

2019
2020

Creating a Better Tomorrow, Today

CORPORATE RESPONSIBILITY REPORT

SAMSUNG
AUSTIN SEMICONDUCTOR



Contents

2019

Communities	7
People	15
Environment	21
Safety	27
Governance	31

2020

Keeping our workforce safe was a key priority in 2020.	35
--	----

Management Approach

Samsung Austin Semiconductor believes that being a sustainable and ethical company is synonymous with operating a successful business. We seek harmony – with our people, our planet and our community.

As a subsidiary of Samsung Electronics, we focus on what we can do locally. Central Texas has been our home for more than 24 years and taking care of our local community is important. From working with local nonprofit organizations to reducing the waste sent to local landfills, we’re constantly seeking new ways to make our community better, for us and our neighbors.

We focus on five primary areas:



COMMUNITIES



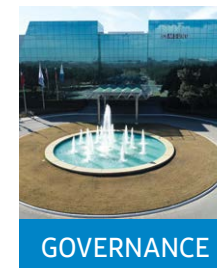
PEOPLE



ENVIRONMENT



SAFETY



GOVERNANCE

Samsung Austin Semiconductor is focused on making a better world. Through our products, actions and strategic investments, we aim to build on what we’ve accomplished and continue to positively impact Central Texas.

President's Letter

Welcome to the Samsung Austin Semiconductor Corporate Responsibility Report highlighting our corporate citizenship efforts for 2019 and the first half of 2020.

This report will document how we are creating a better tomorrow right now by reducing our environmental impact, introducing students to STEM education – and how we're responding to the COVID-19 pandemic.

Normally, this report would cover calendar year 2019. However, we have made the decision to share our company's efforts on how we have been navigating the impact of the global pandemic.

These are extraordinary times requiring extraordinary people – and I'm delighted to say I'm surrounded by them. The people that keep our essential business open are the heart of Samsung Austin Semiconductor. Their tireless work, passion and professionalism are second to none and make me proud every day. For both 2019 and 2020, we have dedicated ourselves to becoming the World's Best Foundry. Our actions every day align to this vision and are illuminated through our corporate responsibility efforts.

Through these pages, you'll read stories of how we're creating a better tomorrow, today. I hope you'll be as inspired as I am.

Gil Heyun Choi

Gil Heyun Choi
President, Samsung Austin Semiconductor
Senior Vice President, Samsung Electronics



Texas Governor Greg Abbott meets with Dr. Kinam Kim, vice chairman and CEO of Samsung Electronics, Dr. E.S. Jung, president of Foundry Business, Gil Heyun Choi, president of Samsung Austin Semiconductor and other executives from Samsung.

Samsung Austin Semiconductor was honored and humbled to interact with the leaders of Austin and the state of Texas in appreciation of their support throughout the years.

The mayor of Austin, Steve Adler, presents the keys to the city to the vice chairman and CEO of Samsung Electronics, Dr. Kinam Kim.



Business Overview

In recognition of our core value of integrity, for 2019 and 2020, Samsung Austin Semiconductor was selected as a finalist in the Large Business Category for Most Ethical Company at the Recognize Good Ethics in Business Awards.

For more information, visit:
<https://recognizegood.org/programs/ethics-in-business/>

We believe in creating the future – a better future. Our people are at the heart of this and make the impossible, possible. We believe that tomorrow will be better than today and are doing our part to ensure that happens.

Samsung Austin Semiconductor is one of the most advanced semiconductor manufacturing facilities on the planet. Here, some of the most cutting-edge technology is developed by more than 3,000 employees across a facility of more than 2.45 million square feet. The chips produced here are used in some of the most advanced devices in the world.

Our core values define how we operate our business. They were developed by our employees and are at the center of every decision we make.



Economic Impact

Since our beginnings in 1996 and through additional expansions, Samsung Austin Semiconductor has employed tens of thousands of employees, supported the hiring of tens of thousands of indirect employees through contractors and vendors and has been one of the top private employers. With an investment of more than \$17 billion from Samsung Electronics, the facility is one of the largest direct foreign investments in United States history.

Samsung Austin Semiconductor is one of the most impactful private employers in the region. Beyond the direct benefits of the facility and employees, the indirect impact on local businesses and their employees is significant.

In 2019, the facility was directly responsible for \$4.5 billion of economic impact in the Austin metropolitan area through salaries and expenditures. This includes supporting almost 10,000 direct and indirect jobs with salaries totaling more than \$445 million.

Indirectly, Samsung Austin Semiconductor and our employees contributed significantly to local tax authorities, including the city of Austin, Travis County and Manor ISD. The estimated revenues of all taxing districts are more than \$148 million.

Annual Economic Output, Jobs and Salaries Supported by the Facility in 2019		
	Economic Output	Jobs
Direct	\$2,469,219,953	3,053
Indirect and induced	\$2,043,032,589	6,930
Total	\$4,512,252,542	9,983

Estimated Revenues Received by the City, County, Manor ISD and Other Local Taxing Districts in 2019						
	City of Austin	Capital Metro	Travis County	Manor ISD	Other Local Taxing Districts	Total
Sales taxes	\$2,606,652	\$2,606,652				\$5,213,303
Property taxes	\$5,943,712		\$7,299,865	\$9,435,168	\$5,310,382	\$27,989,127
Utilities	\$109,248,640					\$109,248,640
Utility franchise fee	\$316,078					\$316,078
Miscellaneous taxes and user fees	\$1,953,584		\$2,864,991			\$4,818,575
Hotel occupancy taxes	\$3,150					\$3,150
State and federal school funding			\$1,163,466			\$1,163,466
Total	\$120,071,816	\$2,606,652	\$11,328,321	\$9,435,168	\$5,310,382	\$148,752,339

Source – Impact Data Source





Communities

Samsung Austin Semiconductor believes that all should prosper. We're a part of the fabric of Central Texas and work every day to ensure everyone thrives, from employees and their families to the communities in which we live and work. We're working with local organizations to give opportunities to children, helping students start a career in advanced manufacturing or STEM and enabling all of our neighbors to succeed.



Our Corporate Citizenship mission

Make a meaningful difference to the Central Texas community by thoughtfully investing in our people and resources



Our Philosophy

Samsung Austin Semiconductor has been a part of the Austin community for more than 24 years, in which time we've grown deep roots in Central Texas. We're one of the area's largest employers and strongly believe in passing our passion for advanced manufacturing and technology to area students. Our employees go even further by actively supporting charitable organizations with their time and treasure.

Aligning to the philosophy of our parent company, Samsung Electronics, we believe in enabling people, helping them to reach their full potential. This is seen in the thousands of hours of volunteer time given annually, our sponsorship program and our philanthropic investments.

Our Corporate Citizen efforts are based on:

- **Volunteer Time Off** – Employees are given 16 hours of paid time off to work with non-profit organizations.
- **Employee engagement** – We actively include employees in engagement activities, giving them ownership of our programs.
- **Community service** – Employees (or groups of them) are encouraged to better our communities through service projects.
- **Employee giving** – Employees are actively encouraged to support their personal charities or company-sponsored activities through our Samsung Gives online portal.
- **Employee matching** – Employees are provided an opportunity for Samsung Austin Semiconductor to match up to \$1,000 per year in charitable donations to a charity of their choice – and the company pays the administrative fees, so 100% of the employee donation goes to the nonprofit organization.
- **Philanthropy** – We actively invest in programs focusing on job awareness and readiness, breakthrough education opportunities and STEM skill development.
- **Sponsorships** – We actively invest in community-based programs that align to our key business priorities of talent development, diversity and inclusion and economic development.

