy
Based on a clear development road map, we provide FCs more opportunities and offer customers optimized products. Clarifying the identity of channels under differentiated marketing strategies, we are focusing on selling CI/health/mid-priced insurance that customers can easily access. In addition, we are aiming for integrity management and endeavoring to minimize mis-selling practices. In the future, we will expand our branches all over the country and strengthen our own sales management system.

Business Philosophy of Samsung Life Financial Service

Vision

No. 1 financial service in sales and growth in 2020
Sales and organization
Grew ten times compared to its beginning stage

Business concept

The best financial service growing with customers
Based on our philosophy "For Consultants", we will satisfy customer needs and compete with leading companies based on our excellent competencies

Core value

CUSTOMER -centered	Human -centered	Professionalism	Challenge -oriented	Open communication
Excellent customer management	A high level of employee satisfaction	Outstanding product design	Continuous learning	Communication based on an open mind

ASSET MANAGEMENT

Industry Issue and Its Impact

As profitability continues to decline due to the low interest rate trend, more efficient asset management is being emphasized. In addition, financial institutions will be exposed to higher financial risks due to the globally increasing standards of financial soundness. Under these circumstances, through effective value chain operations, we believe that improving efficiency and stability of asset management business will directly lead to sustainable growth of Samsung Life Insurance.

Threat and Opportunity

The globalization of asset management business, based on the corporate vision and mid-/long-term strategies, in the ever-changing market environment with high risk of reverse interests can be a new growth engine. In addition, our process-oriented asset management platform will become the basis to achieve differentiated competitiveness in the industry.

Approaches to issues

Samsung Life Insurance, in order to achieve its goal to generate profit and strengthen its competitiveness, set and executes the 3 approaches: increase investment return, expand the asset management business, and enhance competitiveness for retirement business.

Strengthening the competitiveness of asset management

Directions of Asset Management Business

Samsung Life Insurance has the goal to achieve “Generate stable profit and strengthen asset management competitiveness with adherence to ALM[1)]”, In order to achieve the goal, we established independent platforms for asset management, specialized by asset classes, including equity, fixed income and real estate that has improved investors asset value . We timely respond to regulation and accounting changes, including IFRS4(International Financial Report Standards), in order to properly recognize and analyze risks and opportunities arose from these changes.

Invested assets
Unit : KRW trillion

	2014	2015
Bonds	104.8	112.5
Loans	29.3	33.4
Stocks	21.2	20.5
Real estate	7.9	9.2
Certificates of revenue	3.6	4.2
Cash and savings	5.5	3.3
Total invested assets	172.4	183.1
Adjusted investment yield[2)]	4.9%	4.3%

Goal

Generate stable profit and strengthen asset management competitiveness with adherence to ALM

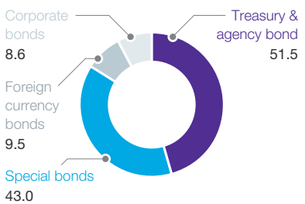
Directives	Enhance investment return on insurance assets	Expand asset management business through subsidiaries	Improve competitiveness of retirement business
Major activities	· Diversification of assets and dynamic asset allocation based with global market analysis · Strengthening competency by asset - Develop customized asset portfolios[1)] to match insurance liabilities and create a stable spread benefits - Strengthen competencies through research and discover high-return asset such as domestic and overseas SOC and infrastructure through professional asset management companies	· Identification of global businesses and expansion of third-party fee businesses through asset management subsidiaries - Utilize business opportunities for increasing diversified investments of individuals and institutions at home and abroad	· Development of investment products in response to increasing retirement market - Reorganize systems to develop investor-oriented products and reinforce global management capabilities

1) ALM : Asset Liability Management
Asset and liability management. The practice of managing risks that arise due to mismatches between the assets and liabilities

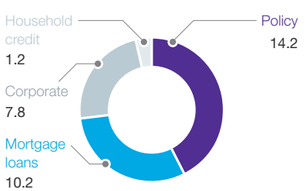
2) Adjusted investment yield = (Invested income + Loss or gain on sale - Expense) / Adjusted invested assets
Adjusted invested asset = Invested asset – Net valuation gains and losses on AFS securities

3) SOC : Social Overhead Capital

Bond portfolio(FY2015)
Unit : KRW trillion



Loan portfolio(FY2015)
Unit : KRW trillion



Improving investment returns on insurance assets

No.1 total assets, AuM, and RBC ratio in the insurance industry

Samsung Life Insurance’s total assets grew to KRW 230 trillion by 7.4% year-on-year and the assets under management increased to KRW 183 trillion by 6.2%. The RBC(Risk Based Capital)[1)] ratio is 336%, the highest level in the industry. Samsung Life Insurance’s financial stability will provide a competitive advantage in the Korean financial market, which is expected to undergo structural changes due to stronger prudential regulation in the future.

Enhancing investment returns

Samsung Life Insurance adheres to an effective asset liability management(ALM) investment strategy to ensure the stable operation of policy reserves by maintaining interest-bearing assets, such as bonds and loans at 80% of our AuM. Considering low interest rate trend, we will strengthen our profit structure, develop high-return asset and diversify global investments to attain stability and profitability.

Management of interest-bearing assets

KRW 95 trillion of our bond assets valued at KRW 113 trillion are government bonds and special bonds issued by public organizations. Almost all corporate bonds that we hold are rated single A or higher. Also, the size of our total loan book was KRW 33.4 trillion and they are managed with a focus on blue-chip assets. Among them, policy loans with the cash surrender value pledged as collateral amount to KRW 14.2 trillion, accounting for a half of the loan portfolios. Our household credit loans amount to only KRW 1.2 trillion and the mortgage loans – which have an average LTV[2)] of 53% - were KRW 10.2 trillion, which is significantly lower than that of other Korean financial institutions.

Improving debt structure

Since our shift to floating-rate products in 2001, the share of our fixed rate reserves has continued to fall. In FY2013, the fixed-rate reserves fell below 50% for the first time, and we expect our reserve composition to further improve going forward due to the continuing increase in sales of floating-rate reserves. Meanwhile, the difference between our average reserve interest rate and our yield on interest bearing assets slightly widened compared to the beginning of the year, due to low interest rate trend. Nonetheless, if the share of fixed-rate reserves continues to fall, and interest rates rise in the future, we expect this gap to gradually narrow. Except for the interest gains on bonds and loans, our non-interest investment income, such as rental income, dividends, and various fee incomes, is steadily increasing, and countering the negative margin in interest-bearing assets.

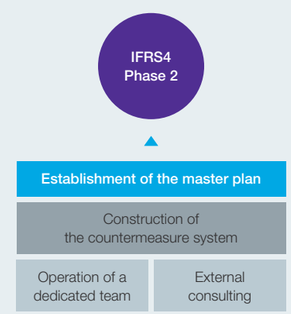
1) RBC ratio
RBC : Risk Based Capital
The index which represents the solvency in accordance with the standard set by the regulation on supervision of insurance business

2) LTV : Loan To Value ratio
A financial term used by lenders to express the ratio of a loan to the value of an asset purchased

BUSINESS CASE

Preparation for IFRS4 Phase 2 Adoption

Analyzing the risks and opportunities of IFRS4(International Financial Report Standards) to be introduced in 2020, Samsung Life Insurance is preparing anticipatory countermeasures for financial stability. Unlike IFRS Phase 1 that allowed the insurance accounting practices of each country, IFRS4 Phase 2 requires consistent and comparable financial statements complying with the international insurance accounting standards. IFRS Phase 2 is changing the paradigms of the insurance industry in terms of insurance products, business, management, and asset management. As the external size of insurance companies will be greatly reduced due to the changes of insurance profit calculation, we need a more precise way to evaluate the fair value of insurance liabilities. Financial authorities require insurance companies to take proper countermeasures correspondingly. Therefore, Samsung Life Insurance is constructing its own countermeasure system through external consulting. We will proactively respond to the changes by establishing a road map and master plan.



Decrease in loss rate and increase in expense rate

The loss ratio[1)] improved to 76.8%, which is a 7.6%p drop compared to the previous year, due to continuously increasing risk premium through protection sales and improved claims management. The expense ratio[2)] remained at a similar level from 7.3% to 7.4% due to an increase in premium income and a decrease in maintenance expenses. The 13th monthly persistency rate[3)] rose to 89.6% and the 25th[4)] continued to increase to 78.1%. We will continue to improve our persistency rates by improving complete selling and strengthening post-sales relationship management, contributing to the steady increase in our insurance profit.

Financial risk management

Unlike other financial products, the insurance products of life insurance companies are long-term contracts. As the actual claims payment is sometimes higher than the expected loss rate estimated at the time of product development, the insurance companies may be exposed to insurance risks, insurance debts, and interest rate risks that may occur due to differences in asset backed interest rates and maturity. Samsung Life is endeavoring to improve corporate values and contribute to shareholders, contractors, and society by preventing various potential risks that may occur in management activities and creating long-term profits and development through systematic management.

1) Loss rate
(Accident insurance – Reserve at the accident + Waiver of premium + Reinsurance expense) ÷ Risk premium

2) Expense rate
Expenses ÷ Adjusted total premium (Excluding pension and including 1/10 of single premiums)

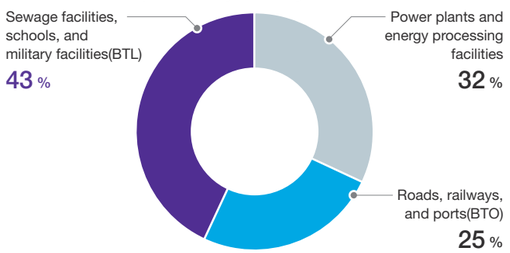
3) Persistency rate of the 13th month
Percentage of policies remaining in force after 1 year has elapsed

4) Persistency rate of the 25th month
Percentage of policies remaining in force after 2 years have elapsed

Expansion of SOC investments and provision of advanced financial services

Samsung Life Insurance has made diversified investment, is including real estate development financing associated with constructors, fund-raising financing for construction and operation of power plants, and BTO/BTL(Build-Transfer-Operate/Build-Transfer-Lease) financing for raising construction funds of SOC facilities through cooperation between the government and private businesses. In addition, we are providing advanced financial services such as investments in ABS(Asset Backed Securities) and ABL(Asset Backed Loan) in order to meet diverse investor needs. Today, 68% of our SOC(Social Overhead Capital) investments covers roads, railways, ports, sewage facilities, schools, and military facilities.

SOC investment portfolio by industry



Investment portfolio Unit : %

	2014	2015
Social Overhead Capital (SOC)	34	26
Real estate development PF	12	22
Loans that make use of offices as collateral	49	47
Others	5	5

2015 MAJOR PERFORMANCES

KRW **183** trillion

Total Invested Assets
Excluding separate account assets, deferred acquisition costs

336 %

Risk Based Capital Ratio
Measurement of an insurers' capital strength

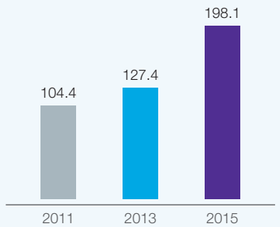
VALUE CHAIN STORY

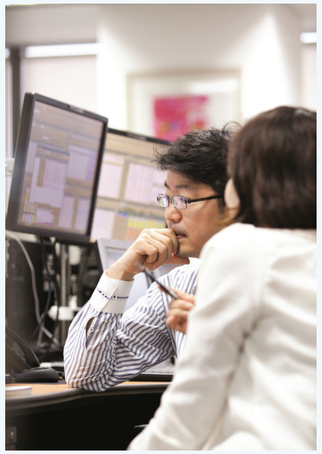
Samsung Asset Management takes a bold leap to become a global leading asset management company

Creating synergy with Samsung Life Insurance

In 2015, Samsung Asset Management and Samsung Life Insurance became a family. As a result, Samsung Life Insurance improved its professionalism of stock and bond asset managements and became able to stably manage investors' properties by diversifying investments.

Historical AuM(SRA)
Unit : KRW trillion





Provision of quality products and services based on global infrastructure

Differentiated investment philosophy
Samsung Asset Management operates differentiated and advanced asset management based on its risk research institute and risk prevention-centered culture. Thus, it secures its market position by focusing on creating high returns for customers.

Global asset managements
As Samsung Asset Management took over Samsung Life New York and Samsung Life London in 2015, it constructed a 24-hour global operation system connecting Seoul, Hong Kong, New York, and London. It is strengthening its global competency through a partnership with foreign advanced financial institutions such as Capital Group of the US, Reliance Capital of India, and CCB Futures of China. In addition, it is extending its business to the overseas ETF markets by first listing futures-based ETF on the Hong Kong Stock Exchange, and is making efforts to become a global leading asset management company.

1) ETF : Exchange Traded Funds
An investment fund traded on stock exchanges, much like stocks, composing a portfolio emulating specific indexes

Global real estate management company "Samsung SRA Asset Management"

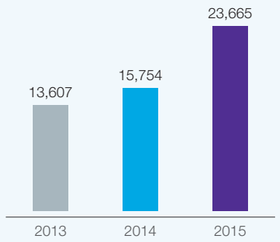


Stable investments through advanced risk management

Systematic risk management by value chain
Unlike assets, real estate requires more thorough risk analysis and assurance, as it has relatively low liquidity and relevant regulations of tax, law, and accounting are different in each country or industry. Therefore, Samsung SRA Asset Management manages all value chain covering from deal sourcing to asset management/sales, thereby increasing its trust.

Diversifying real estate investments
Samsung SRA Asset Management successfully extended real estate investments abroad. Its overseas performance includes 30 Crown Place London and Silver Tower in Frankfurt, Germany. Samsung SRA Asset Management will make efforts to diversify its portfolios and improve profit rates.

Historical AuM(SRA)
Unit : KRW 100 million



Creating synergy with Samsung Life Insurance

In 2012, Samsung Life Insurance founded Samsung SRA Asset Management as part of its real estate funding business.
For advanced asset management, Samsung SRA Asset Management is focusing on global competitiveness, smooth communication, and cooperation to create synergy effect with Samsung Life Insurance.