Giving Back to Our Community

Central Texas is at a critical juncture. Despite a booming economy, a wide gap exists between available jobs and local workforce talent. If Central Texans lack the skills and education to participate in the economy, the health and prosperity of our community would be threatened.

We noticed that there is minimal awareness about manufacturing careers. In fact, Central Texas high school seniors rated manufacturing as the career field in which they are least interested.

We seek to change this. To help enable the potential for a great future, Samsung Austin Semiconductor launched a new philanthropic direction in the fall of 2019. Entitled “Manufacturing Potential,” the spirit of the program is to serve those who need it the most and inspire interest in manufacturing.

The spirit of our philanthropy program centers on creating potential for those who need it most in Central Texas to be inspired for a life in manufacturing — we call that “Manufacturing Potential.”

Our “Manufacturing Potential” Philanthropy Pillars

Samsung Gives	Gateway to Success	STEM Works	Pathway to Prosperity
Inspiration for employees to share their time, talent and treasure with the local community	Job awareness and readiness programs that identify, inform and inspire interest in upskilled and in-demand advanced manufacturing opportunities	Education programs that aim to spark or strengthen interest in science, technology, engineering and math skills	Programs that provide breakthrough or innovative learning opportunities and equitable access to education



Giving Back to Our Community

Volunteer Time Off

Based upon feedback from employees, in 2019, Samsung Austin Semiconductor launched a volunteer time off (VTO) program, giving employees 16 hours of volunteer time annually to support any charity of their choice in which they are passionate about. In the first year of the program, 2,408 hours were given across 68 organizations.

In addition to VTO, numerous employees and teams participate in community service events throughout the year. The total number of hours of volunteerism was more than 3,000.

Austin Chamber of Commerce honors Samsung Austin Semiconductor

Samsung Austin Semiconductor was honored as an Austin Gives Generous Business Awards honoree by the Austin Chamber of Commerce. To be eligible, honorees must pledge one percent of pre-tax earnings toward community impact programs or projects, including volunteer time and donations.







Manor ISD partnership



Samsung Austin Semiconductor executives took a tour of Manor ISD's New Tech High School to learn more about the district's manufacturing and computer science courses.



Samsung Austin Semiconductor partners with multiple local school districts. However, Manor Independent School District (ISD), the district in which our foundry sits, is our primary strategic education partner.

In 2019, Manor ISD taught 9,400 students, of which 72% were considered economically disadvantaged and 40% were not native English speakers. When we discuss creating potential, Manor ISD has been a great partner in inspiring their students to consider a career at Samsung Austin Semiconductor.

The school district has been a target recipient of donation programs from our employees and company. Examples include:

- Assisted more than 40 families as part of a holiday season Adopt-a-Family initiative, providing hundreds of gifts.
- Provided mentors for the Manor Mentoring program for the eighth year.
- Hosted a Manor ISD school supply drive for the ninth straight year, setting a record with 131,515 donations of notebooks, pens, highlighters and more.
- As part of the Season of Sharing campaign, donated \$20,800 for Manor ISD families to assist with basic needs during the holiday season, such as paying utility bills and putting food on the table.
- Toured Manor ISD's New Tech High School, so that Samsung Austin Semiconductor executives could learn more about the district's manufacturing and computer science courses.
- Donated philanthropic dollars to Manor ISD and the Manor Schoolhouse Foundation.



Advancing Job Awareness and STEM Skills



Dedication to STEM Skill Development

Anyone who works at Samsung Austin Semiconductor should have mastery of future-proof functional competencies including critical thinking, problem-solving, collaboration and creativity. Our focus in the STEM Works philanthropy pillar is teaching young people these same skills. Our STEM Work grants are designed to spark or strengthen interest in STEM skills.

In 2019, we were recognized by Texas Girls Collaborative Project Million Women Mentors as the recipient of the Texas Stand Up for STEM Corporate Award recipient.

This was because of work like the partnership with Girls Scouts of Central Texas and the 2019 Galaxy STEM Challenge that included 100 girls from nearly 50 troops, asking them to leverage their critical thinking and creativity to find ways to move items on Mars.



Building Job Awareness and Readiness

Providing local students with an understanding of their potential and how a job in advanced manufacturing is possible, is vital for our Gateway to Success philanthropy pillar. By identifying, informing and inspiring interest in upskilled and in-demand advanced manufacturing opportunities, Samsung Austin Semiconductor hopes to translate interest into action – whether that is joining a certificate program or an apprenticeship program, getting involved in an internship, going to college or going into the workforce.

We partner with African American Youth Harvest, Skillpoint Alliance, Girl Day at The University of Texas at Austin and Austin Community College.

Our women's affinity group, Women in Technology at Samsung, has volunteered for Girl Day at UT Austin for the past several years. Helping build an interest or spark a desire to pursue engineering or manufacturing, especially among girls, has been a key staple of our involvement.







People

At Samsung Austin Semiconductor, the key to our success is our people, whose talent, creativity and dedication demonstrate why our “Made in Austin” products are some of the best in the world. We focus on attracting the best talent and offer a corporate culture in which every person can excel. Our culture centers on our strong determination for growth, creating a sense of community for our employees, promoting innovation and serving as a good corporate citizen.

Samsung Austin Semiconductor is a unique and diverse place to work that blends Korean, American and Texan cultures together as we work toward becoming the World’s Best Foundry.



Diversity and Inclusion

We believe that true innovation and growth are built on a culture that respects diversity and inclusion. We aim to create a culture in which people with diverse backgrounds and ways of thinking can maximize their capabilities.

Our commitment to diversity and inclusion is unfinished business – as we are constantly learning and evolving our efforts.

In 2019, our managers and leaders went through a full day of training focused on recognizing our biases and understanding flexibility.

Our key indicators for diversity and inclusion as of September 1, 2020 are:

Gender: Female 18.8%; Male 81.2%

Executive: Female 22%; Male 78%

Samsung Austin Semiconductor also supports two affinity groups – one focused on the military community and the other on women in technology.

Mother-Friendly Workplace

Samsung Austin Semiconductor was designated a Mother-Friendly Worksite by the Texas Department of State Health Services. The designation is given to workplaces that support working mothers and provide a welcoming environment for them. Samsung Austin Semiconductor provides mother rooms, safe and sanitary places for pumping milk for those who are breastfeeding, as well as flexible work schedules.

In order to earn the designation, the workplace policy must include:

- Flexible work schedules including scheduling breaks and work patterns to provide time for expression of milk.
- Access to a private location that is not a bathroom, for the purpose of milk expression.
- Access to a nearby clean and safe water source and a sink for washing hands and rinsing out any breast pump equipment.
- Access to hygienic storage options for mothers to safely store breast milk.

Benefit Enhancements

The following benefits were adopted in 2019, providing employees with an increased work-life balance:

- Paid maternity leave increased to 12 weeks
- Paid parental leaves increased
- Employee choice for when to take two floating holidays
- Health insurance premiums remained as is for the seventh straight year



Women in Technology at Samsung (WITS)

Women in Technology at Samsung is dedicated to uniting, empowering and creating a community that inspires women to achieve their full potential in their career, life and leadership.