POST-SALES RELATIONSHIP MANAGEMENT

Importance of the issue

Samsung Life considers customer management as a priority since the insurance business is based on a good relationship with customers. In order to improve our service quality, we reorganized all processes including selling, maintenance, and claims payment to customer-oriented processes.

Risks and opportunities

As the insurance industry is maturing and its competition is becoming increasingly fiercer, customer management is growing in importance. By considering customers as the center of all business activities, we are endeavoring to maximize customer values, expectations, and satisfaction and improve our competitiveness. However, if we overlook these risks, it can lead to customer churning, decrease in sales and bring negative effects on corporate reputation.

Approaches to issues

· Innovating Management Constitution
· Reinforcement of customer satisfaction services
· Claims payment services

Innovating Management Constitution

Customer satisfaction management

Considering customer management as a priority, Samsung Life is operating customer-oriented processes encompassing insurance selling, maintenance, and claims payment. Samsung Life is strengthening its activities to provide customer satisfaction management and become a highly respected insurer for customers. Besides enhancing the convenience of customer contact points, including call center and Samsung Life plaza, and reinforcing the voice of customers(VOC), we are also improving our services by launching a wide range of services for different stages of transactions.

Increasing accessibility for taking out insurance policies

Samsung Life, for the purpose of expanding accessibility to buying insurance, is continuously easing the restrictions for people who have been diagnosed with a disease to buy an insurance policy. We have already made it easier for people who have been diagnosed with minor angina and myocardial infarction, including high blood pressure and diabetes, to buy an insurance policy. Moreover, we have improved our occupational risk classification and grading criteria, allowing the criteria for disqualification of indemnity to be eased up.

Improvement of customer responsiveness

In the insurance industry, communication with customers is the key to success. Therefore, consultants should be able to respond to customers anywhere and at any time. Considering these features, Samsung Life consultants began using tablet PCs in the second half of 2012. Now our consultants can analyze customer needs and provide insurance consulting services using a tablet PC anywhere and at any time. Through customized product design, we are improving customer satisfaction. Using a tablet PC, consultants can easily gain access to huge amounts of marketing data. Samsung Life is expanding its online contents and improving the tablet PC system. As a result, the tablet PC usage of consultants has reached 75%.

75%
Tablet PC usage of consultants



Golden Balance Nationwide Asset Diagnosis Campaign

Strengthening customer satisfaction services

Customer-love Visit Service

After buying an insurance policy, Samsung Life provides ‘Customer-love Visit Service’ to resolve any inconveniences that arise while maintaining the insurance policy. The ‘Customer-love Visit Service’ is our representative customer management program where our FCs pay a visit to customers to provide information about insurance coverage, update customer information, give unclaimed premiums and analyze coverages given. We notify our customers about the services through text messages sent at the beginning of each month by mobile phones, and pay a visit to those who sign up for the service, with small gifts. Likewise, we have strengthened relationships between our customers and FCs through these yearly visits, so that the customer satisfaction index has increased.

Nationwide asset diagnosis

For customer-centered operation, Samsung Life implemented the Golden Balance Nationwide Asset Diagnosis Campaign. This campaign was carried out for all people including our customers, youth, and middle-aged people facing retirement. We focused on adjusting the golden ratio of the 4 assets(security, retirement, finance, and inheritance) that suit customers’ lifestyles.

Step. 1 Diagnose your 4 assets!	Step. 2 Balanced assets are the key!
A diagnosis of security, retirement, finance, and inheritance	What is insufficient? What is excessive?
Step. 4 Experience true consulting all at once!	**Step. 3 How much do I need?**
How can I prepare for my retirement?	What should I reduce?

Differentiated aftercare services

Samsung Life offers differentiated aftercare services even after insurance payment. Our ‘Bereaved Care Service’ provides the bereaved family with to-do lists and consulting on inheritance and finance.

BUSINESS CASE

Family History Consulting

Samsung Life has been providing family history consulting services since 2016. A family history consists of information about disorders from which the direct blood relatives of the patient have suffered. You can prevent diseases based on a family history. Through Family History Consulting, you can prevent potential diseases through medical prescription, exercise, and diet and predict the medical expenses you may need.

Step 1. Family history check



Enter your family history.

Step 2. Health check



Enter your medical information including height, weight, exercise, drinking, smoking, stress, medical history, etc.

Step 3. Diagnosis result



You can see the 3 diseases of the highest possibilities, your medical age, and how to prevent disease(medical method, exercise, and diet).

Family History Consulting

was developed jointly by Samsung Life and Kangbuk Samsung Hospital. Analyzing your 3 generations of family history and lifestyle, we inform you of the possibility of 10 diseases including cancer, stomach cancer, cerebrovascular disease, diabetes, and Alzheimer’s disease, and suggest prevention methods.

Strengthening Customer-love Payment Service

Convenient Inquiry and Reception Service

As the insurance payment is the purpose of insurance and our commitment to customers, Samsung Life is doing its best to improve customer convenience.

· Customers can claim by visiting a consultant or plaza, by mail, fax, or smart phone, or online.

Swift Insurance Payment and Instruction

We deliver inherent value of insurance through thorough inspections and payments. We have established an auto remittance system, shortened intervals connected to handling claims filing and payments, while also notifying about the filing and payment procedures on a real-time basis. We are operating the Death Benefits Emergency Payment Service to provide death benefits as soon as possible and the Customer-love Annuity Service for customer convenience.

· Death Benefits Emergency Payment Service that provides up to KRW 30 million for medical expenses or funeral expenses
· Emergency Call Center(1577 - 4118) :
Through the call center, customers can talk to a consultant directly without any ARS process or personal information check

Rate of claims payments made within 24 hours
Unit : %



VOICE OF STAKEHOLDER

"I was truly moved by Samsung Life."

I am a customer of Samsung Life who is working for OO University. Recently, I was very touched by your customer service and it compelled me to e-mail you and express my gratitude. My wife and I bought one of your insurance policies 18 years ago. Last year, my wife had regular checkups and we found out that she had anal cancer. We immediately claimed on our insurance at Samsung Medical Center. Our claim was immediately paid on the day we made the claim. It really surprised me. I always thought of Samsung Life as being a reliable company, but I had never thought that you would process our claim so fast. I was completely satisfied with your service. I was so proud that such a wonderful company can be found in Korea. I think that Samsung Life has already become a world-class insurance company. I wanted to make sure to express our gratitude to Samsung Life. My wife is now receiving treatment and hopes to recover. Again, I really appreciate your fast process and consideration.

A compliment for claims payment services
Thank-you e-mail from a customer

2015 MAJOR PERFORMANCES

89.6 %
13th month persistency rate

1st place for 12 consecutive years
Result of customer satisfaction index
National Customer Satisfaction Index

VALUE CHAIN STORY

Samsung Life Service for customer satisfaction

We are providing differentiated services for customer satisfaction and spreading a sound insurance culture through a rapid and accurate insurance assessment process.





Synergy effects with Samsung Life

In Samsung Life Value Chains, we are responsible for customer services. We handle 13.5 million calls and provide consultation services to 1.3 million visitors. We aim to provide one-stop claims assessment service for customer satisfaction.

Professionalism of customer satisfaction services

Differentiated services for customer satisfaction
As a result of the 2015 Customer Satisfaction Index Survey, Samsung Life ranked first among all life insurance companies. In our call center, 95% or more calls are taken within 20 seconds. In addition we are providing customized annuity consulting, VIP consulting, and special service for the elderly.

Prompt and accurate claims payment
40% of our insurance investigation staff has an insurance underwriter qualification.We extended the automatic insurance assessment process and increased the 24-hour claims completion rate of visiting customers to 76.5%. We are doing our best for prompt and accurate claims payment.

Improvement of employees' competencies
We provide various training programs to improve the job competencies of insurance assessment staff, call center staff, and plaza tellers. All employees are endeavoring to develop their capabilities, considering that our competencies lead to customer trust.

4 key impementation strategies

Prompt claims payment	Customer satisfaction services at MOT channels	Fostering world-class experts	Implementation of Reform/ Innovation Pro - wave 30 +
			
· Prompt claims payment · Prevention of unfair claims	· Customer-centered consulting system · Minimization of waiting time at call center or plaza	· Encourage employees to be qualified for insurance underwriters and Certificate of Korea Life Underwriters · Increase responsibility/ownership	· Increase 30% of corporate competitiveness by improving professionalism of all employees and innovating the processes

BUSINESS ACTIVITIES REPORT

48 Materiality Test and Stakeholder Engagement
50 Customer-oriented
52 Field-oriented
54 Value-oriented
56 Open Communication



"What is Samsung Life doing for **sustainable management**?"



"Samsung Life aims for **value-based management**. We consider our **customers, market, and operating sites** to be essential and aim to **share social values** through communication with stakeholders."

MATERIALITY TEST AND STAKEHOLDER ENGAGEMENT

Samsung Life has conducted materiality tests to identify key sustainability issues of high concern to the stakeholders through comparative analysis of international standards, global benchmarking, review of internal data, media research and surveys on stakeholders. Based on the results, we came up with reports that focused on key issues in the value chain. The objectivity of the report was ensured by complying with international norms and standards, including the Global Reporting Initiative(GRI) guidelines.

Step 1. Creation of an Issue Pool

Samsung Life came up with an issue pool composed of 32 issues through diverse internal and external channels for analyzing key issues.

→ Came up with a total of 32 issues

Analysis of international standards
- Analyze according to international standards concerning sustainability management to come up with key issues
- Analysis by : GRI G4 guideline, ISO26000, etc.

Global Benchmarking
- Review key issues and activities of local and international companies selected, such as DJSI World listed companies, major competitors, etc.
- Conduct research on the trends of sustainability management reports at home and abroad

Review of internal documents
- Investigate all the articles of 2015 on the intranet
- Hold interviews with relevant divisions
- Review key issues from the past year's sustainability management report
- Confirm documents on internal policies

Media Research
- Investigate articles that received media exposure during 2015
- Investigated media : 15 daily newspapers and economic dailies, including Chosun, JoongAng, Dong-A and Hankyoreh

Step 2. Materiality Test

We conducted materiality tests by taking into consideration the level of impact on Samsung Life and the level of interest from internal and external stakeholders regarding 32 issues that were derived.

Impact on Samsung Life	+	Interest from stakeholders
Analyze the management constitution and the value chain to identify the impact of each defined category on the business and the company's sustainability.		An online survey was conducted on stakeholders to evaluate the interest of each subject felt by the stakeholders, including FCs, employees and experts.

Step 3. Selection of Key Material Issues

We decided on the 13 key material issues including 3 major issues to the sustainability of Samsung Life by analyzing the matrix on key material issues from the effects on business and interest from stakeholders. At the same time, we reported the insurance industry trends, business correlation, major activities and performance results related to each issue.

	Key Material Issues	An analysis of the issues concerning the trends in the insurance industry
Samsung Life's Top 3 Issues	Securing future businesses and competitiveness	· Increasing economic uncertainty · Fintech-based service craze · Management strategy changes required · Minimizing mis-selling practices
	Providing accurate information on products and marketing	
	Protecting customer information	
Highly influential issues in business	Strengthening product competitiveness	· Continued low growth/interest/profit rates · Promoting competition · Diversifying customer needs · Increasing demands for supply network CSR · Increasing social interest in people engaged in emotional labor
	Strengthening customer satisfaction activities	
	Developing programs to foster talented professionals	
	Operating the win-win program for partners	
	Promoting communication between labor and management	
	Efforts made towards employees' health and safety management	
Issues of high interest to stakeholders	Activities to prevent insurance fraud, phishing websites, etc.	· Activities to prevent insurance fraud, phishing websites, etc. · Vitalizing mobile/online channels · Reinforcement of financial policy/system change · Increasing importance in high talent · Increased interest in the environment such as greensumers
	Reinforcing legal compliance and ethical management	
	Hiring talented people	
	Expanding green finance products and services	
	Pre-management of environmental impact on business	

View recent trends in detail(Pg.29)

Step 4. Stakeholder Engagement

We have collected opinions about major issues from stakeholders.

	Employees and Consultants	Local Communities	Customers	Shareholders and Investors	Governments/ NGO	Partners
Communication Channel with Stakeholders	· CEO's Passion Talk · Labor-management consultation council · Corporate webzine and internal television broadcast · Labor-management joint events	· Volunteer groups · Recruitment of volunteer employees · Education donation programs · Sustainability management report	· Online whistle-blowing channel, Call center · Website, SNS · Sustainability management report	· General shareholders' meeting · Management practice evaluation · Business report, Sustainability management report	· Meetings and seminars on policies · Business reports · Sustainability management report	· Workshops on shared development · Surveys · Reward system for supplier's best employees · Sustainability management report
Major issues	· Field-oriented Management · Ensure work-life balance · Strengthen employees' competencies	· Implement strategic social contribution activities · Resolve social issues	· Provide customer-oriented products and services · Promptly resolve customer complaints and protect customer information	· Improve the company's qualitative value · Strengthen shareholder-friendly policy · Secure the driving force for sustainable growth	· Implement fair trade practices and ensure transparent disclosure of all management · Minimize mis-selling practices	· Reinforce mutual cooperation · Promote regular communication activities
Reporting pages	52 – 55 page	56 - 59 page	50 - 51 page	16 - 25, 49 page	13, 36, 39 page	62, 63 page

BUSINESS CASE

Hearing of opinions of shareholders and investors

Shareholders and investors are important stakeholders who act as growth engines to Samsung Life. We are endeavoring to become an attractive investment destination and to give shareholders and investors trust, aiming for qualitative value than quantitative value. Before preparing the 2015 Report, we conducted a questionnaire survey that asked employees from 12 financial and investment institutions about the future issues of Samsung Life. Based on the survey results, we will do our best to become an attractive investment destination that can satisfy our shareholders and investors.

Results of opinion hearing

Major issues to be considered for nvestment	Core Tasks of Samsung Life	Countermeasures of Samsung Life
· Long-term interest and trends · Profitability indicators such as financial stability · Policy and financial regulations	· Suggestion and practice of mid and long-term growth strategies · Shareholder-friendly and dividend policy · Mid and long-term capital usage plan	· Shareholder-friendly capital policy - Maintain the dividend payout ratio at 30% - Flexible purchase of treasury stocks · Flexible purchase of treasury stocks - Kick into high gear after the IFRS4 Phase 2 Standards are determined

Reporting on business correlation and Samsung Life's countermeasures	GRI aspects	Report restrictions
Pg. 16 - 19	Business Performance	Ⓢ Ⓥ
Pg. 36	Product and service labeling, marketing communication	Ⓢ
Pg. 22 - 23	Evaluation on the protection of customers' personal information and the labor practices of suppliers	Ⓢ
Pg. 30-32	Business Performance	Ⓢ
Pg. 42 - 45, 50 - 51	Labeling of products and services	Ⓢ
Pg. 52 - 53, 74 - 75	Training and education	Ⓢ
Pg. 62 - 63	Evaluation on local communications, suppliers' human rights, labor evaluation	Ⓢ Ⓥ
Pg. 55, 75	Employment, labor-management relations	Ⓢ
Pg. 61, 77	Occupational safety and health	Ⓢ
Pg. 56	Business Performance	Ⓢ
Pg. 13	Anti-corruption, compliance	Ⓢ
Pg. 74	Equal opportunities for employment and diversity	Ⓢ Ⓥ
Pg. 60	Product portfolio	Ⓢ Ⓥ
Pg. 60, 76 - 77	Energy and greenhouse gases	Ⓢ

* Ⓢ : Samsung Life Ⓥ : Value chain(affiliates, partners)

CUSTOMER-ORIENTED

As Samsung Life's competitiveness is based on customer and market trust, we can never emphasize enough the importance of customers. Samsung Life's qualitative management results from customer-centric thinking and management.

Promoting customer communication

Introducing the mobile customer panel system

Samsung Life first introduced the customer panel system in 2004. Since 2014, we have been operating the smart phone-based mobile customer panel system for real-time communication with customers. About 7,000 mobile panelists of all ages participate in a variety of mobile research about insurance product preferences, insurance holders, and retirement in order to improve Samsung Life's product and service quality. In addition to mobile research, they participated in in-house campaigns and seminars in 2015.

Features of the mobile research system

Quick Research Platform
- Able to check response rates in real time and research results on the following day
- Able to upload video(YouTube) or image files
- Composed of multiple choice/short answer questions



In addition, they participate in various offline activities such as in-depth group interviews and mystery shopping and stating their opinions for management.

Real-time communication using social media

Samsung Life is utilizing various communication channels such as blogs and Facebook in order to communicate with customers. In 2015, Samsung Life was awarded 2 grand prizes in 'Internet Communication Awards : Good Communicator CEO' and 'Social Media Awards: Social Marketing' sectors at the '8th Korea Internet Communication Awards' which nominates companies that actively communicate with customers for 2 consecutive years.



Communication with customers via various channels

Based on the end of 2015

Samsung Life Website	Blog	Facebook, Twitter
Introduction of Samsung Life and news sharing	Samsung Life news and useful information	Real-time communication with all customers



Improved accessibility to the website by modifying text color, size, and menus so that the disabled or the elderly can easily use the website

1,611
Contents

10.5million people
Accumulated visitors

93,542persons
Facebook fans

57,521 persons
Twitter followers

1. CEO's visit to customer
2. CEO's visit to regional divisions





1) UI(User Interface)
Design of an environment where the user can use the computer conveniently

2) UX(User Experience)
A user's total knowledge, memory, behavior, emotion, and experience using a particular product or service

"All employees and consultants should consider our customers as the center of our thinking and behavior. In addition, we should do our best for customer-oriented management."

CEO's speech after his visit to customers

Reinforcement of customer-oriented management

Operating Consumer Support Center

To improve consumers' rights, Samsung Life immediately addresses consumer complaints by establishing a consumer protection system, along with a CCO(Chief Consumer Officer) appointed to be in charge of operations under the direct command of the CEO. Appointed to be in charge of operation under the direct command of the CEO. As the central department dealing with consumer protection activities, the Consumer Support Center supervises the 8 regional CS centers across the nation, to establish internal controls on consumer protection throughout the entire process including product development, sales and after service, as well as providing quick claims payment services. In addition, we have opened the VOC(Voice of Customer) Center in 2015 in order to create a corporate culture of customer protection.

Reorganization of the mobile contract management service

Samsung Life has reorganized its mobile window system so that customers can easily manage their contracts including insurance, loans, funding, and retirement pension plans anywhere and at any time. We have improved user convenience by upgrading UI[1]/UX[2] such as log-in/transaction simplification and customized information provision. In addition, we have greatly improved major services including contract lookup, insurance claims, and loans, and have newly introduced new services such as credit loans and document issuance for more convenient mobile services. Lastly, we are doing our best for customer convenience, by complying with the mobile application access guidelines.

Customer-Love Campaign

Samsung Life's CEO, consultants, and branch managers visited its customers to practice customer-oriented management. They expressed their gratitude to the customers and collected opinions about insurance values, trust, inconveniences, and improvements. They also provided customers with product overviews and financial consulting service and felt the significance of customers and operating sites.

BUSINESS CASE

"The Time Remaining for You" awarded at the Korea Advertising Awards

Samsung Life's advertising video "The Time Remaining for You" was awarded 3 prizes at the 22nd Korea Advertising Awards, known as Korea's most authoritative awards. Being credited for its creativity, influence, and public contribution, it was awarded the silver prize in Video, the bronze prize in Digital Creative, the special prize in Public Service Advertisement.
This video helps to remind you of the importance of your family by showing you the remaining time you can spend with them. It received a great deal attention from the public with over 10 million views on YouTube. In particular, many people in their 20s or 30s who tend not to be interested in insurance shared this video through social media.



FIELD-ORIENTED

In order to approach our customers, we should understand the operating sites where we meet them. We should understand the operating sites first to understand our customers. Otherwise, we cannot provide customized products and services if we don't understand our customers. We believe that we can find answers in the field. Keeping this in mind, we are conducting field-oriented business activities.

Reinforcement of field support and communication

Sisterhood relationships between the head office and operating sites

Samsung Life is endeavoring to realize smooth communication with the operating sites through one-to-one sisterhood relationships. Head office staff visits regional divisions to support regional staff and collect opinions from the operating sites in order to improve the work processes.

Promoted Samsung Life Love Campaign

In order to construct a field-oriented management system based on our understanding of the operating sites, we carried out "Samsung Life Love Campaign". Through this campaign, we are aiming to narrow the distance between the head office and onsite staff for field-oriented businesses.

Details of Samsung Life Love Campaign

Improving the work processes of the head office

· Minimize work requests to the field during the most busy hours of 9 - 11 am and after 5 or 6 pm

· Handling field inquiries as quickly as possible

Promoting onsite communication through frequent meetings

An onsite visit of sisterhood relationships

· **Morning Events for Consultants**
Providing monthly variable reports and snacks

· **Special lectures for consultants and the help desk**
Providing consultants and employees with special lectures on product and financial knowledge and consulting on their suggestions and inquiries

· **Regional division meeting**
Holding a meeting for communication between team managers, branch managers, consultants, and head office staff



Head office - sisterhood relationship regional division activities

Development of competencies required for sales

We believe that we can find answers in the field. Considering that our survival and development depend on our customers and the market, we are conducting field-oriented business activities. To achieve this, we encouraged our employees to take a variable insurance manager qualification test and a consultant qualification test. All employees and CEO took a consultant registration test. In addition, we encouraged our employees to study our major products such as coverage products and annuity plans through the online education system and provided opportunities to such as 'Online Golden Bell Challenge' between divisions accumulate relevant knowledge required for sales. Lastly, our employees experienced all sales processes through a self-diagnosis of coverage, retirement, finance, and inheritance.

Field-oriented Management

Establishing a foundation for sales

Studying products and taking a consultant registration test and variable insurance manager qualification test

Experiencing product design

Self-diagnosis on the 4 assets (security/retirement/finance/inheritance)

Operating Activities Experience

Insurance sales activities from customer acquisition to contract conclusion



Head office staff taking a consultant registration test

Reinforcement of onsite sales

Development of sales competitiveness through a long-term consultant fostering plan

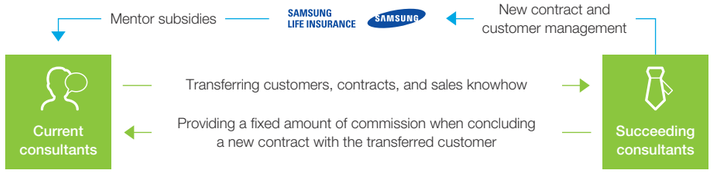
Developing the sales ability of consultants is the basis for a virtuous sales cycle. Samsung Life is operating a systematic education program that teaches basic and advanced financial information required for consultant activities. This 36-month systematic financial education course(life insurance, indemnity insurance, card, and fund) develops all consultants as financial experts.

Step 3	Strengthening consultants' competencies as financial experts through onsite activities!	Competency Development School 8 – 36 working months	**Acquisition of a fund/stock investment consulting qualification** : 14 working months
Step 2	Preparing to become a successful consultant!	New Employee Development Center 2 – 7 working months	**Acquisition of an indemnity insurance design qualification** : 6 working months **Acquisition of a card consulting/ sales qualification** : 4 working months. **Acquisition of a variable insurance design qualification** : 3 working months
Step 1	Starting your career as a Samsung Life consultant!	Consultant introduction stage 0 – 1 working month	**Acquisition of a life insurance design qualification** : 0 working months

Introduction of the insurance contract inheritance program

Samsung Life has introduced the insurance contract inheritance program for the first time in Korea. With this program, a consultant can hand over his/her customers to another consultant. This program has been introduced to prevent negligence in customer management due to having too many clients by extensive consultant activity over a long period of time or old age. The current consultant transfers knowhow on contracts and customer management to the successor so that he/she can develop professionalism and customers can receive stable services.

Insurance contract inheritance program*



* **Insurance contract inheritance program**
When transferring an insurance contract, the mentor and mentee consultants should visit the customer. They should explain the intent of the insurance contract inheritance program and obtain consent from the customer.

VOICE OF STAKEHOLDER

"Consultants Forum for the development of consultants and the innovations of the regional divisions"

Jeju Regional Division is aiming for the growth and profits of the regional division as well as individual performances. Jeju Regional Division members hold a regular Consultants Forum in order to develop their competencies and strengthen a bond between consultants. In 2015, they reorganized the Consultants Forum for efficiency and innovation. They prepared their own opinions about them before the forum and shared the current situations, goals, and directivity of the regional divisions, instead of simply exchanging feedback on individual performances. Just as the Korean idiom goes "you gain peoples' hearts, you gain the world", they are making efforts to promote communication and harmony between consultants by holding Good Morning Meetings to share information and conduct assemblies for new consultants twice a day in order to give them a sense of belonging. Their efforts for innovations and various supports provided to the consultants changed the nature of the Consultants Forum and also developed consultants' competencies.



Samsung Life Jeju Regional Division
Consultants Forum

VALUE-ORIENTED

You cannot revitalize an organization without having a deep understanding of work, customers, and markets. Samsung Life is conducting various innovation activities for new systems, processes, and an organizational culture based on its clear understanding of work.

Improvement of work processes and the way of working

Site-initiated ERP construction and change management

Samsung Life is constructing the ERP(Enterprise Resource Planning) to secure world-class competitiveness and operational efficiency. All employees including the CEO conduct the ERP project and carry out various communication activities such as group education, broadcasting, newsletter, and a Support Room in order to help employees adapt to the new processes and systems.

Major Activities

2015

Systematization of process innovation projects	Change management
Constructing a management platform that suits new environments · Internalizing an innovative process to the current system · Conducting activities led by the working groups	**Head office-operating site change management** · ERP change management and education by operating site · Communication through in-house broadcasting, ERP support room, newsletter, etc. · Sharing the issues and current situations through the ERP Promotion Committee

2014

Renovation of the Work Process
Preparing and conducting the ERP construction · Establishing a process vision · Designing a new work process · Deriving and conducting PI(process innovation) tasks · Verifying a system and establishing a development plan



ERP Support Room website

Creating an efficient and performance-oriented corporate culture

Samsung Life focuses on higher value-added work and improving the efficiency of meetings and reports to create an efficient and performance-oriented corporate culture. We are creating an efficient meeting culture by establishing standard guidelines for meeting arrangements and the 3 meeting/reporting principles(TOP[1])/3S[2]), and conducting work efficiently by putting an end to unnecessary meetings and carrying on with the mobile campaign system.

1) The 3 meeting principles T.O.P
Time(punctuality), Output(conclusion and R&R deduction), and Proper(only required employees shall participate)

2) The 3 reporting principles 3S
Simple(easy), Speed(fast), and Smart(efficient)

BUSINESS CASE

Volunteer work and talent donation of employees

Samsung Life encourages its employees to participate in various club activities for their hobbies and for building rapport with other employees. In 2015, we created various clubs covering diverse activities such as the Calligraphy Club and Gardening Club and encouraged them to participate in various types of talent donations to fulfill our social responsibilities. As part of the Neighbors Love Campaign, the Calligraphy Club made daily necessity kits for senior citizens who live alone and wrote calligraphy New Year's cards for the underprivileged.



1. Knowledge Fair 2015
2. The joint project of labor-management



1



2

Reinforcement of organizational values

Sharing best innovative practices by field

Samsung Life runs the 'Knowledge Fair', held annually as a venue to share best practices and business knowhow on a company-wide basis and reward those with outstanding performances. In 2015, the Customer Support Team and the Asset Management Division were awarded prizes for their cooperation, proactive countermeasures, and facilitating a remarkable paradigm shift. In the fair, all participants strengthened their will to innovate value-based management.

Operated the joint project of labor-management

Samsung Life is establishing a fun working environment for its employees based on a family loving spirit. In particular, we improve our employees' satisfaction by giving them unforgettable memories with their family through a program called 'Family is Coming', which is hosted jointly by the company and the labor union.

We extended Parents Loving Trip to twice in 2015 since it had high satisfaction level of employees. In addition, we held Family Camping for our employees and their families in Taean and Geochang.

Establishing healthy insurance business practices

Samsung Life is endeavoring to create a healthy insurance culture since the insurance business acts as a social safety net. We investigate unfair claims thoroughly while providing normal claims promptly and accurately. An increase in unfair or excessive claims leads to a raise in insurance premiums which affects a number of innocent customers.