They accomplish this through:

- Professional Development
- Networking
- Mentorship
- Community Outreach
- Retention

In 2019, WITS celebrated International Women’s Day, hosted monthly executive meetings, participated in community events like Girl Day at The University of Texas, hosted 10 networking events and hosted four Mentor Ring Chats.



INTERNATIONAL WOMEN’S DAY 2019 #BALANCEFORBETTER SELFIE CARDS





Military Appreciation Group (MAG)

The Military Appreciation Group provides support and resources for veterans, helps build networks and opportunities for outreach, promotes healthy living and helps with professional development.

MAG officially became an affinity group in 2018. In 2019, the organization grew from an idea to more than 50 registered and active members. Activities for 2019 included hosting a “Carry the Load” event to promote the true meaning of Memorial Day, coordinating a Veterans Day 5K that grew 10 percent from the previous year, sponsoring a Manor family during the holidays and developing the 2020 road map for growth.



Human Rights

Samsung Electronics and its subsidiaries, including Samsung Austin Semiconductor, believe in human rights. Respecting and protecting human rights - the fundamental and inalienable rights and freedoms to which all people are entitled - is at the core of our labor practices. We understand that human rights are interdependent, interlinked and indivisible — and that workers' rights and digital rights are human rights. Samsung is committed to facilitating positive change around the world.

Labor and Human Rights Framework

The UN Guiding Principles on Business and Human Rights (UNGPs) place a responsibility on companies to undertake human rights due diligence. Samsung strongly supports this requirement and ensures that we have a framework established and embedded across the business to identify, prevent, mitigate and account for any adverse human rights impacts. Samsung applies the same level of scrutiny in assessing labor and human rights risks at its own operations to those of its first-tier suppliers. Also, suppliers who are doing business with us are obliged to apply our working environment policies at the same level to their sub-suppliers.

Policies and Guidance

The cornerstone of Samsung's human rights and labor policies is its [Global Code of Conduct](#) and [Supplier Code of Conduct](#), which describe standards of integrity that Samsung worksites and supply chain partners should meet, respectively. Additional global policies and guidance are supported by a range of local policies, where the risk of labor and human rights violations have been identified and which require specific mitigation measures. These policies and our UK Modern Slavery Statement are available on [samsung.com](https://www.samsung.com).

Guiding Principles

We have established a robust set of policies and guidelines to protect labor and human rights. These policies are based on:

Universal Declaration of Human Rights

UN Guiding Principles on Business and Human Rights

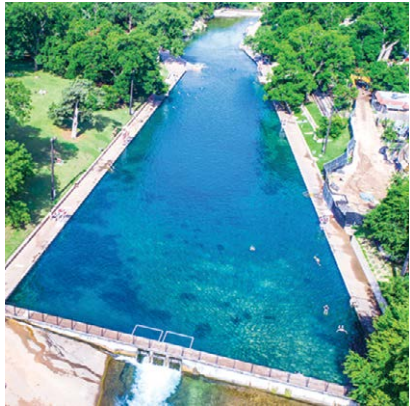
Organization for Economic Co-operation and Development Guidelines for Multinational Enterprises

UN Convention on the Rights of the Child

International Labor Organization Declaration on Fundamental Principles and Rights at Work

Responsible Business Alliance Code of Conduct





Environment

Samsung Austin Semiconductor is passionate about using sustainable practices to make a better future. Through a promise of zero waste and embracing renewable energy, we are making significant steps towards mitigating climate change and creating a sustainable world. Greening the world will take a global effort – and Samsung is ready to do our part.

Environmental Highlights



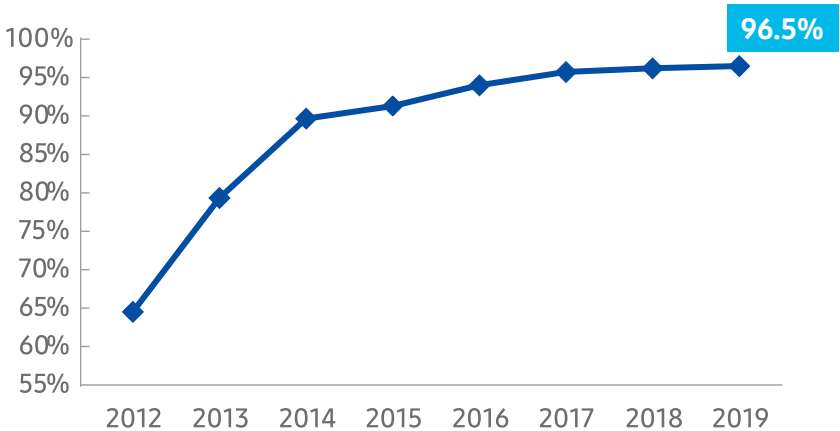
Samsung Austin Semiconductor believes that climate change mitigation is vital to securing a sustainable future. Our strategy is based on four pillars that shape it.

 <p>ADOPTION OF RENEWABLE ENERGY</p>	 <p>GREENHOUSE GAS / ENERGY REDUCTION</p>
 <p>EMPLOYEE COMMUTE</p>	 <p>GREEN PURCHASE & PROCUREMENT</p>

In 2019, Samsung Austin Semiconductor reached multiple milestones and was recognized for advances in sustainability:

- Zero Waste to Landfill Certification** – Samsung Austin Semiconductor has achieved Zero Waste to Landfill Gold Operations, 96.5% diversion with 4% thermal processing with energy recovery. The validation, delivered by UL, is a significant accomplishment and reflects our commitment to finding new manufacturing methods and better ways to utilize existing systems.
- Energy Attribute Certificate** – Samsung Austin Semiconductor achieved the Energy Attribute Certificate for our processing with energy recovery program.
- Excellence in Pretreatment Award** – For the eighth straight year, Samsung Austin Semiconductor received the Excellence in Pretreatment Award from the city of Austin for wastewater discharge. The Pretreatment award exemplifies the partnership between Samsung Austin Semiconductor and local stakeholders through an effective wastewater management vision and strategy.

Journey to Zero Waste





Greenhouse Gas Emissions

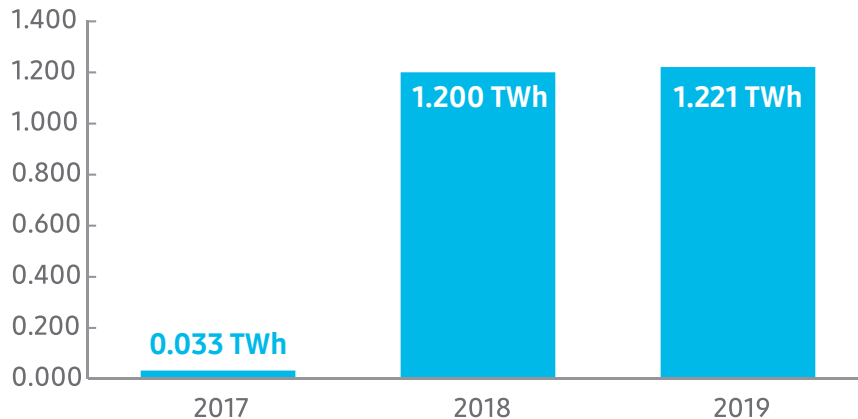
Since conducting an initial life cycle assessment of greenhouse gas (GHG) emissions in 2017, Samsung Austin Semiconductor has remained flat for Scope 1 emissions, despite increasing our production; we virtually eliminated Scope 2 with our 100% renewable energy program; and reduced Scope 3 emissions by 6% versus the baseline year. Despite the fact that our production has increased throughout the facility, the consistency in Scope 1 emissions occurred because of our increased energy manufacturing efficiencies. Our investment in renewable energy has zeroed out Scope 2 emissions. A reduction in business-related travel, a reduction in waste generated and waste usage, the selection of new suppliers and reduced shipping frequencies have resulted in the reduction of Scope 3 emissions.