Prevention of fraudulent claims

According to the Financial Supervisory Service, the total amount of insurance fraud over the last year increased by 15.6% to KRW 599.7 billion year on year. The Financial Supervisory Service is making efforts to prevent insurance fraud and social losses. In line with its efforts, Samsung Life conducted the insurance fraud prevention campaign to protect its innocent customers. In 2015, we broadcasted public service advertisements through various media including public channels and radio and conducted joint activities with external organizations to improve incorrect claims practices.

OPEN COMMUNICATION

Approaches to Shared Management

Since the insurance business acts as a social safety net, Samsung Life is proactively participating in social contribution activities. In addition to donations and volunteer work, we are proactively participating in various social activities for suicide and disease prevention in order to create social and economic values.

Strategic social contribution reflecting the characteristics of insurance business

Financial/Economic education

Samsung Life provides financial and economic education to the underprivileged that have less educational opportunities. Through talent donation, Samsung Life employees with professional financial knowledge provide education as lecturers. In 2015, we have provided 1,200 students with financial education. In 2016, we will conduct the We Start Financial and Insurance Education Project to inform the children and youngsters about the importance of finance and insurance and spread financial knowledge.

Preventing suicide

Understanding that suicide is not just an individual issue but stems from social, cultural, and economic influences, Samsung Life is conducting the suicide prevention project. Samsung Life has helped to prevent suicides, particularly by raising the awareness of respect for life. In 2015, we developed the suicide prevention education manual focusing on suicide among today's youth and conducted the suicide prevention program "I (Love) You" at 188 middle schools.

Preventing diseases

In 2015, Samsung Life has provided 41 medical lectures all over the country, in partnership with the Korea Medical Association Foundation. Through this project, we provided medical education on disease prevention and health information in order to reduce the unnecessary use of medical services and prevent diseases in advance.

1,200 persons
The number of economic education participants

188 schools
The number of middle schools that completed the suicide prevention education

Love Sharing Mural Painting Campaign



KRW 77.7 billion
Expenses for social contribution activities

11.9 hours
Volunteer Hours per Employee

5.4 million persons
The number of Youth Painting Contest participants accumulated

Participation in sharing activities and spreading a sharing culture

Samsung Life is operating Nanum Station to efficiently manage volunteer activities and donations. In addition, our Sustainability Management Center responsible for social contribution activities is operating 162 volunteer teams consisting of about 5,000 employees. To encourage our employees to participate in various social contribution activities, their social contribution activities are considered for personnel evaluation.

Social contribution activities with customers

Samsung Life and its customers donated 100,000 briquettes to the underprivileged.

The virtuous circle of sharing through talent donations

Samsung Life Insurance holds the Youth Painting Contest to foster young artists. For 30 years, the contest has become the largest painting contest for youth, and the accumulated number of participants sum to about 5.4 million. Through this contest, about 80,000 young artists grew as professors, architects, writers, etc. In 2015, we conducted the Love Sharing Mural Painting Campaign as part of talent donations.

BUSINESS CASE

Medical lectures for the prevention of the 4 diseases

Samsung Life has been conducting numerous disease prevention campaigns in cooperation with the Korea Health Promotion Foundation and the Korea Medical Assistance Foundation since 2012. In 2015, we provided medical lectures of disease prevention and health information all over the country. We visited numerous communities and provided useful health education to people living in places where health information is not easily accessible such as rural areas or less populated islands. This program received positive feedback from participating villagers. We have provided 41 lectures to 7,330 local residents from March to December 2015. Many famous lecturers of university hospitals, general hospitals, and special hospitals participated in our lectures. After lectures, we provided a variety of events such as a magic show, laughter therapy, and health checkup service.



Medical lecture in progress

The number of medical lecture participants **7,330 persons**

The number of medical lectures provided **41 times**

Interview

"We should contribute to reducing medically underserved areas through preventive education and training."

Since the insurance business acts as a social safety net, Samsung Life is doing its best to reduce medically underserved areas, considering life as a priority. The Korea Medical Assistance Foundation, a public foundation established to provide medical services and medical support to medically underserved areas, has been conducting the cervical cancer vaccination promotion campaign with Samsung Life since 2012. In 2015, we provided medical lectures to 7,330 people. During the lectures, participants learned how to prevent the 4diseases of thyroid cancer, stomach cancer, cervical cancer, and spine disease. The purposes of the lectures are to reduce the unnecessary use of medical services and prevent diseases in advance by providing proper information about disease prevention and health. In addition to medical lectures, we will conduct various campaigns and events such as Health Care Room and Health Practice Essay Contest to create synergy effects with Samsung Life. Lastly, we will create higher values with Samsung Life by reducing the medically underserved areas and providing a wide range of support over the long term.



Korea Medical Assistance Foundation
President Yu Seung-heum

Resolve social issues

Samsung Life's social contribution activities are not temporary support but continuous and systematic sharing activities to resolve various social issues such as low fertility and environmental pollution. Furthermore, we are conducting overseas social contribution activities by improving the educational environment of the developing countries and providing children from multicultural families with the opportunity to visit their relatives on the mother's side.

Emotional refinement for youth

People, Love Serotonin Drum Club

Samsung Life runs the 'People, Love, Serotonin Drum Club' in order to aid emotional development and healthy growth of youth. This business is funded by the 'Employee Heart Fund' which is a monthly donation by our employees to provide books and videos. We also run diverse programs including camps and 'mentor day' to develop social skills and for career guidance of students. Furthermore, the 'Dream Festival' has been held annually since 2012 to bringout students' skills and share hope and passion, and scholarships are offered to the nominated schools.

190 schools

Approx. **3,100** persons

Serotonin Drum Club
Cumulative operating performances



Resolving low fertility rates

Sesalmaeul Program

In order to help reduce the concerns over the cost of giving birth and childcare leading to Korea's low birth rate, Samsung Life has been implementing the Sesalmaeul program, aiming to look after children, with society as a whole, including the father and grandparents rather than by the mother alone. In addition, Samsung Life offers childcare consulting services during a baby's early growth stage(3, 6 and 12 months).

People Love, Joint Childcare Center

Samsung Life cooperates in the 'Joint Childcare Center' with the Ministry of Gender Equality and Family not only to share the childcare burdens of parents, but also to offer high quality of education to their children. The Joint Childcare Center is becoming a place for both childcare and healthy communication in local residents.

14,315 persons

Performance of education on childcare to pregnant women and their parents

Environmental protection

Support for green society

We have been holding youth forest experience camps to raise their awareness of environmental protection and also help them to develop good characters. Starting from 2014, Samsung Life has been providing more opportunities to visit overseas forests so that they can develop the qualities needed for global environmental leaders. In 2015, we held the youth forest experience camps for 951 elementary and middle school students across the nation. Samsung Life is also striving to minimize flood damages, while also contributing to environmental protection by absorbing greenhouse gases by continuously taking part in the mangrove planting project in Thailand.

951 persons

Performances of Forest Experience Camp

28,500 trees

Accumulated number of the mangrove trees planted by SLI



Support for independence

Supporting single mothers with start-up businesses

Samsung Life is supporting single mothers with start-up businesses to earn a living to support their family. In 2015, we supported the opening of 11 start-up shops.

Supporting Rehabilitation and Independence of Disabled People in China

In partnership with the Chinese Disabled Welfare Foundation for 5 years since 2011, Samsung Life has pledged to support 3,500 electric wheelchairs and KRW 5 billion to achieve social value across all global borders. In 2015, we donated 750 electric wheelchairs to the disabled in China with a fund of KRW 1 billion.

290 sites

Results of the number of single mothers' business start-ups accumulated



Improvement of educational environments

Providing IT Educational Equipment in Vietnam and Thailand

Samsung Life has donated educational equipment and products to several elementary schools in Thailand and middle schools in Vietnam with poor educational environments. Since 2013, we have been conducting the Vietnam Cung Nhau Computer Room for Hope Project for middle schools in the northern rural areas of Vietnam, in order to improve their IT educational environment. We have opened 11 computer rooms in 2015, with an aim to open 40 computer rooms in 50 middle schools by 2017. Of particular note, Vice President of Vietnam attended the opening ceremony of Chanly Middle School and strengthened a friendly relations between Korea and Vietnam.

39 elementary schools in Thailand

33 middle schools in Vietnam

Result of the accumulated record of IT educational equipment provided

Improving family relations

Overseas Relatives Visits for Children from Multicultural Families

Samsung Life began this program in 2007, which provides round-trip airfares for all family members when multicultural families visit the home country of non-Korean women who married Korean men in a bid to help multicultural families better understand each other. These efforts have generated positive results such as improving family relations of multicultural families and helping these families quickly adjust to Korean society. In 2015, we have sent 23 families(87 persons) on trips to visit overseas relatives and 944 marriage immigrants from 258 families in Vietnam, the Philippines, Mongolia, and Thailand have been able to visit their homeland.

258 families

944 persons

Results of funding children from multicultural families to visit overseas relatives



Approaches to Safety Environment Management

Samsung Life operates a proactive safety and energy management system in its buildings. In addition to investments in the green energy development projects, it contributes to green finance by providing low interest rates to green companies.

Facilitating green finance

Socially responsible investment(SRI) principles

Samsung Life has been increasing its socially responsible investment by not only considering financial performance, but also including the non-financial performance when making decisions on investment, including human rights, environment, labor and social contributions to community.

New organization

In 2015, Samsung Life has newly established the Alternative Investment Business Division to comply with its Social Responsible Investment principles and promote green finance. The Alternative Investment Business Division is seeking for investment opportunities in eco-friendly business, new and renewable energy, and public infrastructure and extending its investments in the green industry including new and renewable energy and fuel cells. In addition, it provides relevant education to its employees and endeavors to find new green investments.

Research on green finance

Samsung Life has been responding well to management risks caused by environmental factors like climate change, by conducting research on advanced countries' best practices for green finance. Also, we have conducted research on ways to to promote green finance together with relevant divisions and/or departments.

Expanding green finance

According to Article 104 "Principles for Asset Management" of Section 1 of the Insurance Business Act(An insurance company shall ensure the stability, liquidity, profitability and public interest in managing its assets.), Samsung Life is making efforts to maintain the best interest of the public and society in mind and to reject speculative investments through negative screening. We are increasing our investments in green energy development projects, such as new and renewable energy and community energy, by including the environmental evaluation factors into the financial review system to be utilized when evaluating investments. In addition, we provide low interest rates to green buildings and green companies to promote green finance.

Investing in green industry

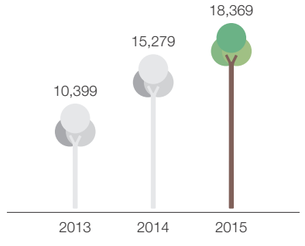
- New & renewable energy development projects for solar energy, wind power, tidal power generation and fuel cells
- Projects for the community energy system(CES), industrial complex mass energy system and district heating

Green loan products

- Discounts on interest rates if a person asks for a loan with an 'eco-label building' used as collateral
- Discounts on interest rates if a person who has accumulated points from joining the carbon point system for energy reduction, asks for a loan

Amount of investments in green industry by year

Unit : KRW 100 million



KRW **66.2** billion

Loans that make use of eco-friendly apartments as collateral

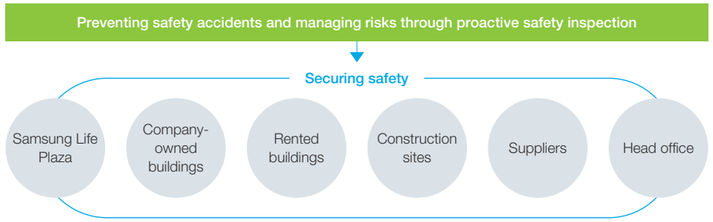
About **1,800** cases

Signs of disorders detected and handled

Reinforcement of safety inspection

Strengthening safety inspection

Samsung Life has been conducting periodic safety inspections on business sites across the nation. In 2015, to prevent to prevent fatal accidents, we improved the safety equipment of elevators and moving machines, installed additional CCTVs, strengthened the harmful substance handling and management process, and upgraded evacuation facilities to minimize damages in case of fire. In 2015, we discovered and took care of about 1,800 cases with signs of disorders. Due to such efforts, we once again achieved the goal of being a "zero-accident and accident-free workplace" in 2015.



Safety Inspections

Safety inspections by theme

- Safety inspections by season such as during the winter season, thawing season, storms and floods, etc.
- Overcoming risk factors for accidents like fire, explosions, etc. and monitoring and improvements made on land subsidence, fire facilities, etc.

Reinforcement of harmful/high-risk substance management

- Placing MSDS(Material Safety Data Sheets)
- Installing personal protective equipment and emergency cleaning facilities for employees' safety

Reinforcing the fire drill plan

- Improving the floor evacuation guide and emergency stair signs
- Securing safety supplies and making fire prevention campaign posters

Safety management of constructions

- Monitoring constructions taking place at buildings across the nation
- Conducting random inspections and operating a system to provide daily reports on constructions



Fire drill simulation



Safety experience training for employees

Promoting safety culture

Samsung Life has revised and distributed guidelines to all employees on countermeasures against accidents and introducing countermeasures against the occurrence of emergency situations. Of particular note, we heeded the advice of incumbent fire-fighting officers and provided more practical education to our employees. In addition, we added various contents to the guidebook such as mental health care, and stretching techniques to prevent muscular and skeletal diseases.

Reinforcement of safety & health education by experience

Samsung Life has been regularly providing hands-on training and education, CPR training and AED for safety regularly through an agreement signed with the Safety Experience Center located in Seoul. In 2015, we provided hands-on safety education, instead of mere lectures. Furthermore, our Sunday Safety School is being provided to employees, their spouses, and children, receiving favorable reviews. We are expecting our employees' safety awareness and emergency handling ability to greatly increase. As a result of a questionnaire survey, it was found that employees' awareness of safety was significantly raised.

Win-win management approach

In order to deliver the pure value of insurance, the efforts of not only Samsung Life Insurance, but also all supply chain are necessary. Therefore, we work towards sustainable growth while recognizing our partners as companions for developing competitiveness and value.