Renewable Energy

Samsung Austin Semiconductor is a leading supporter of renewable energy and is one of the largest purchasers of green power in Central Texas. In 2017, we purchased 33,000 MWh of renewable energy. In 2019, that number ballooned to 1.221 TWh, or 100% of our energy purchased. That's an increase of 3,700%.

It's an extraordinarily important step in the movement to limit climate change. Purchasing exclusively from green power providers is a strategic decision that, along with other Samsung North American subsidiaries, will push down the cost of renewable energy and encourage others to increase their green purchases as well.

Renewable TWh



This was the second consecutive year we had 100% renewable energy.

Samsung Austin Semiconductor accelerates development of renewable energy

Samsung Austin Semiconductor is partnering with Apple, eBay and Sprint to purchase a significant amount of clean energy from a new wind farm based in Crockett County, Texas. The purchase of 75 megawatts is enough to power 20,000 homes.

“Samsung Austin Semiconductor understands the responsibility of businesses to work together to support environmental sustainability and increase the share of renewable energy in our local markets,” said Gil Heyun Choi, president of Samsung Austin Semiconductor. “We see this agreement as a landmark effort for cutting-edge semiconductor technologies and a demonstration of green manufacturing brought to scale.”

Energy partnerships like this provide a boost to green power and support the building of similar projects. The Mesa White Wind project is owned and operated by Apex Clean Energy and will provide 500 MW when it comes online in 2021.

Water Conservation



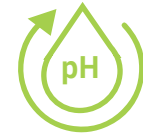
As one of the largest water consumers in the Austin region, we are highly cognizant of how important it is to conserve wherever possible. To reduce waste, Samsung Austin Semiconductor has implemented a pre-treatment solution that significantly reduced wastewater discharge and kept byproducts out of landfills.

The Copper Ion Exchange system uses ion exchange technology to remove copper from wastewater, eliminating solids disposal to landfill versus chemical treatment systems. The copper is now recovered within the value chain and used for beneficial byproducts with vendor partners. Since 2017, we've reduced wastewater byproducts by 47%.

Samsung Austin Semiconductor has also made significant advances in reducing wastewater discharge through reuse and reclaim efforts. There was a 12% decrease in the wastewater discharged in 2019 as compared with the baseline year.

Samsung Austin Semiconductor was a recipient of the Austin Energy Environmental Champion Award, given annually by the Greater Austin Chamber of Commerce. The award is given to organizations that prioritize the environment and sustainability and are committed to green practices.

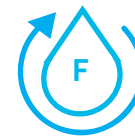
There are three kinds of wastewater treatment methods: pH neutralization, fluoride treatment and copper treatment.



1

PH NEUTRALIZATION

pH is adjusted to meet internal quality standards and then discharged.



2

FLUORIDE

Chemical precipitation treats the water prior to discharge, creating a useful byproduct: calcium fluoride filter cake that is reused in other industrial applications.



3

COPPER

Copper is removed by charged resin, eliminating issues for downstream local municipality treatment and allow the copper to be recovered for beneficial reuse.

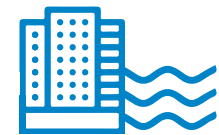


4

FINAL STEP

Final quality check is performed before it is sent to the city of Austin wastewater treatment plant.

5



CITY OF AUSTIN
WASTEWATER
TREATMENT PLANT

Recycling

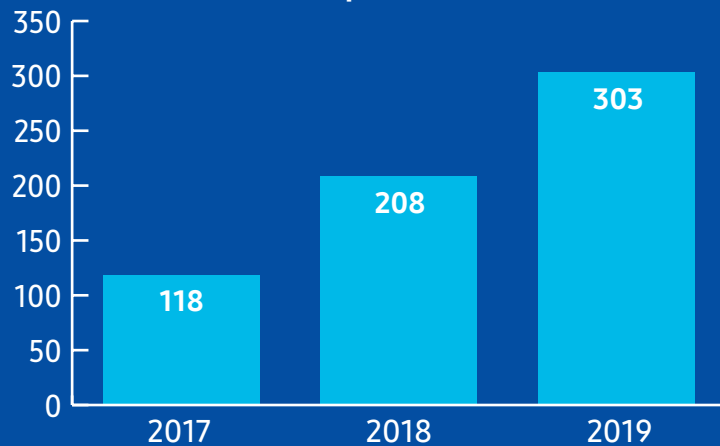


Samsung Austin Semiconductor supports its Zero Waste goal by making it easy for our employees to recycle while on-site and encouraging them to do the same at home. Recycling options are available for employees to recycle everything from food to office supplies to even Christmas trees. A January recycling push composted 30 trees in addition to e-cycling 6,000 pounds of home electronics.

We also significantly increased our composting efforts, more than doubling the amount composted in 2017.

Samsung Austin Semiconductor has achieved Zero Waste to Landfill Gold Operations, 97% diversion with 4% thermal processing for energy recovery.

Waste Composted (in tons)