Selecting and managing suppliers based on a fair and transparent process

Selecting suppliers through a fair process

Aiming for “zero purchasing accidents”, Samsung Life restricts the participation of suppliers with potential risks in accordance with our Contract Administration Guidelines. We prevent unqualified suppliers from joining the e-procurement system by connecting with our Audit Team’s system. In addition, employees in charge of the electronic bidding system were given new rights to enhance the fairness of contract procedures.

Supplier management and evaluation

All of our suppliers are asked to make written pledges to refrain from unfair trading practices or make any violation of integrity principles in their transactions with us. The suppliers that made this pledge are all advised to internally assign a person to be in charge of compliance. Also, in order to ensure contract procedures are properly carried out, we often hold a briefing session on our Contract Administration Guidelines. Meanwhile, we evaluate all our suppliers every 2 years based on business operation, environmental regulations on products and services, basic human rights, labor and environment, safety and health.

100%

Percentage of writing pledges to comply with fair trade and righteous management

Evaluation criteria for suppliers

- **Human rights**
  - Child labor, forced labor, humane treatment, etc.
- **Business operation**
  - Business policy/procedures, management system, etc.
- **Labor environment**
  - Working hours, vacation, wages, rewards, etc.
- **Safety and health**
  - Safety inspections, emergency countermeasures, industrial accidents, workplace hygiene, etc.
- **Environmental regulations on products and services**
  - Product environment, energy management, waste water/waste, etc.

Win-win activities with suppliers

Open communication for mutual growth

Samsung Life has established a wide range of communication programs to set up a foundation of mutual cooperation. We hold ‘the Mutual Growth Workshop’ every other month to share information with our suppliers and gather opinions from them. In addition, we conduct surveys once a year to confirm our suppliers’ satisfaction level, such as complaints made and requests for better work conditions, as well as rewarding their best employees as a means of expressing thanks to our suppliers’ hard work and dedication.

Junior CEO Course





777 persons

The accumulated number of those who completed the Junior CEO Course

Reinforcement of suppliers’ competencies

Samsung Life is holding a mandatory training program with information on accident prevention, security, sexual harassment prevention and ethical management against our suppliers throughout the nation once a year, with non-periodic training programs being held, if needed. In 2015, we trained all employees of computerized equipment maintenance suppliers on security and ethical management, which amounted to 548 persons.

We also provide a variety of learning and experience activities through Samsung Life’s ‘Junior CEO’ Courses for fostering SME owner’s children into becoming future CEOs, including management philosophy and knowledge and leadership lectures. As part of our talent donation, the Junior CEO Courses give the offspring of SME owners an opportunity to study economics and learn about leadership. Starting in 2011, 20 graduates from short-term courses and the 9 graduates from long-term courses completed these courses, a total of 736 companies and 777 persons finished these courses as of February 2016.

Managing major partners

Major partners

- External sales organization
- Office supplies providers
- Computerized equipment maintenance companies
- Office building maintenance service providers

External sales organization

Our outsourced sales network including agencies and FCs are the most important suppliers of Samsung Life. We conduct regular inspections on them to identify any risks and take measures if necessary in accordance with the suitability rule based on our annual compliance plan and due diligence obligations. Inspections are focused on mis-selling and noncompliance of insurance guide materials, and illegal acts including non-compliance of solicitation procedures and processes. In addition, we are providing consultants with ethical management education for integrity sales.

Office supplies providers

All agencies across the nation purchase essential office supplies in quantities required through the electronic purchase system called e-pass. Moreover, in order to prevent fixed trade practices, we always begin a new tender after the contract period.

Computerized equipment maintenance companies

As suppliers in charge of computerized equipment maintenance for Samsung Life and its agencies, we conduct reviews on risk management against their employees. We conduct regular inspections on them to identify any risks and take measures if necessary in accordance with the suitability rule based on our annual compliance plan and due diligence obligations.

Office building maintenance service providers

Samsung Life implements the strategic investment property management towards security service providers and building maintenance companies. Each company is audited for its potential risks through the process of acknowledgment, site inspection and reduction of risks twice a year.

BUSINESS CASE

Considering eco-friendliness during procurement

In order to support green buying, Samsung Life added the provisions to exempt bid bond for specialized green enterprises designated by the government in 2013. We have amended our purchasing manuals to ask for the submission of energy review reports on equipment of major energy consumption when constructing new buildings and performing repair work, while also giving preferential treatment to environmentally certified products during the bidding for equipment suppliers. Also, we consider environmentally-friendliness as an important factor when purchasing products. Which is why we prioritize the purchase of products with high energy efficiency and minimal environmental damage. In 2016, we have merged branch offices so that resources such as office fixtures could be recirculated through donation to army bases and welfare organizations instead of being destroyed.



Amount of eco-friendly products purchased KRW **3.1** billion

*Amount of equipment purchased with eco-friendly condition

APPENDIX

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ECONOMIC SECTOR

Consolidated Balance Sheet (Consolidated Statement of Financial Position)

60th Term : As of December 31st, 2015
59th Term : As of December 31st, 2014

Samsung Life Insurance Co., Ltd. and Subsidiaries

Unit : KRW million

Account	FY2015	FY2014
I. Cash and cash equivalents	2,276,606	4,216,720
II. Financial assets at fair value through profit or loss	2,337,133	2,542,066
III. Available-for-sale financial assets	131,894,930	123,984,920
IV. Gain on financial assets at fair value through profit or loss	421,906	748,147
V. Realized gains on available-for-sale financial assets	36,462,636	32,687,421
VI. Derivative financial assets for hedge accounting	82,796	165,433
VII. Investments in associates and joint ventures	2,603,098	2,463,717
VIII. Assets held for sale	6,530	2,195
IX. Investment property	7,555,922	6,146,006
X. Tangible assets	1,756,873	1,800,669
XI. Intangible assets	520,765	451,404
XII. Current tax assets	171,289	382
XIII. Deferred tax assets	-	12
XIV. Other assets	4,686,714	4,815,483
XV. Separate account assets	39,585,698	34,409,139
Total assets	230,362,896	214,433,714
I. Insurance contract liabilities	149,118,213	138,982,550
II. Policyholder's equity adjustment	6,969,288	6,771,704
III. Financial liabilities at fair value through profit or loss	47,981	89,443
IV. Other financial liabilities	4,202,160	3,318,418
V. Derivative financial liabilities for hedge accounting	620,184	528,978
VI. Current income tax liabilities	15,174	5,880
VII. Deferred income tax liabilities	4,427,612	4,195,262
VIII. Provisions	162,282	157,222
IX. Other liabilities	500,307	503,705
X. Separate account liabilities	40,577,950	37,595,813
Total liabilities	206,641,151	192,148,975
I. Equity of the parent company	23,645,836	22,204,919
1. Capital stock	100,000	100,000
2. Capital surplus	6,131	7,126
3. Capital adjustments	(1,575,774)	(1,086,828)
4. Accumulated other comprehensive income	13,548,291	12,488,331
5. Retained earnings	11,567,188	10,696,290
II. Non-controlling interests	75,909	79,820
Total equity	23,721,745	22,284,739
Total liabilities and equity	230,362,896	214,433,714

ECONOMIC SECTOR

Consolidated Statement of Comprehensive Income

60th Term : from January 1st to December 31st, 2015
59th Term : from January 1st to December 31st, 2014

Samsung Life Insurance Co., Ltd. and Subsidiaries

Unit : KRW million

Account	FY2015	FY2014
I. Operating revenue	27,705,927	27,426,368
1. Premium income	17,354,147	17,461,627
2. Reinsurance income	257,780	233,297
3. Interest income	5,729,876	5,702,049
4. Gain on financial assets at fair value through profit or loss	333,689	210,150
5. Realized gains on available-for-sale financial assets	184,815	685,113
6. Gain on loan receivables and other receivables	912	1,113
7. Gain on derivative financial instruments for hedge accounting	118,894	247,306
8. Gain on foreign currency transactions	717,194	487,471
9. Fee and commission income	158,175	43,020
10. Dividend income	389,569	284,011
11. Rental income	444,407	422,481
12. Separate account commission received	1,305,766	1,091,894
13. Separate account revenue	471,945	433,274
14. Other operating income	238,758	123,562
II. Operating expenses	26,557,433	26,020,836
1. Increase in policy reserves	9,864,308	10,031,329
2. Insurance claims paid	10,209,610	10,051,134
3. Reinsurance expenses	289,133	265,819
4. Acquisition and administration expenses	1,558,883	1,568,400
5. Amortization of deferred acquisition costs	2,056,932	2,011,555
6. Asset Management Expenses	521,375	478,153
7. Interest expenses	137,929	103,104
8. Loss on financial assets at fair value through profit or loss	335,154	209,920
9. Realized losses on available-for-sale financial assets	120,462	42,393
10. Loss on loan receivables and other receivables	6,911	13,708
11. Loss on derivative financial instruments for hedge accounting	601,678	378,137
12. Loss on foreign currency transactions	180,205	250,865
13. Separate account expenses	471,945	433,274
14. Other operating expenses	202,908	183,045

Unit : KRW million

Account	FY2015	FY2014
III. Operating income	1,148,494	1,405,532
IV. Non-operating revenue	344,046	321,522
V. Non-operating expenses	121,027	123,597
VI. Consolidated Earnings Before Taxes	1,371,513	1,603,457
VII. Income tax expenses	161,940	266,427
VIII. Profit for the year	1,209,573	1,337,030
IX. Other comprehensive income(loss), net of tax	1,060,247	2,253,132
1. Items that may be reclassified as profit or loss	1,056,843	2,292,532
A. Change in value of available-for-sale financial assets	1,012,762	2,186,393
B. Change in value of held-to-maturity financial assets	(362)	(405)
C. Change in value of derivative financial instruments for hedge accounting	69,394	129,231
D. Shares of other comprehensive income of associates and joint ventures	23,688	(71,277)
E. Other comprehensive income of separate accounts	(29,333)	35,622
F. Profit and loss in conversion from overseas business	(19,306)	12,968
2. Items that will not be reclassified as profit or loss	3,404	(39,400)
A. Remeasurements of net defined benefit plans	3,404	(39,400)
X. Total comprehensive income for the year	2,269,820	3,590,162
XI. Profit attributable to :	1,209,573	1,337,030
Owners to the Parent	1,211,233	1,337,488
Non-controlling interests	(1,660)	(458)
XII. Total comprehensive income attributable to :	2,269,820	3,590,162
Ownership equity of the parent company	2,271,193	3,589,312
Non-controlling interests	(1,373)	850
XIII. Earnings per share attributable to ownership equity of the parent company(Unit : KRW won)		
Basic earnings per share	6,418	7,062
Diluted earnings per share	6,418	7,062

ECONOMIC SECTOR

Consolidated Statement of Changes in Equity

60th Term : from January 1st to December 31st, 2015
59th Term : from January 1st to December 31st, 2014

Samsung Life Insurance Co., Ltd. and Subsidiaries

Unit : KRW million

Account	Ownership Equity of Parent Company						Non-controlling interest	Total
	Capital stock	Capital surplus	Capital adjustments	Accumulated other comprehensive income	Retained earnings	Ownership equity of the parent company		
January 1st, 2014(beginning of prior year)	100,000	6,131	(882,863)	10,236,507	9,510,401	18,970,176	60,215	19,030,391
I. Total comprehensive income for the year								
1. Profit for the year	-	-	-	-	1,337,488	1,337,488	(458)	1,337,030
2. Change in value of available-for-sale financial assets	-	-	-	2,186,379	-	2,186,379	14	2,186,393
3. Change in value of held-to-maturity financial assets	-	-	-	(405)	-	(405)	-	(405)
4. Change in value of derivative financial instruments for hedge accounting	-	-	-	129,231	-	129,231	-	129,231
5. Shares of other comprehensive income(loss) of associates and joint ventures	-	-	-	(71,277)	-	(71,277)	-	(71,277)
6. Other comprehensive income on separate account	-	-	-	35,622	-	35,622	-	35,622
7. Profit and loss in conversion from overseas business	-	-	-	11,615	-	11,615	1,353	12,968
8. Remeasurements of net defined benefit plans	-	-	-	(39,341)	-	(39,341)	(59)	(39,400)
II. Dividends paid to shareholders								
1. Annual dividends	-	-	-	-	(162,414)	(162,414)	-	(162,414)
2. Changes in consolidated entity	-	-	-	-	-	-	9,087	9,087
3. Acquisition of treasury stock	-	-	(201,528)	-	-	(201,528)	-	(201,528)
4. Others	-	995	(2,437)	-	10,815	9,373	9,668	19,041
December 31st, 2014(end of prior year)	100,000	7,126	(1,086,828)	12,488,331	10,696,290	22,204,919	79,820	22,284,739
1January 1st, 2015(beginning of current year)	100,000	7,126	(1,086,828)	12,488,331	10,696,290	22,204,919	79,820	22,284,739
I. Total comprehensive income for the year								
1. Profit for the year	-	-	-	-	1,211,233	1,211,233	(1,660)	1,209,573
2. Change in value of available-for-sale financial assets	-	-	-	1,012,773	-	1,012,773	(11)	1,012,762
3. Change in value of held-to-maturity financial assets	-	-	-	(362)	-	(362)	-	(362)
4. Change in value of derivative financial instruments for hedge accounting	-	-	-	69,394	-	69,394	-	69,394
5. Shares of other comprehensive income(loss) of associates and joint ventures	-	-	-	23,688	-	23,688	-	23,688
6. Other comprehensive income on separate account	-	-	-	(29,333)	-	(29,333)	-	(29,333)
7. Profit and loss in conversion from overseas business	-	-	-	(19,617)	-	(19,617)	311	(19,306)
8. Remeasurements of net defined benefit plans	-	-	-	3,417	-	3,417	(13)	3,404
II. Dividends paid to shareholders								
1. Annual dividends	-	-	-	-	(340,335)	(340,335)	-	(340,335)
2. Acquisition of treasury stock	-	-	(488,097)	-	-	(488,097)	-	(488,097)
3. Others	-	(995)	(849)	-	-	(1,844)	(2,538)	(4,382)
December 31st, 2015(end of current year)	100,000	6,131	(1,575,774)	13,548,291	11,567,188	23,645,836	75,909	23,721,745

Consolidated Cash Flow Statement

60th Term : from January 1st to December 31st, 2015
59th Term : from January 1st to December 31st, 2014

Samsung Life Insurance Co., Ltd. and Subsidiaries

Unit : KRW million

Account	FY2015	FY2014
I. Cash flow from operating activities	5,288,088	8,946,403
1. Cash generated from operations	(719,502)	3,535,411
A. Profit for the year	1,209,573	1,337,030
B. Adjustments in expenses and revenues	5,971,002	5,630,564
C. Changes in operating assets and liabilities	(7,900,077)	(3,432,183)
2. Interests received	5,832,101	5,432,941
3. Interests paid	(100,376)	(88,360)
4. Dividends received	367,057	276,769
5. Income taxes paid	(91,192)	(210,358)
II. Cash flow from investing activities	(7,176,636)	(7,392,305)
1. Proceeds from disposal of available-for-sale financial assets	13,912,184	11,830,481
2. Payment for acquisition of available-for-sale financial assets	(19,751,363)	(19,101,535)
3. Proceeds from disposal of held-to-maturity financial assets	328,039	1,868
4. Settlement of derivative financial instruments for hedge accounting	(217,392)	319,813
5. Proceeds from disposal of investments in associates and joint ventures	(9,666)	(84,421)
6. Payment for acquisition of investments in associates and joint ventures	27,507	82,438
7. Acquisition of subsidiaries	(4,382)	(379,481)
8. Disposal of subsidiaries	-	34,189
9. Payment for acquisition of investment properties	(1,606,914)	(142,757)
10. Proceeds from disposal of investment properties	51,655	2,464
11. Payment for acquisition of property and equipment	(67,604)	(74,128)
12. Proceeds from disposal of property and equipment	20,456	21,745
13. Payment for acquisition of intangible assets	(117,536)	(86,014)
14. Proceeds from disposal of intangible assets	7,389	4,698
15. Proceeds from disposal of assets held for sale	273,814	28,100
16. Increase(decrease) due to changes in consolidated coverage	(41,165)	154,297
17. Others	18,342	(4,062)
III. Cash flow from financing activities	(52,634)	(354,969)
1. Payment of dividends	(340,335)	(203,085)
2. Payment for acquisition of treasury stocks	(488,097)	(201,528)
3. Increase in loans	532,815	30,300
4. Decrease in borrowings	-	(8,450)
5. Increase(decrease) in Non-controlling interests	242,983	27,794
IV. Net increase in cash and cash equivalents	(1,941,182)	1,199,129
V. Cash and cash equivalents at the beginning of the year	4,216,720	3,026,800
VI. Effects of change in foreign currency exchange rates on cash and cash equivalents	1,068	(9,209)
VII. Cash and cash equivalents at the end of the year	2,276,606	4,216,720

ECONOMIC SECTOR

Balance Sheet (Statement of Financial Position)

60th Term : As of December 31st, 2015
59th Term : As of December 31st, 2014

Samsung Life Insurance Co., Ltd. and Subsidiaries

Unit : KRW million

Account	FY2015	FY2014
I. Cash and cash equivalents	1,960,146	3,655,076
II. Financial assets at fair value through profit or loss	934,649	1,141,068
III. Available-for-sale financial assets	131,691,692	123,849,543
IV. Gain on financial assets at fair value through profit or loss	386,234	712,142
V. Realized gains on available-for-sale financial assets	36,233,841	32,805,807
VI. Derivative financial assets for hedge accounting	77,191	165,433
VII. Investments in subsidiaries, associates and joint ventures	4,426,571	3,984,863
VIII. Assets held for sale	6,530	2,196
IX. Investment property	4,802,734	4,416,289
X. Tangible assets	1,743,775	1,788,936
XI. Intangible assets	286,322	215,118
XII. Current tax assets	170,144	1,676
XIII. Other assets	3,938,315	4,056,771
XIV. Separate account assets	39,585,698	34,409,139
Total assets	226,243,842	211,204,057
I. Insurance contract liabilities	148,997,773	138,887,093
II. Policyholder's equity adjustment	6,957,768	6,777,061
III. Financial liabilities at fair value through profit or loss	33,705	69,551
IV. Other financial liabilities	1,303,549	1,068,282
V. Derivative financial liabilities for hedge accounting	620,184	528,978
VI. Deferred income tax liabilities	4,320,622	4,103,900
VII. Provisions	160,266	155,987
VIII. Other liabilities	406,167	449,595
IX. Separate account liabilities	40,577,950	37,595,813
Total liabilities	203,377,984	189,636,260
I. Capital stock	100,000	100,000
II. Capital surplus	6,131	6,131
III. Capital adjustments	(1,568,375)	(1,080,278)
IV. Accumulated other comprehensive income	13,570,714	12,528,157
V. Retained earnings	10,757,388	10,013,787
Total equity	22,865,858	21,567,797
Total liabilities and equity	226,243,842	211,204,057

Statement of Comprehensive Income

60th Term : from January 1st to December 31st, 2015
59th Term : from January 1st to December 31st, 2014

Samsung Life Insurance Co., Ltd. and Subsidiaries

Unit : KRW million

Account	FY2015	FY2014
I. Operating revenue	27,013,632	26,885,750
1. Premium income	17,286,636	17,411,159
2. Reinsurance income	257,302	231,935
3. Interest income	5,708,054	5,703,428
4. Gain on financial assets at fair value through profit or loss	71,223	101,107
5. Realized gains on available-for-sale financial assets	183,804	607,814
6. Gain on loan receivables and other receivables	1,150	1,505
7. Gain on derivative financial instruments for hedge accounting	136,100	256,596
8. Gain on foreign currency transactions	638,286	394,774
9. Fee and commission income	27,023	25,129
10. Dividend income	369,566	247,653
11. Rental income	326,064	317,764
12. Separate account commission received	1,305,766	1,091,894
13. Separate account revenue	471,945	433,274
14. Other operating income	230,713	61,718
II. Operating expenses	25,956,114	25,604,820
1. Transfer to reserve for insurance contract liabilities	9,836,062	10,014,615
2. Insurance claims paid	10,191,069	10,035,836
3. Reinsurance expenses	288,614	264,048
4. Acquisition and administration expenses	1,570,937	1,548,156
5. Amortization of deferred acquisition costs	2,056,932	2,011,555
6. Asset Management Expenses	404,702	399,491
7. Interest expenses	39,557	35,120
8. Loss on financial assets at fair value through profit or loss	49,503	28,456
9. Realized losses on available-for-sale financial assets	121,953	42,393
10. Loss on loan receivables and other receivables	6,716	13,776
11. Loss on derivative financial instruments for hedge accounting	615,571	378,137
12. Loss on foreign currency transactions	146,930	243,576
13. Separate account expenses	471,945	433,274
14. Other operating expenses	155,623	156,387
III. Operating income	1,057,518	1,280,930
IV. Non-operating revenue	272,437	203,032
V. Non-operating expenses	110,069	114,037
VI. Earnings Before Taxes ; EBT	1,219,886	1,369,925
VII. Income tax expenses	135,950	238,793
VIII. Profit for the year	1,083,936	1,131,132
IX. Other comprehensive income (loss), net of tax	1,042,557	2,323,752
1. Items that may be reclassified as profit or loss	1,036,391	2,359,772
A. Change in value of available-for-sale financial assets	1,012,511	2,193,379
B. Change in value of held-to-maturity financial assets	(362)	(405)
C. Change in value of derivative financial instruments for hedge accounting	64,854	122,187
D. Shares of other comprehensive income of associates and joint ventures	(11,279)	8,989
E. Other comprehensive income on separate account	(29,333)	35,622
2. Items that will not be reclassified as profit or loss	6,166	(36,020)
A. Remeasurements of net defined benefit plans	6,166	(36,020)
X. Total comprehensive income for the year	2,126,493	3,454,884
XI. Earnings per share(Unit : KRW won)		
Basic earnings per share	5,743	5,972
Diluted earnings per share	5,743	5,972

ECONOMIC SECTOR

Statement of Changes in Equity

60th Term : from January 1st to December 31st, 2015
59th Term : from January 1st to December 31st, 2014

Samsung Life Insurance Co., Ltd. and Subsidiaries — Unit : KRW million

Account	Capital stock	Capital surplus	Capital adjustments	Accumulated other comprehensive income	Retained earnings	Total
January 1st, 2014(beginning of prior year)	100,000	6,131	(878,750)	10,204,405	9,045,069	18,476,855
I. Comprehensive income						
1. Profit for the year	-	-		-	1,131,132	1,131,132
2. Change in value of available-for-sale financial assets	-	-		2,193,379	-	2,193,379
3. Change in value of held-to-maturity financial assets	-	-		(405)	-	(405)
4. Change in value of derivative financial instruments for hedge accounting	-	-		122,187	-	122,187
5. Shares of other comprehensive income (loss) of subsidiaries, associates and joint ventures	-	-		8,989	-	8,989
6. Other comprehensive income on separate account	-	-		35,622	-	35,622
7. Remeasurements of net defined benefit plans				(36,020)	-	(36,020)
II. Transactions with shareholders						
1. Cash dividends	-	-		-	(162,414)	(162,414)
2. Acquisition of treasury stock	-	-	(201,528)	-	-	(201,528)
December, 31st, 2014(end of prior year)	100,000	6,131	(1,080,278)	12,528,157	10,013,787	21,567,797
January 1st, 2015(beginning of current year)	100,000	6,131	(1,080,278)	12,528,157	10,013,787	21,567,797
I. Comprehensive income						
1. Profit for the year	-	-	-	-	1,083,936	1,083,936
2. Change in value of available-for-sale financial assets	-	-	-	1,012,511	-	1,012,511
3. Change in value of held-to-maturity financial assets	-	-	-	(362)	-	(362)
4. Change in value of derivative financial instruments for hedge accounting	-	-	-	64,854	-	64,854
5. Shares of other comprehensive income(loss) of subsidiaries, associates and joint ventures	-	-	-	(11,279)	-	(11,279)
6.Other comprehensive income on separate account	-	-	-	(29,333)	-	(29,333)
7. Remeasurements of net defined benefit plans	-	-	-	6,166	-	6,166
II. Transactions with shareholders						
1. Annual dividends	-	-	-	-	(340,335)	(340,335)
2. Acquisition of treasury stock	-	-	(488,097)	-	-	(488,097)
December, 31st, 2015(end of current year)	100,000	6,131	(1,568,375)	13,570,714	10,757,388	22,865,858

Cash Flow Statement

60th Term : from January 1st to December 31st, 2015
59th Term : from January 1st to December 31st, 2014

Samsung Life Insurance Co., Ltd. and Subsidiaries — Unit : KRW million

Account	FY2015	FY2014
I. Cash flow from operating activities	5,555,474	8,633,970
1. Cash generated from operations	(484,514)	2,833,440
A. Profit for the year	1,083,936	1,131,132
B. Adjustments in expenses and revenues	5,858,789	5,678,441
C. Changes in operating assets and liabilities	(7,427,239)	(3,976,133)
2. Interests received	5,810,323	5,197,061
3. Interests paid	(27,639)	(23,030)
4. Dividends received	344,999	240,535
5. Income taxes paid	(87,695)	385,964
II. Cash flow from investing activities	(6,423,023)	(7,545,907)
1. Proceeds from disposal of available-for-sale financial assets	13,859,167	11,865,434
2. Payment for acquisition of available-for-sale financial assets	(19,653,073)	(19,143,980)
3. Proceeds from disposal of held-to-maturity financial assets	327,707	9,145
4. Settlement of derivative financial instruments for hedge accounting	(214,464)	319,813
5. Proceeds from disposal of investments in subsidiaries, associates and joint ventures	169,079	118,660
6. Dividends of investments in subsidiaries, associates and joint ventures	95,498	83,844
7. Payment for acquisition of investments in subsidiaries, associates and joint ventures	(609,521)	(589,826)
8. Proceeds from disposal of assets held for sale	274,544	28,100
9. Payment for acquisition of investment properties	(552,050)	(101,641)
10. Proceeds from disposal of investment properties	51,102	2,481
11. Payment for acquisition of property and equipment	(61,262)	(69,829)
12. Proceeds from disposal of property and equipment	19,928	21,416
13. Payment for acquisition of intangible assets	(110,227)	(83,147)
14. Proceeds from disposal of intangible assets	4,087	3,113
15. Others	(23,538)	(9,490)
III. Cash flow from financing activities	(828,432)	(363,942)
1. Payment of dividends	(340,335)	(162,414)
2. Acquisition of treasury stock	(488,097)	(201,528)
IV. Net increase in cash and cash equivalents	(1,695,981)	724,121
V. Cash and cash equivalents at the beginning of the year	3,655,076	2,930,941
VI. Exchange loss on cash and cash equivalents	1,051	14
VII. Cash and cash equivalents at the end of the year	1,960,146	3,655,076

SOCIAL SECTOR

Principles of talent management

The source of sustainable growth for companies begins with the development of employees. At Samsung Life, we prohibit employment discrimination based on the basis of gender, race, age and social status. In compliance with the Korean Labor Standards Act and the International Labor Organization(ILO)'s regulations, we strictly prohibit any form of child labor or forced labor whatsoever on our business premises based on the ILO's Convention Concerning the Prohibition and Immediate Actions Towards the Elimination of the Worst Forms of Child Labor and Abolition of Forced Labour Convention. In 2015, we had no cases of such kinds of violation.

Non-discriminatory talent recruitment

In order to recruit talented people with profound expertise in their respective areas(sales and marketing, product development actuary, asset management, etc.) and fulfill their corporate social responsibilities, Samsung Life is increasing the number of job opportunities for socially vulnerable groups. We hire a certain number of employees who have graduated from regional universities and who come from socially vulnerable groups. Also, we developed job positions where the disabled can work, at places where hiring is ongoing all year round.

Fostering convergent financial experts

Samsung Life cultivates talents needed in promoting business strategy, and also runs the Samsung Life 4 Universities(SL4U) which is a talent fostering system that contributes to enhancing employees' market value.