Doubled the amount composted in 2017

2019 Updates



COMPOST

303 Metric Tons



RECYCLING RATE

97%



WATER PURCHASE

2,339 Million Gallons



WATER RECYCLING

954 Million Gallons



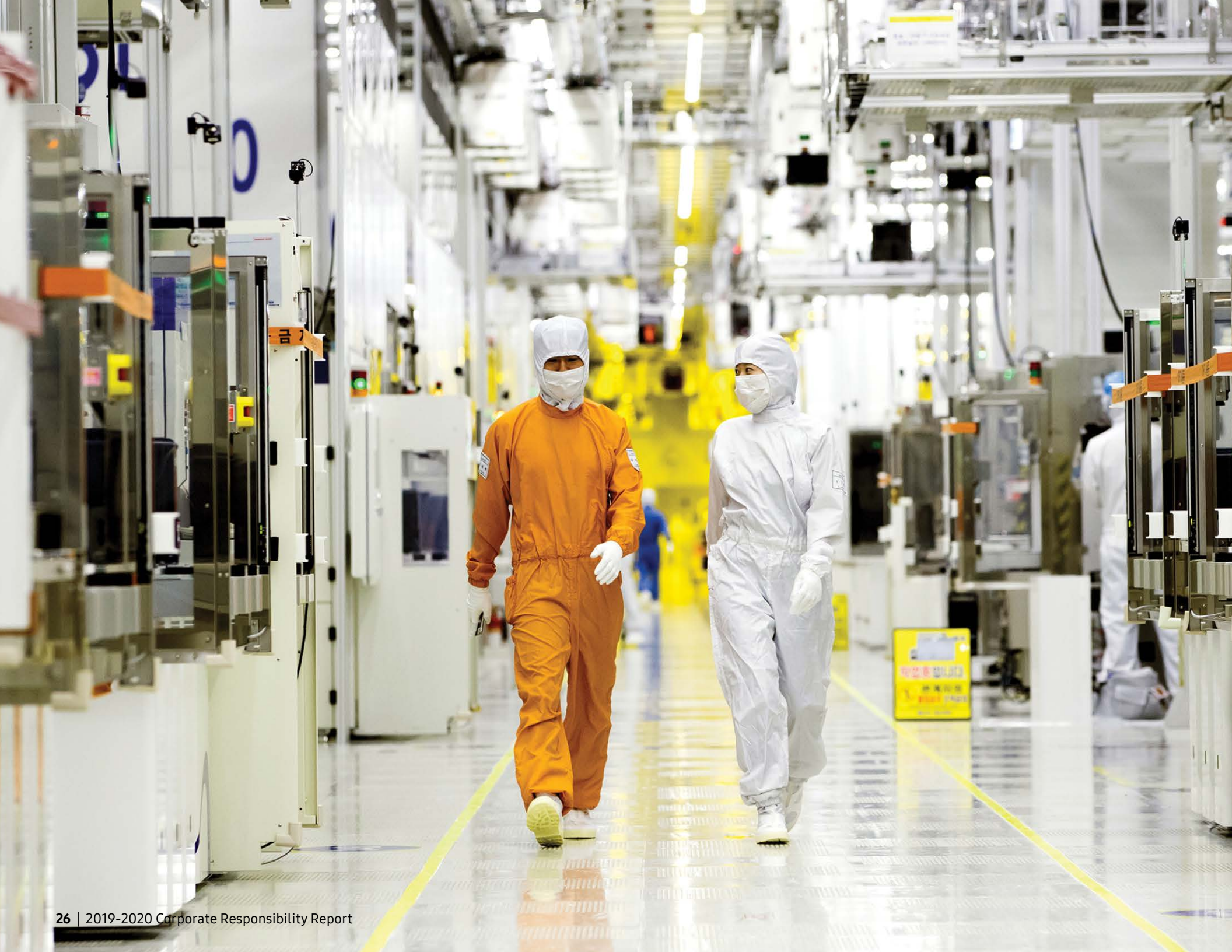
ELECTRICITY USE

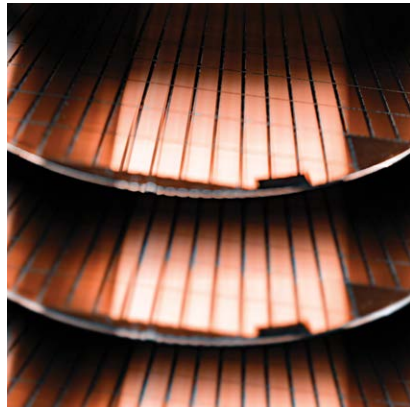
1.3 TWh



RENEWABLE ENERGY USE

1.2 TWh





Safety

Samsung Austin Semiconductor's first principle of management is safety.

We believe that providing a healthy and safe environment is important for all employees, contractors and visitors. We recognize that a safety culture is a human capital, risk management and business need. That is why we continue to invest in health and safety awareness throughout the year.

Safety Performance

In 2019, Samsung Austin Semiconductor launched our behavior-focused safety program, Journey to Zero. Journey to Zero builds a safety-first culture and goes beyond standard training and zero-sum safety performance objectives. By leveraging this program and a key paradigm shift, the company is adapting the way the workforce views safety performance, with an emphasis on longer-term results, sustained safety actions, opportunities for continual improvement and empowering workers to make a difference.

Journey to Zero includes both common and expanded safety training concepts, including training for ergonomics, risk assessment, lockout/ tagout and incident investigation. Employees are encouraged to go beyond standard compliance training to earn these additional certifications and to lead others in their commitment to safety.

This collaborative and expanded focus leads to identifying risks before injuries happen. The ergonomics and risk assessment tracks give conductors the skills necessary to recognize, quantify and correct risks before they turn into an incident.

Additionally, each employee has a safety component built into their personal Key Performance Indicators, giving all employees ownership over Samsung Austin Semiconductor's culture of safety.

Employees also took ownership of their personal safety behaviors through the Leading Safety Metric (LSM). The purpose of the LSM is to encourage employee engagement in the company safety program, in turn improving our safety culture and reducing risk.

Points are issued for various environmental, health and safety related actions or projects completed by employees. Employees track their progress through an internal portal and key safety subjects are driven from the top down through monthly sequential safety meetings. This type of learning creates an organizational mindset for safety.

Key components of Journey to Zero in 2019 were the safety pillars of "Commit. Act. Improve." This pledge provided an emphasis on three key safety initiatives for improvement: texting while walking, parking lot safety and slips, trips and falls. In each of these areas, we were able to increase awareness and improve the actions of our employees.

In 2020, Samsung Austin Semiconductor continued the emphasis of employee safety engagement with a company-wide metric for LSM. In addition, to enhance the personal awareness of activities that carry the greatest potential threat of serious injury or fatality, we launched our 8 Life Saving Rules. By educating our workforce about what happens when safety rules are not observed or followed carefully for the most serious or fatal safety issues, we can be proactive in our journey to improve our safety behaviors.



Safety
Our first and foremost principle of management.

Journey to zero

Creating a proactive safety culture committed to enhancing our performance through mutual respect, continuous improvement, and open communication.

Commit. Act. Improve.

SAMSUNG
AUSTIN SEMICONDUCTOR



COMMIT TO ACT SAFELY

USE YOUR SMARTPHONE SMARTLY.
NO WALKING AND TEXTING.



STOP AND STEP ASIDE
EYES UP. PHONE DOWN.

Journey to zero

8 Life Saving Rules



Control all energy sources with lockout tagout



Use approved fall protection when working at heights



Control entry to Confined Space



Control all Hot Work



Adhere to all line breaking and chemical handling precautions



Maintain 10-6 clearance from AMHS



Only qualified personnel complete energized electrical work



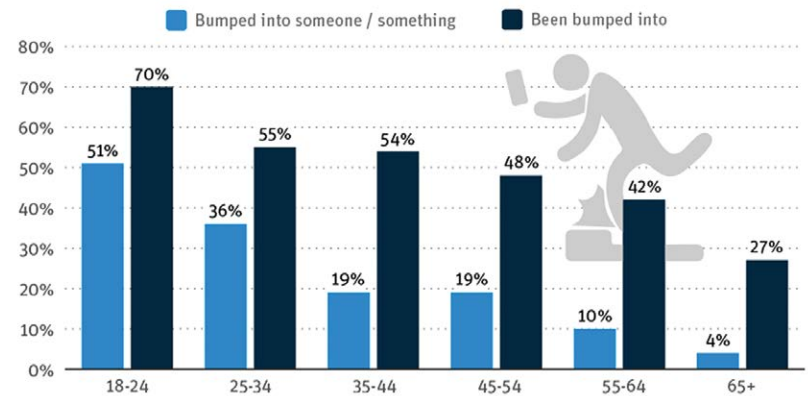
Use barricades to control risk

= Permit Required

SAMSUNG
AUSTIN SEMICONDUCTOR

Watch Out for Smartphone Users

% of cell phone owners have bumped into something or someone because they were distracted by their phone



n=1,954 adult cell phone owners





Governance

Doing business the right way is our standard. Samsung Austin Semiconductor is dedicated to adhering to all laws, as well as our own Global Code of Conduct. Building an ethical operation that holds our suppliers, customers, stakeholders and ourselves to the high standards of propriety is ingrained in our business.