Fostering convergent financial experts competent in job professionalism and business practices

Strengthening basic competencies(Basic)

SL- iMBA(mandatory entry-level course) : Securing the best organizational competitiveness

Enhancing job competencies(Expert)

SL- Proway(Job training course) : Improving the implementation of strategies by division
SL- Master(Certificate preparation course) : Improving the company's corporate value

Developing next-generation leaders(Leader)

SL- Leader(Leadership development course) : Securing next-generation core leadership

Enhancing job competencies(Expert)

Samsung Life established a job training system by selecting core duties, and also runs various training programs according to employees' professional capacities. In addition, we are operating a credit system using IDP so that employees can develop their abilities through cyber learning. In particular, our certificate preparation program categorizes job competencies into 16 types according to business strategy and work utilization and provides all expenses and courses. As a result of these efforts, 965 employees acquired key financial certificates as of the end of 2015.

Strengthening global competency

Samsung Life is providing a variety of foreign language courses, overseas symposiums, and academic programs in order to foster global leaders and experts. Employees develop their foreign language abilities through foreign language courses consisting of weekend and weekday classes. In addition we are fostering global leaders through the Samsung MBA(overseas) and global talents through the Local Experts and Global Partners.

Harmonious labor-management relations

Samsung Life is persistently putting forth efforts to establish harmonious labor and management relations based on a relationship of mutual trust and respect between one another. The labor union's autonomous activities are ensured by frequently sharing opinions about the working environment and conditions of employees with management, so that they can gather requests for improvement to reach an amicable agreement. Since the establishment of the labor union, we did not have a single instance of any dispute or conflict between labor and management, and the rate of coverage of the collective bargaining agreement is inclusive of all employees except executives. Items resolved in the collective bargaining agreement are applied to all employees except executives.

Fair performance evaluations

At Samsung Life, we conduct performance and competence evaluations throughout the entire workforce twice a year. To ensure fair performance evaluation, we have been sharing the necessity of performance evaluations, case studies of other leading companies, and implications through online education since 2015. We conduct a work goal-setting session at regular intervals to share the goals with other divisions and encourage competition in good faith. In addition, we periodically conduct questionnaire surveys on performance evaluation in order to develop performance management training materials and upgrade our evaluation system. In 2016, we will endeavor to strengthen the fairness of evaluations by upgrading the performance management system and newly establishing the performance management course for middle management.

Management of mental health

Samsung Life has been operating the 'Mental Health Center' to look after our employees' mental health. Our counselors provide employees with a stress test, one-to-one counseling, and meditation/relaxation training. In addition to personal counseling services, they conduct a personality diagnosis, and group counseling.

Reestablishing the direction for implementing social contribution

Samsung Life has recognized that social contribution activities are essential and not merely a choice for management practices. Taking the inherent value of insurance into consideration, we have developed social contribution activities that could improve corporate value and enhance its social role at the same time.

Slogan	**Healthy Family, Happy Life**
Strategic direction and activities	**Expanding social contribution business for tackling social issues** · Supporting prevention of suicide and diseases · Fostering healthy youth · Supporting childcare for local communities · Tackling problems like the low birth rate and aging society **Spreading righteous insurance culture and enhancing training** · Finance and insurance education for youth · Training in family business succession and CEO to SMEs **Strengthening global social contribution activities** · Providing electric wheelchairs to the disabled in China · Donating educational equipment to Thailand and Vietnam · Supporting Overseas Relative Visits for Vietnamese Multicultural Families

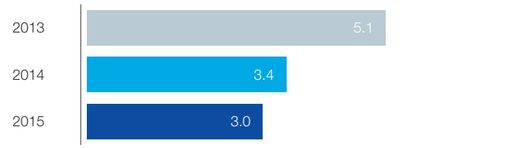
Operating social contribution funds

In 2015, Samsung Life spent KRW 77.7 billion on social contribution activities, which is the highest level among Korean life insurers. Also, we support the social contribution funds conducted by all Korean life insurers. Besides these, our employees and FCs donate a portion of their monthly pay to raise money for Samsung Life's Heart Fund, with every donation amount subsequently matched by the company.

Amount of Heart Fund Donations from employees Unit : KRW 100 million



Amount of Heart Fund Donations from FCs Unit : KRW 100 million



				Unit	2013	2014	2015
Employee status	Total number of employees[1]			Persons	6,628	5,545	5,339
	By employment status	Full-time employees	Males		6,284	2,879	2,809
			Females			2,490	2,328
		Indefinite contract employees	Males		5	7	6
			Females			0	0
		Contract employees	Males		339	109	130
			Females			60	66
	By age[2]	Less than 30 years old	Males		-	345	332
			Females			983	893
		30 – 50 years old	Males		-	2,555	2,478
			Females			1,540	1,470
		Over 50 years old	Males		-	95	135
			Females			27	31
	Number of disabled employees				26	32	32
	Flexible time schedule				-	71	77
	Turnover rate[3]			%	0.4	0.6	0.6
	Retirement rate[4]				2.0	2.1	2.0
Labor union status	Total number of employees with labor union membership			Persons	3,999	3,368	3,365
Current status of the employees' retirement pension plan	Defined benefit-based(DB) plans			KRW 100 million	2,971	2,700	3,028
	Defined contribution-based(DC) plans				119	236	324
Current status of parental leave	Ratio of employees using parental leave			%	6.4	7.6	8.32
	Ratio of return to work after parental leave				91.4	93.4	93.1
Current status of training	Training hours per employee			Hours	153	114	106
	Training expenses per employee			KRW 10,000	212	162	179

1) Total number of employees : Excluding FCs, employees on flexible work schedules and part-timers
2) By age : Starting from 2014, current status by age has to be additionally reported to ensure the credibility of the data
3) Turnover rate : Excluding those who took leaves of absence
4) Retirement rate : On the basis of the number of normal retirees among regular employees
5) Total number of employees with labor union membership : Excluding those who took leaves of absence

SAFETY ENVIRONMENT SECTOR

Green Management System

Samsung Life is set to become one of the top global life insurers that are respected for its green management, as its green management vision is divided into 3 implementation directions, including green infrastructure, green business and green activities.

Visions

Becoming one of the top global green life insurers that is respected for its green management

Goal

To rank among the world's top performers on the DJSI index by 2020

3 approaches

Green Infra

- Establish green management vision and strategies
- Operate green management system
- Green buildings and green offices

Green Business

- Aware of risks and opportunities from environmental/ climate change issues
- Provide green finance products and services
- Participate in the carbon credit market

Green Activity

- Share green management information
- Make social contributions for the environment
- Promote green awareness by changing the behavior patterns of employees

Green management system

Samsung Life has established the foundation for improving the efficiency of energy and resource consumption throughout the company, while also implementing activities that contribute to the protection of the environment, according to each division.

Energy management

Samsung Life's energy consumption in 2015 was a total of 2,552TJ, due to continuous efforts made to save energy. Besides adopting the Building Energy Management System(BEMS), we implemented a total of 292 tasks for energy reduction applicable to 43 buildings, including replacing lights with higher efficiency equipment(LED lamps), installing external wall insulation by using insulating films for air conditioning and heating, adjusting indoor temperatures and repairing worn-out facilities(boilers, etc.).

Greenhouse gas management

Samsung Life's main sources of greenhouse gas emissions consist of energy(electricity and gas) used for air conditioning, heating and lighting. In order to reduce greenhouse gas emissions, Samsung Life has been operating the Greenhouse Gas & Energy Management System(GEMS) and the Building Energy Management System(BEMS). In response to the greenhouse gas emission trading system implemented in 2015, we have established in-house emission allowance guidelines and have been investing in greenhouse gas reduction activities to secure surplus emission rights.

* **GEMS** : Greenhousegas & Energy Management System

			Unit	2013	2014	2015
Amount of energy use	Amount of energy use per square meter		TJ/1,000m²	1.5	1.5	1.3
	Total amount of energy use		TJ	3,128	2,788	2,552
	Fuel			938	871	521
	Electricity			2,190	2,062	2,011
	Steam			-	32	20
Amount of paper usage	Total usage		Ton	1,286	1,222	1,128
Amount of greenhouse gas emissions	Greenhouse gas emissions per unit area		tCO2eq/1,000m²	73.8	76	75.2
	Total emissions		tCO2eq	153,777	144,109	144,660
	Direct emissions(Scope 1)			47,479	42,827	26,174
	Indirect emissions(Scope 2)			106,298	101,282	118,486
Waste output	Total output		Ton	2,766	2,473	2,313
	General Waste	Recycled		1,526	1,368	1,221
		Outsourced		1,233	1,101	1,089
	Designated Waste	Outsourced		7	4	3
	Amount of standard plastic garbage bag emissions		Kl	9,780	10,274	13,716
Amount of water use	Total amount of use		m²	1,501,734	1,093,624	1,461,713
	Tap water			1,470,364	1,075,103	1,444,366
	Heavy water			31,370	18,521	17,347

- The calculation of the amount of greenhouse gas emissions is done in accordance with the Ministry of Environment's Administrative Guidelines for GHG and Energy Target Management
- The scope of data collection includes all our business premises, including office buildings that we rent out, but the data of our rented office buildings is not included when calculating the amount of GHG emissions per square meter
- The amount of GHG emissions for our rented office buildings is an estimated figure based on the amount of GHG emissions per square meter for the office buildings that e own
- The total amount of energy used may be different from the amount of GHG emissions because it is the total of truncated emissions by business site

Paper usage management

Samsung Life has been promoting the use of e-papers in the industry, as the insurance business usually consumes a great deal of paper documents. Besides these, we increased the ratio of e-mails sent out to customers to inform them about useful information, including asset management reports, etc. We are also encouraging our employees to change their behavior pattern to use tablet PCs for product comparison in the field.

Water usage management

Samsung Life's water use arises mostly from our employees working at the office. Therefore, we need to promote the idea of saving water among our employees, while also actively recycling water resources by increasing the use of heavy water from the building. The waste water from our office buildings is all safely treated before being disposed of through professional treatment institutions operated by local governments.

Green Management Accreditation

In 2013, Samsung Life was the first among Korean life insurers to establish the green management system in accordance with international standards to acquire certificates for its environmental management system(ISO 14001) and its energy management system(ISO 50001).



Environmental management system(ISO 14001)



Energy management system(ISO 50001)

Safety & health management system

Regulations on safety & health management

Based on the regulations on safety & health management, Samsung Life has been proactively conducting safety inspections and holding education and training on safety.

Safety & health management governance



Industrial Safety & Health Committee

In order to create a safe working environment, 8 labor-management consultation council members have been operating the Industrial Safety & Health Committee since 2014. The committee shares quarterly safety issues and removes risks through deliberation. In 2015, the committee discussed the safety inspection results, safety maintenance progress, checkups, and mental health management.

Safety Management Center

In recognition of the risks that may arise from various safety accidents and the importance of creating a safe work environment, Samsung Life is operating the 'Safety Management Center'. In order to protect employees and corporate assets, the center oversees the company-wide safety and health management, conducting safety inspections, and providing emergency evacuation training and safety education to employees in order to prevent disasters and accidents. In 2015, we formed the Safety Management Consultative Group of Samsung Financial Affiliates to create synergy effects in safety management. All employees involved in safety management share safety issues with each other and endeavor to create a safe working environment.

Safety Environment Management System(SEMS)

Samsung Life has developed the integrated safety environment management system that can monitor safety information of all buildings in real time and has been operating the system to ensure a more efficient and close management of facilities since June 2015. In cooperation with the Safety Management Center, the Real Estate Management Section, and building management companies, we reduced the time required for safety history management and business processes and upgraded our accident prevention activities.

INDEPENDENT ASSURANCE STATEMENT

2015 Independent Assurance Statement to Samsung Life Insurance

We are commissioned to carry out the assurance engagement of the 2015 Sustainability Report(the 'Report') of Samsung Life Insurance(the 'Company').

Scope of Assurance

As stated in the Report(refer to page 84), the Company is responsible for all content within the Report in respect of the GRI Sustainability Reporting Guidelines(including GRI G4 sector disclosures). It is the responsibility of the Company's management to establish and maintain appropriate performance management and internal control systems from which the reported sustainability information is derived. Our responsibility is to perform a limited assurance engagement and to express a conclusion on the work performed.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement, and consequently does not enable us to obtain assurance on all significant matters that we may become aware of in a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance conclusion. This statement has been prepared solely for the Company in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than the Company for our work, or for the conclusion we have reached in the assurance report.

Independence and procedures performed

Our performed the engagement in accordance with Deloitte's independence policies, which cover all of the requirements of the IFAC(International Federation of Accountants Code of Ethics). There were no events or prohibited services provided which could impair that independence and objectivity in the provision of this engagement.

We conducted our engagement based on the International Standard on Assurance Engagements(ISAE) 3000 Assurance Engagements other than Audits or Reviews of Historical Financial information, issued by the International Auditing and Assurance Standards Board, and also AA1000AS. The standards require that we comply with applicable ethical requirements, including independence requirements and that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement.

Conclusion

Based on the procedures performed, as described below, nothing has come to our attention to indicate that the Report is not presented fairly, in all material respects, in accordance with the reporting criteria.

Inclusivity
The Company operates communication channels with key stakeholders and we are not aware of any key stakeholder that has been excluded from dialogue in the Report.

Materiality
The Company conducts a materiality test in determining material issues and we are not aware of any material aspects concerning its sustainability performance which have been excluded from the Report.

Responsibility
The Company applies reporting scope, boundary and temporal criteria. In terms of criteria mentioned above, we confirm that the Report is suitable for stakeholders to assess sustainability performance.

Recommendation
Without prejudice to our conclusions presented above, we believe the following matters can be considered for improved sustainability reporting. We recommended to improve the internal monitoring process for its key sustainability analysis. Such process shows stakeholders that the Company is systematically and effectively managing sustainability issues.

Deloitte.

AA1000
Licensed Assurance Provider
000-178

May 10, 2016
Deloitte Anjin LLC
CEO **Ham Jong-ho**

GLOBAL REPORTING INITIATIVE(GRI) G4 INDEX

General Standard Disclosures

Indicators	Managerial Issues Report Contents	Page	Related Compilation	External Assurance
Strategy and analysis				
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G4 - 2	Description of key impacts, risks, and opportunities	8, 9		v
Organizational Profile				
G4 - 3	The name of the organization	6		v
G4 - 4	The primary brands, products, and services	6, 7		v
G4 - 5	The location of the organization's headquarters	Back Cover		v
G4 - 6	The number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	6, 18, 19		v
G4 - 7	The nature of ownership and legal form	Back Cover		v
G4 - 8	The markets served	6, 18, 19		v
G4 - 9	The scale of the organization	6, 18, 19		v
G4 - 10	Total workforce	74		v
G4 - 11	The percentage of total employees covered by collective bargaining agreements	74		v
G4 - 12	The organization's supply chain	62, 63		v
G4 - 13	Any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	8, 9, 62, 63		v
G4 - 14	Whether and how the precautionary approach or principle is addressed by the organization	20 - 22		v
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Identified Material Aspects and Boundaries				
G4 - 17	All entities included in the organization's consolidated financial statements or equivalent documents and whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report	About This Report		v
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Report Profile				
G4 - 28	Reporting period such as fiscal or calendar year for information provided	About This Report		v
G4 - 29	Date of most recent previous report(if any)	About This Report		v
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G4 - 32	The 'in accordance' option that the organization has chosen	About This Report		v
G4 - 33	The organization's policy and current practices with regard to seeking external assurance for the report	About This Report		v
Governance				
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Ethics and Integrity				
G4 - 56	The organization's values, principles, standards and behavioral norms such as codes of conduct and codes of ethics	13		v

Specific Standard Disclosure

Classification	Indicators	Managerial Issues Report Contents	Page	Related Compilation	External Assurance
Economic performance	DMA		30, 34, 38, 42		
	EC1	Direct economic value generated and distributed	24, 25, 65 - 73		v
	EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	58, 60		v
Indirect Economic Impacts	DMA		56 - 60		
	EC7	Significant indirect economic effects, including the extent of impact	34, 40		v
	EC8	Development and impact of infrastructure investments and services supported	33, 56 - 60		v
Energy	DMA		76		
	EN3	Energy consumption within the organization	76		v
	EN5	Energy intensity	76		v
	EN6	Reduction of energy consumption	76		v
Emissions	DMA	Disclosure of an approach method	76		
	EN15	Direct greenhouse gas(GHG) emissions(Scope 1)	76		v
	EN16	Energy indirect greenhouse gas(GHG) emissions(Scope 2)	76		v
	EN18	Intensity of greenhouse gas(GHG) emissions	76		v
Labor/Management Relations	DMA		75		
	LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	GRI Index	30 days	v
Occupational Health and Safety	DMA		61		
	LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	74		v
Training and education	DMA		74		
	LA9	Average hours of training per year per employee, by gender, and by employee category	74		v
Diversity and Equal Opportunity	DMA		74		
	LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	10, 74		v
Supplier Assessment for Labor Practice	DMA		62		
	LA14	Percentage of new suppliers that were screened using labor practice criteria	62, GRI Index	100%	v
Investment	DMA		56, 59		
	HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	56, 59	No relevant cases	v
Supplier Human Rights Assessment	DMA		62		
	HR10	Percentage of new suppliers that were screened using human rights criteria	62, GRI Index	100%	v
Local Communities	DMA		56 - 59		
	SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	56 - 59		v
	FS14	Activities providing financial services to the socially underprivileged, including low income groups, the disabled, etc.	33		v
Anti-corruption	DMA		13		
	SO4	Communication and training on anti-corruption policies and procedures	13		v
Compliance	DMA		13		
	SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	13, GRI Index	No relevant cases	v
Product and Service Labeling	DMA		36		
	PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant products and services subject to such information requirements	36, GRI Index	100%	v
	PR5	Results of surveys measuring customer satisfaction	44		v
Marketing Communication	DMA		GRI Index		
	PR6	Sale of banned or disputed products		No relevant cases	v
	PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	GRI Index	No relevant cases	v
Customer Privacy	DMA		22, 23		
	PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	GRI Index	No relevant cases	v
Compliance	DMA		36		
	PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	GRI Index	No relevant cases	v
Portfolio	DMA		32 - 33		
	FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	60		v

AWARDS AND MEMBERSHIPS

Listed as the Dow Jones Sustainability Indices(DJSI) World for 4 consecutive years

S&P Dow Jones and RobecoSAM

Dow Jones Sustainability Indices(DJSI) is the world's most prestigious sustainability list. Since 1999, S&P Dow Jones of the U.S. and SAM of Switzerland have been evaluating 2,500 global top-ranking companies in terms of market capitalization on their financial performance and non-financial performance, including social contribution, governance, human rights and the environment. In October 2015, Samsung Life was listed on the DJSI World for 4 consecutive years, making it the first Korean insurer to be named on the influential list. It also ranked among the world's top 16 insurers.

Ranked as the No.1 insurance company in the National Customer Satisfaction Index(NCSI) for 12 consecutive years

Korea Productivity Center

The NCSI is an annual survey conducted by the Korea Productivity Center to award top performers in each industry by investigating customer satisfaction of Korean companies. In 2015, Samsung Life has topped the survey's life insurance category for the last 12 years in a row.

Ranked as the No.1 insurance company in the Korea Standard Service Quality Index(KS-SQI) for 13 consecutive years

Korea Standards Association

The Korea Standard Association's KS-SQI surveys are conducted on customers in person and online to evaluate the quality of service by industry. It then hands out awards for best practices based on these results. Samsung Life has ranked 1st for 13 straight years as a result of its customer-oriented management practices.

Ranked as the No.1 insurance company in the Korean Customer Satisfaction Index(KCSI) for 11 consecutive years

Korea Management Association Consulting

To aid in the qualitative development of Korean industries and acquire corporate competitiveness, the KCSI survey assesses customer satisfaction on 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 11 consecutive years in recognition of its continuous implementation of customer-oriented management practices.

Ranked No.1 as the 2015 Korea's Most Admired Companies in the life insurance industry for 13 consecutive years

Korea Management Association Consulting

Korea Management Association Consulting releases its list of the Korea's Most Admired Companies every year, singling out those with outstanding business performance results and continued innovation activities that increase customer/shareholder/employee/social values, while also being respected by the public. Samsung Life ranked 1st in the life insurance category for the 13 consecutive years in 2015 and was named one of the list's "All-Stars"(one of the list's top 30 companies).

Ranked No.1 by the 2015 Best Korean Financial Brand

Interbrand

Samsung Life Insurance ranked No.1 in the Financial Category and first entered the Top 5 at the 2015 Best Korea Brands announced by Interbrand, the world's largest brand consulting company.

Received the Grand Prize at the 2015 Korea Wealth Management Awards

Money Today theBell

The Korea Wealth Management Awards give prizes to reliable financial companies, financiers, and financial products every year. Samsung Life was awarded the Grand Prize in all financial categories encompassing banking, stocks, and insurance at the 2015 Korea Wealth Management Awards.

Received the Financial Services Commission Chairman's Award of the 2015 Korea Retirement Pension Awards

Financial Services Commission

The Korea Retirement Pension Awards was founded in 2015 by MK Business and FnGuide. At the 1st Retirement Pension Awards, Samsung Life received the Financial Services Commission Chairman's Award in the Retirement Pension Service Category.

Received the Grand Prize at the 8th Korea Internet Communication Awards/ Korea Social Media Awards for 2 consecutive years

Ministry of Science, ICT and Future Planning, Korea Internet Communication Association

The Korea Internet Communication Awards/Korea Social Media Awards, hosted by the Korea Internet Communication Association(KICAO) and sponsored by the Ministry of Science, ICT and Future Planning, give prizes to exemplary companies or public organizations that strived for smooth communication with customers via social media, websites, or mobiles among 1,600 organizations. Samsung Life was awarded the Grand Prize in the 2 categories of "Social Marketing" and "CEO Communication" for 2 consecutive years.

Acquired the web accessibility certification mark

Human Rights Forum of Persons with Disabilities in Korea

Samsung Life's website was renewed in April 2013 so that all customers including the disabled and the elderly can easily access the website under the same conditions as others. Due to these efforts, we received the web accessibility certification mark from WebWatch, which is an affiliated organization of the Human Rights Forum of Persons with Disabilities in Korea.

Acquired Information Security Management System certification

International Organization for Standardization(ISO)

Organizations which meet ISO27001, the world's most authoritative information security standard, may be certified compliant by an independent and accredited certification body on successful completion of a formal compliance audit. Samsung Life was certified for ISO27001, satisfying all the strict standards consisting of 11 fields and 133 items.

Ranked No.1 Brand Value in the life insurance industry for 12 consecutive years

The Institute for Industrial Policy Studies

The Institute for Industrial Policy Studies' brand value evaluates the brand value of the nation, cities and companies. Samsung Life ranked first in the life insurance category for 12 years in recognition of its brand value worth KRW 15.1872 trillion.

Certification

- Rural social contribution certification
- Family-friendly company certification
- Environmental management system(ISO 14001) certification
- Energy management system (ISO 50001) certification
- Signatory to the Carbon Disclosure Project(CDP)

ABOUT THIS REPORT

About This Report

This is the Samsung Life Insurance Integrated Report, which shows our intention to create economic, social and environmental values with our stakeholders throughout our business performance, as well as pledging our commitment to achieve mutual prosperity. With plans to publish this report on an annual basis, we intend to share information about our sustainability management activities and results, and future plans with our stakeholders through this report, while also using it as a communication channel for reflecting the opinions of internal and external stakeholders.

Reporting Period

This report is for the period between January 1, 2015 and December 31, 2015. In the case of changes made in the method of data collection from the previous report, it was amended according to the 2015 standard. In particular, the financial data of 2013 has been changed to suit the amendment of the Enforcement Decree of the Insurance Business Act.

· Financial information has been drafted in accordance with the Korean International Financial Reporting Standards(K-IFRS) written on the basis of the Korean International Financial Reporting Standards
· In the case of quantitative activities related to core issues, activities conducted until March 2016 were included
· In some cases, data from the past 3 years was also included to highlight certain trends
· Some environmental and social data showed changes in the previous year's figures due to new calculation standards

Reporting Scope

· Samsung Life Insurance's head office, domestic branch network and overseas subsidiaries, branches and representative offices
· The financial data is reported with consolidated earnings from 2015
· Some environmental data only covers the activities at domestic business premises due to the physical challenges of data collection
· In the case of subsidiaries' activities, the name of the subsidiary is indicated

Reporting standards

This report was compiled in line with the Global Reporting Initiative(GRI) G4 Guidelines and the Financial Services Sector Supplement. Also, the report meets the core conditions(in accordance with) of GRI G4 Guidelines.

Report Assurance

This report received third party assurance for the audits of financial information through an independent audit corporation, while the non-financial information received third party assurance from Deloitte Korea.

Contact Information

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2015



2014



2013



2012



2010 - 2011



Visit our Website at
www.samsunglife.com/

Visit our Blog L at
www.samsunglifeblogs.com

Visit our Facebook Fanpage at
https://www.facebook.com/samsunglife

Follow us on Twitter at
twitter.com/samsunglife

Associations & Memberships

Organization	Major Activities
Korea Life Insurance Association	Protecting insurance policyholders' rights, promoting sound insurance business practices, and establishing a network for exchanging opinions with companies to establish fair insurance policies.
Korea Financial Investment Association	Promoting sound investment practices by establishing fair trading practices and protecting investors
FP Korea	Implementing work that facilitates research activities on the development of financial planning businesses, the protection of financial consumers, and the financial stability and growth of households.
Korea Employer's Federation(KEF)	Promoting harmonious industrial relations and economic development through cooperation between labor and management, fair business management, and good labor-management relations.
Federation of Korean Industries(FKI)	Establishing a network to exchange opinions with companies to fulfill duties and responsibilities as a corporate citizen for society and the international community
Korea Insurance Development Institute(KIDI)	Supporting research for the protection of insurance consumers and the development of the insurance industry
Korea Insurance Research Institute(KIRI)	Supporting research for the stable development of the insurance industry and the improvement of national economy
Korea Economic Research Institute(KERI)	Supporting research activities for policy tasks on the development of the Korean economy and the establishment of a business-friendly system
Financial Security Institute	Work exchange for diverse information protection activities including prevention, response, and inspection of hacking incidents in the financial industry
Korean Insurance Academic Society	Implementing work that contributes to the development of insurance and the insurance industry by conducting research on the theory, legislation and practices of insurance.
Korea Insurance Law Association(KILA)	Implementing work that contributes to the advancement of Korea's insurance culture through international exchanges of research and information regarding domestic and foreign insurance-related laws and regulations
Korean Academy of Actuarial Science KAAS)	Implementing work that contributes to the development of financial and insurance industries and conducting research on actuarial theory, actuarial related legislation, industrial status and actuaries
Korean Risk Management Society(KRMS)	Implementing work that facilitates research on the theory and practices of risk management
International Association of Insurance Supervisors(IAIS)	Implementing work that contributes to the advancement of insurance culture by conducting research on establishing insurance regulations and improving international cooperation with insurance supervisors
International Association for Volunteer Effort(IAVE)	Promoting and exchanging through a global network for volunteering
Volunteering Korea	Implementing work that helps spread the spirit of volunteering, including developing volunteering policies, distributing volunteering programs, and training volunteer workers
Korea Listed Companies Association	Implementing work that contributes to the protection of investors and the development of capital markets
Financial Information Security Association	Implementing work that contributes to the creation of a safe and convenient environment for electronic financial transactions
The Institute of Actuaries of Korea	Adopting diverse insurance systems, holding seminars, and exchanging information with the International Actuarial Association(IAA).
Fair Competition Federation	Implementing work for the promotion of competition principles, support for reinforcing fair trade capabilities of companies, and acting as a bridge between the government and industries
World Future Forum	Exchanging information to help with future economics by providing education and consulting on future economy
Global Finance Forum	Sharing pending issues of financial markets, holding forums and regular seminars to seek solutions, and exchanging useful information
Korea Forum of Volunteerism	Implementing work related to establishing and promoting the correct direction of volunteer work.
Social Contribution Innovation Forum	Establishing a network for exchanging information about social contribution