Compliance Training

In an effort to minimize the risk of violating laws and regulations, we provide customized training that reflects the regulatory trends and business environment of each worksite. The training program, which includes customized training for each department, training for employees before dispatch and self-training for overseas worksites, among others, is designed for each employee's level of awareness on related topics, position and regional characteristics.

We also distribute compliance guidelines that employees can refer to in their everyday tasks.

Code of Conduct

All employees, contractors, vendors and suppliers of Samsung Austin Semiconductor are expected to observe certain standards of performance and conduct for the safe and orderly operation of the company's business.

It is the responsibility of every employee and every contractor, vendor and supplier to conduct business in a professional, safe and ethical manner at all times. Samsung Austin Semiconductor has adopted the principles and policies set forth on the Samsung Business Conduct Guidelines website, and on the Samsung Ethics & Compliance Management website, each of which can also be located from the Ethics page at [samsung.com](https://www.samsung.com).

All employees, contractors, vendors and suppliers are expected to adhere to these principles and policies. Compliance with these principles and policies will help to ensure the confidence and support of customers, suppliers, regulatory agencies and the public. Any employee who becomes aware of existing or potential violations of Samsung policies, guidelines or codes of conduct is expected to report any concerns promptly to management, Human Resources, Corporate Counsel or directly to the SEC.

Political Action Committee

Samsung North America partnered with Samsung Austin Semiconductor to launch the Samsung Political Action Committee (S-PAC) in Austin. Eligible employees can voluntarily support federal, and where allowed by law, state candidates who support Samsung North America business objectives. These contributions are made in compliance with applicable federal and state laws and can be found at www.fec.gov.

Samsung Austin Semiconductor does not make political contributions using business funds.



Ethical Sourcing



Samsung Austin Semiconductor, like our parent company Samsung Electronics, uses the Eco-Partner certification system to ensure that our supply chain is held to the highest ethical standards. Every supplier must be Eco-Partner certified, which includes a full assessment of the company.

They must be in compliance with our Standards for Control of Substances Used in Products and utilize an environmental quality management system. They must also provide information about potential hazardous substances and raw materials.

Supplier manufacturing sites receive on-site visits to verify information and complete the assessment. They are audited bi-annually and must be re-certified to remain a part of the supply chain.

Additionally, they are graded on other issues, like occupational safety, firefighting facilities, occupational health, hazardous substance and waste handling and sewage and wastewater facilities.

Conflict Minerals

Samsung Austin Semiconductor complies with Samsung Electronics conflict mineral policy. Samsung Electronics complies with the OECD Due Diligence Guidance to minimize the negative societal and environmental impacts of mining minerals in conflict-affected and high-risk areas, including human rights infringements and environmental problems. Samsung Electronics is in the process of establishing a conflict-free system that prohibits the use of conflict minerals that have been mined from 10 African countries, including the Democratic Republic of Congo.

All suppliers are required to implement processes that allow them to systematically check the removal and management of minerals that have been mined illegally in conflict-affected and high-risk areas from product parts and raw materials they supply to us. Risks related to responsible minerals are managed by Samsung Electronics' Partner Collaboration Center under the chief risk officer (CRO), who also serves as the company's chief financial officer.

The responsible minerals personnel in each business division manages and checks the departments' and suppliers' related risks. The Center also cooperates with the relevant bodies under the company-wide risk management system including the Corporate Sustainability Management Office, the Communication Team and the Corporate Compliance Team. As for newly identified responsible minerals, Samsung Electronics works jointly with global stakeholders by participating in councils, such as the Responsible Minerals Initiative (RMI) and the European Partnership for Responsible Minerals (EPRM).





Keeping our workforce safe was a key priority in 2020.

The first half of 2020 was unlike any other in our company's history. The COVID-19 pandemic changed our perspectives on many things – however, safety became even more important and has been at the center of how we operate.

Still, we rose to meet the challenge. Employees adapted how they work and embraced new ways to work and communicate. We had important conversations and while we were physically more apart, we became closer as a Samsung family.

We can't control the world around us, but we can control how we react to it. We chose to react with strength, compassion and fearlessness.

Letter from Corporate Responsibility Department



What a challenging, yet inspiring year 2020 has been. While we have experienced so many unforeseen changes in our community in six months, I am proud and inspired by our community, our leadership and the employees of Samsung Austin Semiconductor.

Samsung Austin Semiconductor employees stepped up to the challenges, got creative and continue to meet the needs of our customers, our community and fellow employees. Samsung Austin Semiconductor has been an integral part of the Central Texas landscape for 24 years and continues to contribute to the region's prosperity. I want to share just a few highlights from the first half of 2020.



Michele Glaze

Director of Communications & Community Affairs

2020 Highlights

Commitment to Community, Environment and Sustainability

\$1 million
in donations

Samsung Austin Semiconductor donated \$1 million to support organizations making a difference in response to the coronavirus in Central Texas.



Samsung Austin Semiconductor was named honoree in 2020 Greater Austin Chamber Austin Gives Awards.

**AUSTIN
GIVES
AWARD**

Manor ISD New Tech High School (MNTHS) Robotics Team, Texpllosion, with support from Samsung Austin was able to compete in Robotics competitions with an improved robot.



**AMPLIFY
AUSTIN**

Employees were able to use company matching contributions to maximize participation in Amplify Austin – Austin’s annual giving campaign.



Samsung Austin Semiconductor hosted a virtual food drive to help support the Central Texas Food Bank.

Samsung Austin Semiconductor received Zero Waste to Landfill Gold level validation this year for recycling or reusing 97 percent of waste.

ZERO
waste to landfill

Employees wanted to contribute more to local charities being impacted by COVID-19. In only 19 days, 197 Samsung Austin Semiconductor employees donated over \$21,000 to this campaign.

\$21,000
donated in
19 days

Employees joined University of Texas at Austin students from across all engineering majors for the Women in Engineering Program Evening. The program aligns with Samsung Austin Semiconductor’s commitment to support women in STEM.

#9
amongst green
power users

The Environmental Protection Agency ranked Samsung Austin Semiconductor #9 amongst green power users.

Manufacturing Potential



Continuing to support our philanthropic efforts of “Manufacturing Potential” was critical for 2020. Many of our local nonprofit organizations had to pivot, providing in-person learning to a virtual environment – and did so successfully.

Samsung Austin Semiconductor invested a million dollars in the community for 2020 as part of our traditional philanthropic, sponsorship and membership programs. This was in addition to the \$1 million designated for COVID-19 relief.

Our partnerships with local nonprofits that serve the most vulnerable in the Central Texas community was vital in continuing to see Central Texas thrive.

Examples of some of our partnerships include:

African American Youth Harvest

Samsung Austin Semiconductor invests in the future of the Austin workforce by promoting job awareness and readiness programs that identify, inform and inspire interest in advanced manufacturing careers.



In 2020, we sponsored African American Youth Harvest’s Strengthening our Workforce program. AAYHF partners with local professional and workforce development organizations to provide low income students with learning opportunities, including potential internships. AAYHF also provides volunteer opportunities for Samsung Austin Semiconductor employees to discuss career opportunities.

Latinitas

We were also proud to support Latinitas and the organization’s Future is Chica 2020 campaign. Latinitas supports 2,000 girls between the ages of 9 and 18 across Austin and the Future is Chica campaign supports them in developing skills that will lead to STEM careers. This includes activities like courses based on design thinking, coding classes and workforce development workshops.



Skillpoint

Through Samsung Austin Semiconductor’s 2020 grant funding, Skillpoint Alliance is providing targeted workforce development programs that inspire interest and engagement in advanced manufacturing and skilled trade opportunities through a rapid experiential education opportunity for recent high school graduates and high-school equivalency credential/GED completers (ages 18-21).



Boys and Girls Clubs of the Austin Area

Samsung Austin Semiconductor sponsored the Boys and Girls Club of the Austin Area’s STEM Academy and STEM Outreach programs. The Academy is designed to give at-risk children in grades K-12 technical knowledge and skills and is housed in schools, housing authority units and community centers.



The Outreach program identifies students who may benefit from the Academy.

Manufacturing Potential (continued)



Manor ISD

Manor ISD, like school districts across the country, faced many unexpected challenges in the face of the coronavirus pandemic. Moving classes online required teachers and staff to quickly pivot their work, and led to many technology access issues. Samsung Austin Semiconductor stood alongside Manor ISD (MISD) as they took on these challenges, adding flexibility into previously allocated grant funding to allow the district to respond to emerging academic needs.



For example, the district reimagined their summer Middle School STEM Camp for incoming 6th grade students as an exciting remote learning environment in partnership with Samsung Austin Semiconductor, Lego Education, and MISD. Dr. Claire Hodgins and a fantastic team of teachers worked with incoming 6th graders in Manor to code and build robots using Lego Education kits and Chromebooks that the students received for free thanks to funding from Samsung.

Additionally, we hosted a virtual elementary STEM Camp for students to enhance their science, technology, engineering and math knowledge and skills. The students received learning kits at home with instructions and online help from instructors on how to use the kits.

Additionally, many families in the district have dealt with financial hardships due to unemployment, homelessness and other concerns related to the pandemic. The district prioritized the well-being and safety of students and their families, and Samsung Austin Semiconductor was proud to be able to support this work through special COVID-19 crisis relief funding and PPE donations, including 2,000 masks, 1,300 hand sanitizers and 4,600 oral thermometers.

Some of the donations have been distributed to families in need. However, the majority of the items are being distributed to the schools as they begin the preparations of phasing students and staff back into schools.



“As you know, these items are extremely expensive and districts across the United States didn’t budget based on a pandemic. The generous contributions for your company helped ease those expenses and reduce that worry; and, for that, we are truly grateful!”
- Becky Lott, Partnerships, Foundation and Wellness Director, Manor Independent School District

Samsung Gives | We Chip In

Leveraging the time and talent of our employees to make a difference in the community has been a tradition at Samsung Austin Semiconductor for decades. However, the pandemic made in-person volunteering not feasible.

Samsung Austin Semiconductor had to suspend typical in-person volunteering engagements. In June, our Pandemic Response Team and leadership team approved changes to our Volunteer Time Off policy to allow employees to utilize VTO for virtual volunteering opportunities. Under this new policy, our employees have given virtual presentations to students about manufacturing careers, participated in roundtables with teachers from across the country to share tips for engaging students in STEM learning and participated as judges and speakers for online summer camps.



Zero Waste to Landfill Designation

In January, Samsung Austin Semiconductor had achieved Zero Waste to Landfill Gold Operations, 97% diversion with 4% thermal processing with energy recovery.

Samsung Austin Semiconductor was the first Samsung semiconductor manufacturing site to receive the validation. Four other facilities in Korea and two in China received the certification later in 2020. This recognition shows a dedication to turning to recycle and reuse concepts versus thermal or landfill disposal options. Innovative manufacturing methods and finding new ways to better utilize existing systems and processes helped SAS receive this validation. Continued employee awareness and efforts will move us closer to 100 percent waste diversion.

“By pursuing zero waste to landfill validation, Samsung is demonstrating its commitment to reducing waste as a key sustainability initiative at the semiconductor sites,” said Alberto Uggetti, vice president and general manager, environment and sustainability division at UL. “The Zero Waste to Landfill achievements at its semiconductor sites reflect its dedication to the environmental leadership and UL is pleased to validate its efforts.”



EPA Green Power Leadership Award

Samsung Austin Semiconductor, along with Samsung Electronics America and Samsung Semiconductor, were awarded the Green Power Leadership Award for Excellence in Green Power Use by the U.S. Environmental Protection Agency (EPA). The award is given to businesses and organizations that show a strong commitment towards advancing green power use and the development of green power sources.

Samsung and Samsung Austin Semiconductor are a part of the EPA's Green Power Partnership, which works to increase the use of green power. Samsung is No. 9 on the EPA's National Top 100 Partners list and No. 6 on the Top 30 Tech and Telecom Partners list.



Our Approach to COVID-19

Caring for Our Workforce

Beginning in January, Samsung Austin Semiconductor began closely monitoring the spread of the novel coronavirus we now commonly know as COVID-19. As an essential, global business, the virus could have a significant impact on our operations, people and community.

The well-being of employees has always been the highest priority.

When the virus reached our colleagues in Korea and numerous other countries, it became apparent that this disease was going to reach the United States and would almost certainly have a notable impact. A dedicated Pandemic Response Team (PRT) was created to navigate the circumstances surrounding the pandemic, provide oversight on related issues and reinforce a safe work environment that allows essential manufacturing to continue. The PRT established a regular meeting cadence and on an ongoing basis since that time, has continued to respond to the ever-changing dynamics of the pandemic.

Creating Safety Processes

The PRT enacted strategic measures to help ensure the safety and well-being of employees, vendors and contractors, their families and this community. Among these, an internal employee resource site was developed as a means of keeping our workforce informed about all manner of topics related to COVID-19 and affected business operations. Additionally, numerous other tools, processes, communications and support mechanisms were instituted (in particular during the first six months of 2020) while the company adapted to operations amid the pandemic. Throughout this all, the PRT worked in alignment with Samsung Austin Semiconductor's executive leadership team and president.

Solutions and safety precautions enacted included health monitoring, restricting travel, providing personal protective equipment for our workforce and their families, social and physical distancing measures, enhanced cleaning and sanitizing protocols throughout the building and in the fab, implementation of a remote workforce and development of new and enhanced communications to keep everyone informed.



Our Approach to COVID-19 (continued)

Investing in Our People

Samsung Austin Semiconductor also provided support for those who were directly affected by COVID-19, who required quarantine/isolation, or who have been responsible for caring for family members — from young kids navigating school to the elderly and at-risk individuals.

Samsung Austin Semiconductor fully abided by requirements and guidelines set forth by the local government and health authorities, and will continue to take all necessary measures to ensure the safety and well-being of our employees and those who work on-site for as long as needed.

Samsung Austin Semiconductor also made an emotional investment in the mental health of all employees. The pandemic has upended our sense of normalcy as connections are put on pause and schools are closed. To facilitate comradery and opportunities for employees to maintain meaningful connections or manage through stressful circumstances, numerous employee engagement activities occurred, including:

- Recognized the class of 2020 for children of employees who were 2020 graduates in quarantine
- Hosted a virtual quarantine staycation idea contest
- Hosted a quarantine recipe contest
- Launched our Idea Fair online
- Coordinated a Kids' Art contest
- Hosted a Family Mask Contest
- Distributed PPE to employees, twice
- Distributed Family Hero kits to nominated family healthcare heroes



- Created informational videos and some fun, parody videos and other creative materials to keep people both informed and engaged
- Adapted the SAS quarterly meeting structure to a video series format for social distancing and to support remote workforce engagement
- And much more

We've also been able to avoid furloughs or layoffs in a highly volatile economic environment.

Our core values are based on the prosperity of all. By working together and supporting each other, this too shall pass. We look forward to the day when we can gather as a work family once again. Until that day comes, we will continue to be diligent, safe and healthy.

How COVID-19 Affects Us



On-Site Employee

Their day starts with a health screening at the entrance. They answer a questionnaire, have their temperature taken and, upon being cleared, enter the facility. On certain days of the week they are provided a free mask or can use their own. They wear masks all day, avoid sharing confined areas (like elevators) with others and eat lunch at their desks. Social distancing is the rule, of course.



Cafeteria Contractor

The cafeteria is less busy as many employees are working from home and those on-site are encouraged to eat at their desks or in the socially-distanced seating in the cafeteria. The rule of the day is sanitize, sanitize, sanitize. All kitchen surfaces are thoroughly cleaned multiple times a day. No contact and cashless sales are now the norm. Everything in the cafeteria is now “Grab & Go” and you can only enter through one set of doors and exit through another.

At Home Worker

Their day starts with a health screening. Instant message chats continue and teleconferencing is more of the norm. What used to be a short conversation in the hall is now done over email or instant messenger. Shared drives have replaced desks and children become officemates.

Partner Charity

Budgets are stretched as the economy creates uncertainty. In-person volunteering isn't feasible, but virtual volunteering is. Donations are especially important.

Foundry Customer

Production continues and meetings with customers are now virtual or through teleconferencing.



Caring for Our Community

In response to COVID-19, Samsung Austin Semiconductor and our employees donated more than \$1 million to Central Texas organizations:

- **All Together ATX (\$500,000)** – All Together ATX supports people throughout the Austin region with immediate needs, such as food, medical and child care, and employment.
- **Crisis Support for Students (\$300,000)** – Funds will be distributed to school districts and other school-affiliated organizations that are supporting students in the communities where our employees live, including Austin ISD, Hutto ISD, Leander ISD, Manor ISD, Pflugerville ISD and Round Rock ISD.
- **Central Texas Food Bank (\$100,000)** – The most vulnerable in our community need resources to stay healthy. Central Texas Food Bank will support hunger relief for those Central Texans affected by COVID-19 shutdowns and work stoppages.
- **Strategic partner funding (\$100,000)** – Funds will be directed to our nonprofit partners as they navigate serving our community with reduced resources and significant changes in their programming.
- **\$19k for 19 for COVID-19 (\$21,000)** – In 19 days, almost 200 Samsung Austin Semiconductor employees beat the original goal by donating over \$21,000 to Central Texas charitable organizations.
- **Central Texas Food Bank (\$6,000)** – SAS employees donated the equivalent of 24,000 meals for COVID-19 relief.

We also launched “Family Hero” Care Packages to recognize those unsung heroes from family members on the front lines. Employees could nominate family heroes and contribute to the care packages including thank you notes.

“A huge thanks to @SamsungAustin for giving back to the Central TX communities directly impacted by #COVID19 #togetherwehitharder”

— Steve Adler, Mayor of Austin



“Samsung Austin Semiconductor has always been a generous supporter. I am speechless by this gift.”

— Mike Nellis, Executive Director
All Together ATX



“Wow \$100K! That is such an amazing show of generosity for our neighbors that are struggling to keep food on the table right now. We are so grateful for the partnership with Samsung, and your massive commitment to support the community.”

— Mark Jackson, Chief Development Officer, Central Texas Food Bank



“We have the BEST community & corporate partners. Thank you @ SamsungAustin for your \$100,000 pledge to @AustinISD’s Crisis Support Fund to help students with meals, telehealth, & technology resources!”

— Austin Ed Fund

“We are thrilled and cannot thank you enough for this tremendous gift in support of your local community! This will make a huge impact for Leander ISD students and staff! Thank you!!”

— Leander ISD



“WOW! Manor Schoolhouse Foundation is beyond grateful to Samsung Austin Semiconductor for the \$100,000 donation made to the foundation for COVID-19 relief efforts. This act of kindness will positively impact the evolving needs of Manor ISD students and their families. You all go above and beyond for the community. We appreciate your leadership, Michele Glaze and Kelly Ballard, for advocating for the Manor ISD community!”

— Manor Schoolhouse Foundation

“This is an unprecedented time for school districts across the nation and one of our biggest concerns is making sure all of our students have access to the things they need to be successful learning at home. Samsung’s generous gift will help us ensure our students are able to stay engaged and involved in their studies, even under challenging circumstances.”

— Dr. Steve Flores
Round Rock ISD Superintendent
of Schools



“This is a game-changer for our students!”

— Hutto ISD



About This Report

This is Samsung Austin Semiconductor's fourth report and is used to communicate how we impact our employees, the communities that support us and the environment.

Special thanks goes to the following for the creation of this report:

BSI — BSI EH3S Consultancy verified

BrightLeaf Group — Content development and graphic design

Samsung Austin Semiconductor Communications & Community Affairs — Kelly Ballard, Michele Glaze, Kymberly Tennes and Katherine Thole

Project X Project — Special thanks for graphical images

These United Nations Sustainable Development Goals shape our strategy and guide our decision making.

Samsung Austin Semiconductor has adopted 7 of the 17 United Nations Sustainable Development Goals as a guide for our sustainability and corporate responsibility strategy. These goals serve as a North Star and framework for our strategy.



Goal 4 – Quality Education: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



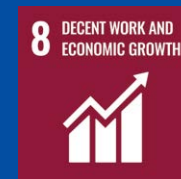
Goal 5 – Gender Equality: Achieve gender equality and empower all women and girls



Goal 6 – Clean Water and Sanitation: Ensure availability and sustainable management of water and sanitation for all



Goal 7 – Affordable and Clean Energy: Ensure access to affordable, reliable, sustainable and modern energy for all



Goal 8 – Decent Work and Economic Growth: Promote sustained, inclusive and sustainable economic growth, full and productive employments and decent work for all.



Goal 12 – Responsible Consumption and Production: Ensure sustainable consumption and production patterns.



Goal 13 – Climate Action: Take urgent action to combat climate change and its impacts.



Printed on an Energy Star 2.0
Standards Compliant Digital Press

50% Recycled Paper and FSC
Compliant

Eco Solvent Pigmented Ink for
Reduced Environmental Impact

For more information, visit www.samsung.com/us/sas/

Mask Up. Stay Safe.



SAMSUNG
AUSTIN SEMICONDUCTOR

www.samsung.com/us/sas/